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**Program Book**  
**International Conference on Entrepreneurship and  
Business Management**  
**(ICEBM 2019)**

**UNTAR**  
**KUALA LUMPUR – MALAYSIA**

## **REPORT FROM THE COMMITTEE CHAIR OF THE EIGHTH ICEBM UNTAR 2019**

The International Conference on Entrepreneurship and Business Management (ICEBM) is a conference that aims to facilitate the exchange of best practices information and knowledge dissemination in the field of entrepreneurship, business, and management. The first ICEBM was held in 2011 at Tarumanagara University, Indonesia. From 2013 to 2018, Tarumanagara University had co-hosted The ICEBM event with foreign universities, such as Universiti Sains Malaysia, Dusit Thani College, and Foreign Trade University, as well as domestic universities, such as Universitas Ciputra, Universitas Udayana, Universitas Krida Wacana, and Trisakti School of Management. This year, The ICEBM has co-hosts with Tunku Abdul Rahman University College, Kun Shan University, Universitas Putra Indonesia YPTK Padang, STIE YKPN Yogyakarta, Trisakti School of Management, and Universitas Kristen Krida Wacana.

The only thing that never changes is the change itself and digital disruption is part of the change process. Nowadays, the most valuable resource is data. Along with artificial intelligence, digitalization will provide companies with data for marketing, sales, and product development, also the data to optimize operations and improve productivity. Businesses are becoming more data-oriented and data-driven. However, there are things to watch, that the winner in digital world doesn't always take all, new technologies are complementary and not substitute, meanwhile geography still matters, and the changing speed is not so fast.

Digital disruption has become a reality for most organizations nowadays. Companies can create new markets or leverage the power of information to offer solutions in new ways. However, limited efforts have been done to provide an understanding on how entrepreneurship and business management will be affected by such digital disruption. With a conference theme "The Challenge for Entrepreneurship and Business Management in Digital Disruption Era", The 8th ICEBM aims to provide opportunities for academics, professionals, policy-makers, and practitioners from various fields to present their research and views, while interacting with members inside and outside of their disciplines.

This year, we receive 94 paper submissions from Indonesia, Malaysia, Taiwan, Hungaria, Philippine, and Germany. Papers submitted were being double-blinded review by The ICEBM Scientific Committee consisting of 42 reviewers coming from 16 different academic institutions and 6 countries. A total of 85 out of 94 papers were accepted. All papers accepted will be published in the Conference Proceedings and will be submitted for further indexation to Web of Science (WoS).

Last but not least, we wish to express our sincerest gratitude to all parties that have supported this event: Co-Host Universities, Organizing Committee, Sponsors, and all fellow researchers for their tireless contributions in science. Let us be the part that disrupts and not disrupted. Thank you. We wish you all the good experience during the conference.

**Committee Chair,  
Cokki**

# **OPENING SPEECH FROM THE DEAN OF FACULTY OF ECONOMICS AND BUSINESS UNIVERSITAS TARUMANAGARA**

## **Four Things Will Influence to Entrepreneurship and Business**

Honorable guests, speakers and participants of 8<sup>th</sup> International Conference on Entrepreneurship and Business Management 2019, welcome and thank a lot for joining this prestigious event. First I must appreciate to the committee that has been arranged this annual job perfectly.

Second I also want to state that the theme of the conference - The challenge for Entrepreneurship and Business Management in Digital Era - is very relevant and inspire, especially according to future of the progress of entrepreneurship and business model. I think digitalization become one of the solution for overcoming economic slowdown or recession. According to Patrick Dixon, the author of The Future of Almost Everything, How Our World Will Change Over The Next 100 Years (2019), there are four things that will create the next great digital revolution. The four things are: Internet of thing; big data; cloud computing; artificial intelligent.

Internet of thing: at least 60 billion different items will be communicating with each other online by 2025, and rising to 130 billion by 2030—hard wired into the web, or using radio-frequency identification device (RFID). Human being also already part of internet of thing. Some people have injected RFID themselves under their skin. Four thousand people in Sweden have been chipped in this way, which mean that they no longer need paper travel tickets or plastic travel to pay somethings.

Big data: around 90% or all data we have ever created has been generated in the last two years, 2.5 million trillion bytes a day, much of it from the internet of things. Here are the benefit of big data: Your bank sees an unusual pattern of purchase from strange location, the bank can create a fraud alert. The market places can predict which product to stock in warehouses to closest to their costumers.

Cloud computing: cloud computing will become the main way to prevent data loss, backing up automatically the contents of every computer or mobile. Most software will be rented by the day, week, month or year, running in cloud, rather than on your own machine. Salesforce.com, is a prime example of a cloud company able to set up and run call center almost instantly and manage customer relationships.

Artificial Intelligence: in reality is that billions of small decisions are already influenced by AI, for example selecting the route your drive. AI is gradually taking over and dominating our world. Robot doctor, who never trained at medical school, are now more accurate at diagnosing many medical emergencies than most doctors or nurses. AI also is better at detecting payments fraud. Even AI already is able to predict, with 90% accuracy, a wide range of gene defect, just from the shape of people's face.

It must be realize, however, behind the many benefits of digitalization, also emerge threats that AI will be harnessed by criminals. Every web page you visit may be collecting your

screen size, operating system, location, web browser type and many other things that form a unique digital footprint. This information open opportunity to be used to target you as crime victim. But this problem also provide new business such as private security.

When we combine all the power and all the weakness of the digitalization of business, which one much more? It depend the agile and smart entrepreneur to treat it in business. This is the challenges of the entrepreneurship and business management that we will talk today. Hopefully this conference will propose many ideas for answering the question.

Thank you very much.

**Dean of Faculty of Economics and Business**  
**Dr. Sawidji Widodoatmodjo**

## **OPENING SPEECH FROM THE RECTOR OF UNIVERSITAS TARUMANAGARA**

Dear our Distinguished guests, ladies and gentlemen,

It is such a great pleasure for me to welcome all the participants to the International Conference on Entrepreneurship and Business Management (ICEBM 2019). As we all know, the goal of this conference is to provide a forum that facilitates the exchange of knowledge and experience of both practitioners and academics in the fields of the Entrepreneurship and Business Management. Under these circumstances, they can mutually share their findings. Besides, the topic itself, which is about: *The challenge for Entrepreneurship and Business Management in Digital Era*, is extremely interesting. I can agree with the conference committee that a little thing has been done to provide comprehensive understanding of the importance of the Entrepreneurship and Business Management to support business development increase the welfare of society.

I would like to take this opportunity to extend my appreciation to the following institutions. Firstly, this year's conference becomes special due to the support from our Plenary Speakers from various institutions. We are thankful for your wonderful cooperation. Secondly, our gratitude goes to our co-host and sponsors for the utmost support and kind contribution.

I would also sincerely say thanks to the organizing committee for their commitment, hard work and dedication, making this internationally reputable conference successfully realizable. Finally, I would like to express my gratitude for the presence of distinguished speakers, authors, reviewers, and a number of active participants from several countries. I wish you all a wonderful and great conference. Thank you.

**Rector**  
**Prof. Dr. Ir. Agustinus Purna Irawan**

## VENUE

Conference held on November 7<sup>th</sup> , 2019, at:

**Conference Venue:**

Tunku Abdul Rahman University College  
Jalan Genting Kelang, Setapak, 53300 Kuala Lumpur, Malaysia  
Tel. (6) 03 41450123 (Ext. 3447)

**Gala Dinner Venue:**

Double Tree Hotel



## **SPEAKERS**

### **KEYNOTE SPEAKER**

**Prof. Ir. Dr. Lee Sze Wei**

President of Tunku Abdul Rahman University College

### **PLENARY SPEAKERS**

**Ir. Dr. Rajendran Muthuveloo**

Universiti Sains Malaysia

**Hadi Cahyadi**

Founder and Managing Partner of Helios Capital

## **STEERING COMMITTEE**

Prof. Dr. Ir. Agustinus Purna Irawan

Dr. Sawidji Widodoatmodjo

Dr. Indra Widjaja

Jap Tji Beng, Ph.D.

Dr. Keni

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Documentation	:	Agustinus Yulianto

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Nguyen Thi Tuong Anh, Ph.D.	:	Foreign Trade University, Vietnam
Tran Toan Thang, Ph.D.	:	Central Institute for Economic Management
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Dr. Zerni Melmusi, M.M., Ak., C.A.	:	UPI YPTK, Indonesia
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Dr. Sapparso, M.M.	:	UKRIDA, Indonesia
Prof. Dr. Kris Herawan Timotius	:	UKRIDA, Indonesia
Prof. Dr. Agustinus Purna Irawan	:	Universitas Tarumanagara, Indonesia

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Dr. Keni : Universitas Tarumanagara, Indonesia  
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Dr. Hetty Karunia Tunjungsari : Universitas Tarumanagara, Indonesia  
Dr. Herlin Tundjung Setijaningsih : Universitas Tarumanagara, Indonesia  
Dr. Estralita Trisnawati : Universitas Tarumanagara, Indonesia

## TOPICS AREA

### Entrepreneurship:

Artpreneurship  
Business Ethics and Entrepreneurship Ethics  
Corporate and Strategic Entrepreneurship  
Entrepreneurship Education  
Entrepreneurial Universities  
Entrepreneurship and Growth  
Entrepreneurial Finance and Venture Capital  
Entrepreneurship and Regional Development  
Entrepreneurship and Governmental Support  
Entrepreneurship and Intellectual Property  
Entrepreneurial Culture  
Entrepreneurship and Gender  
Entrepreneurial Learning and Communities Practice  
Entrepreneurship and Ethics Minorities  
Entrepreneurship and Sustainability  
Entrepreneurial Finance  
Entrepreneurial Marketing  
Family Business  
Franchising  
Green Entrepreneurship  
Innovation and Technological Entrepreneurship  
International Entrepreneurship  
Social and Community Entrepreneurship  
Social Entrepreneurship  
Sustainable Entrepreneurship  
Technopreneurship  
The Psychology of Entrepreneurship  
Women Entrepreneurship

### Business and Management:

Advertising Management  
Accounting  
Auditing  
Brand Management  
Business Intelligence  
Business Statistics  
Business Performance Management  
Business Education  
Business Ethics  
Business Law  
Consumer Behavior  
Change Management  
Communications Management

Corporate Governance  
Cost Management  
Decision Sciences  
Destination Marketing  
Human Resource Management  
Industrial Engineering  
International Business  
Informational Systems  
Information Technology Management  
Leadership  
Management Science  
Management Information Systems  
Manufacturing Engineering  
Marketing  
Marketing Research  
Marketing Strategy  
New Product Development  
Organizational Behavior  
Organizational Communication  
Operations Research  
Public Relations  
Product Management  
Resource Management  
Strategic Management  
Stress Management  
Supply Chain Management  
Systems Thinking  
Systems Management  
Taxation  
Time Management  
Total Quality Management

Entrepreneurship in Tourism and Hospitality Industry

Architecture, Tourism and Sustainable Development  
Artisan, Cultural and Tourism Entrepreneurship  
Community Tourism Entrepreneurship  
Consumer Behavior in Tourism  
Consumer Psychology of Tourism, Hospitality and Leisure  
Communication in the Tourism and Hospitality Industry  
Economic Efficiency of Tourism Industry  
Entrepreneurship in Tourism Industry  
Entrepreneurship and The Rural Tourism Industry  
Entrepreneurship and Sustainable Tourism  
Entrepreneurship on Innovative Tourism  
Food Tourism  
Gastronomy and Creative Entrepreneurship  
Global Tourism Industry

Health and Medical Tourism  
Hospitality Entrepreneurship  
Indigenous Entrepreneurship and Tourism Development  
Industry, Tourism and Investment  
Migration and Tourism Entrepreneurship  
Rural Tourism and Art Entrepreneurship  
Psychology and Tourism Management  
Psychology of Happiness and Tourism  
Social Media, Tourism and Entrepreneurship  
SMEs and Tourism  
The Use of Information Technology in Tourism Industry  
Tourism and Entrepreneurship  
Tourism Enterprise, Entrepreneur and Entrepreneurship  
Tourism and Entrepreneurship in Hospitality Industry  
Tourism Culture and Communication  
Tourism Entrepreneurship and Social Capital  
Transportation in Tourism

## PARALLEL SESSION SCHEDULE

**Thursday, November 7<sup>th</sup>, 2019**

**Room** : **Conference Room 3**  
**Time** : **15.30 – 17.42**  
**Session Chair** : **Dr. Melitina Tecualu**

<b>Time</b>	<b>Authors</b>	<b>Title</b>	<b>Institutions</b>
15.30 – 15.42	<ul style="list-style-type: none"> <li>• Irine Herdjiono</li> <li>• Gerzon Maulany</li> <li>• Benediktus Elnath Aldy</li> <li>• Fitriani</li> </ul>	Designing an Entrepreneurial University Model with Social Cognitive Theory Approach	Musamus University, Indonesia  Atmajaya Catholic University, Jakarta, Indonesia
15.42 – 15.54	<ul style="list-style-type: none"> <li>• Riza Yonita</li> <li>• Sutiyeem</li> <li>• Muthia Roza Linda</li> </ul>	Intellectual Capital and Knowledge Management on Business Performance	Universitas Putra Indonesia “YPTK”, Padang, Indonesia
15.54 - 16.06	<ul style="list-style-type: none"> <li>• Lusiana</li> <li>• Nila Pratiwi</li> <li>• Zefriyenni</li> <li>• Rio Andhika Putra</li> <li>• Winda Fierza Vironica</li> </ul>	The Effect of Multiple Directorship, Tenure, and Age of Board of Directors on Corporate Value	Universitas Putra Indonesia “YPTK”, Padang, Indonesia
16.06 – 16.18	<ul style="list-style-type: none"> <li>• Emil Salim</li> <li>• Nanik Istianingsih</li> <li>• Harkamsyah Andrianof</li> <li>• Hanna Pratiwi</li> </ul>	West Sumatra MSMEs Strategy in Facing Competition in the 4.0 Industrial Revolution Using SWOT Analysis	Universitas Putra Indonesia “YPTK”, Padang, Indonesia
16.18 – 16.30	<ul style="list-style-type: none"> <li>• Fidela sadikin</li> <li>• Melitina</li> <li>• Eka Dessy</li> </ul>	The Effect of Servant Leadership and Work Engagement on Organizational Citizenship Behavior Mediated by Organizational Commitment on Volunteers in Abbalove Ministries Church	Krida Wacana Christian University, Jakarta, Indonesia
16.30 – 16.42	<ul style="list-style-type: none"> <li>• Sonata Christian</li> <li>• Trianggoro Wiradinata</li> <li>• Christian Herdinata</li> <li>• Auditia Setiobudi</li> </ul>	Environmental Factors Affecting The Acceleration Adoption of Financial Technology (Fintech) by SMEs in the East Java Region	Ciputra University, Surabaya, Indonesia
16.42 – 16.54	<ul style="list-style-type: none"> <li>• Yemima Amitay</li> <li>• Hery Winoto, Tj</li> <li>• Saporso</li> <li>• Soegeng Wahyoedi</li> </ul>	The Impact of Celebgram Endorsement on Purchase Intention: The Mediating Effects of Customer Attitude and Brand Awareness	Krida Wacana Christian University, Jakarta , Indonesia







**Book of Abstracts**

**International Conference on Entrepreneurship and  
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## PREFACE

Digital disruption has become a reality for most organizations nowadays. Companies can create new markets or leverage the power of information to offer solutions in new ways. However, limited efforts have been done to provide an understanding on how entrepreneurship and business management will be affected by such digital disruption. With a conference theme “The Challenge for Entrepreneurship and Business Management in Digital Disruption Era”, The 8th ICEBM aims to provide opportunities for academics, professionals, policy-makers, and practitioners from various fields to present their research and views, while interacting with members inside and outside of their disciplines.

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# The Impact of Celebgram Endorsement on Purchase Intention: The Mediating Effects of Customer Attitude and Brand Awareness

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## ABSTRACT

This study aimed to examine the impact of celebgram endorsement on purchase intention among millennial women in Jakarta, mediated by brand awareness and customer attitude. The hypotheses were tested by using a quantitative method based on 100 samples. Data was collected using questionnaires distributed directly to the respondents through electronic media. Based on data processing and analysis, there were significant impacts on purchase intention as affected by celebgram endorsement, brand awareness, and customer attitude. The results of this study showed that the mediation of customer attitude affected purchase intention more significantly compared to the mediation of brand awareness. This study also concluded that millennial women tend to follow current trends, and social media activity has a positive impact on brands as celebgram endorsement supports their management on the process of increasing purchase intention.

**Keywords:** *Celebrity Endorsement, Customer Attitude, Brand Awareness, Purchase Intention.*

## 1. INTRODUCTION

The digital age has had a huge impact on the aesthetic industry globally. In the aesthetic industry, the phenomenon of trends rises because of the influence of technological developments and social media. Industry 4.0 has also dragged the aesthetic industry into the Beauty 4.0 era. In this era, beauty standards seem to be determined by the developments and opinions on social media or comments from internet users on Twitter, Facebook, and Instagram. This is the condition in which public opinion becomes essential. Recognition is the main goal of people to beautify themselves. Even more so in the digital world, all people want is to take selfies, be exposed, be recognized, and be appreciated by their surroundings. By using the internet, the company's marketing strategy has eventually changed from the traditional ways to digital ways [15]. Social media as a digital marketing tool, can help companies strengthen their brands. Then, many companies realize the importance of using celebrity endorsements and have taken the opportunity to use this advertising tool to obtain high brand exposure, interest, attention, desire, and action among Y generation customers. One of the most popular social media using Celebrity Endorsement is Instagram (98.8%), which is the highest chosen social media platform. YouTube (41.0%) is in the second place and followed by Blog in the third place (28.9%). On Instagram, the phenomenon of endorsement is currently evident in several figures and ordinary people who are able to attract the attention of other Instagram users. According to Dyah [2], endorsers on Instagram are different from those in

conventional media, because on Instagram, anyone can become an endorser, or commonly known as Celebgram (celebrity-endorser on Instagram).

SociaBuzz.com reported that Internet Celebrity is the first choice of marketers with a percentage of 59%. The percentage is far from the celebrity, in the second position with a percentage of 22.9%. This means that famous figures purely from social media, like Celebgram, are more in demand than celebrities whose names are already well-known on the screen. This certainly can be a reference on why Celebgram becomes the first target of marketers and business owners to be invited to collaborate. Celebgram's selection as a means to market products is certainly inseparable from the effects perceived by Celebrity Endorsement users. SociaBuzz's research results showed that as much as 83% of respondents feel that Celebgram is highly effective in digital marketing strategies. At present, the company prefers Celebgram because of four main factors, namely the level of interaction with followers (69.9%), the characteristics or lifestyles that match the brand image (53%), the number of followers (50.6%), the quality of content (47 %), and five other considerations (2.4%).

## 2. LITERATURE REVIEW

### 2.1 Celebrity Endorsement

Celebrity Endorsement is an advertising technique in which marketers use celebrities to promote their products. Shimp

[14] stated that celebrity endorsement uses celebrities as advertising stars in the media, ranging from printed media, social media, and television media. In addition, celebrities are chosen because of their famous attributes; including the good looks, courage, talents, elegance, strength, and physical attractiveness that often represent the appeal desired by the brands being advertised. According to Sumarwan [16], in purchasing products and services or selecting particular brands, celebrities can have a strong influence on customers. Celebrities can be marketing tools for a very important product, and their extraordinary appeal and a significant number of fans can be their advantages; including inner beauty, charisma, and credibility. Meanwhile in conventional media, celebrity endorsement is always aimed at those who are known by many people, such as actresses or actors. The phenomenon of the emergence of these celebrities stems from the uniqueness raised by the Instagram account owners on every photo uploaded, especially those who have attractive appearances. This uniqueness is what later became the attraction of other Instagram users. The more followers they have, the more *likes* and comments are shown on their photos.

Furthermore, the selection of celebrity endorsements is usually based on imaging through a famous celebrity [11]. Royan [11] said that in marketing activities, the use of celebrities in advertising should be evaluated by using VisCAP (presenter effects in advertising) model. Royan [11] explained the VisCAP model has three elements as follows:

1. *Visibility*. Visibility is a dimension of how popular celebrities are. Popularity can be determined by how many fans they have (Popularity), and how often they appear in public (Appearance), including self-image as one of the indicators of visibility.
2. *Credibility*. A celebrity's credibility covers two things, namely expertise and objectivity. The expertise relates to the celebrity's knowledge about the advertised product, while objectivity refers to the celebrity's ability to give confidence to customers of the product. Celebrities who have trusted credibility will represent the advertised brand. The advertised product will also fit the perception desired by the audience. Credibility consists of the following attributes:
  - a. Expertise, the level of knowledge or expertise possessed by celebrities in their fields
  - b. Objectivity, customer perception on the celebrity's reputation.
  - c. Trustworthiness, the willingness of the presenter to make an honest statement. The public considers the claims stated by advertisements are only to increase sales; therefore, the role of celebrity is needed to be the one who is perceived to be honest in giving their opinions.
3. *Attraction*. Attraction means receiving messages that depends on the attractions of the supporters. Supporters will succeed in changing opinions and customer behavior through the mechanism of attraction, which is to rise a feeling that the celebrities have something people want to have, so they are willing to follow the contents of the message. The attractiveness of brand ambassador has these following attributes:

- a. *Physical Likeability* is an audience perception on the physical appearance of supporters who are considered attractive. Likeability refers to a way of someone attractive to make other people want to do what that person says. In general, an audience is interested in supporters who have physical perfections; such as beautiful or handsome face figures, ideal bodies, and others.
- b. *Non-Physical Likeability* is an audience perception on non-physical appearance or supporting personalities. In general, the audience prefers supporters who are open, humorous, and natural.
- c. The *Similarity* is an audience perception on the similarity people have with supporters, whether it is from the factors of age, hobbies, activities, and problems faced as shown in the marketing.
- d. *Power* is the charisma emitted by a public figure to be able to influence customers, so they are influenced to buy or use a brand supported by the celebrity or influencer.

## 2.2 Customer Attitude

Customer attitude is a tendency to behave in a way that is pleasant or unpleasant to a particular object. Schiffman and Kanuk [22] noted that an individual's lifestyle is dramatically affected by the attitudes which consist of three elements: cognitive (knowledge), affective (feelings), and behavioral (response tendencies). The attitude formation through those three components is explained as follows:

1. *Cognitive*: The knowledge and perception obtained based on the combination of direct experience with the attitude and information objects related to the source.
2. *Affective*: A statement of interest in emotions or feelings on products or brands. This can be in the forms of pleasure, displeasure, or experiences that are expected to be managed in emotionally covered states (such as happiness, sadness, shame, anger, astonishment). Enhancing or strengthening the experience can influence what rises in mind and how individuals act.
3. *Behavioral*: A component associated with the likelihood or tendency that individuals will take special actions or behave in certain ways.

In fact, these three stages have developed the attitudes about a product and also influence one another. In the process of formulating attitudes, these elements do not need to occur simultaneously in which they may start with one of the three, and after that, all of them work.

## 2.3 Brand Awareness

Brand awareness is a matter of whether brand names come to mind when customers think of certain product categories and how convenient they are to use [18]. The role of brand awareness in brand equity depends on the

level of awareness achieved in the minds of customers. There are four levels of brand awareness:

1. *Unaware of the Brand*. The lowest level in the brand awareness pyramid is where customers are not aware of the brand.
2. *Brand Recognition*. The minimum level of brand awareness is the introduction of a brand reappears after aided recall.
3. *Brand Recall*. Brand recall works without assistance (unaided recall)
4. *Top of mind*. Brands are mentioned first by customers or firstly appear in the minds of customers as the main brand out of many other brands.

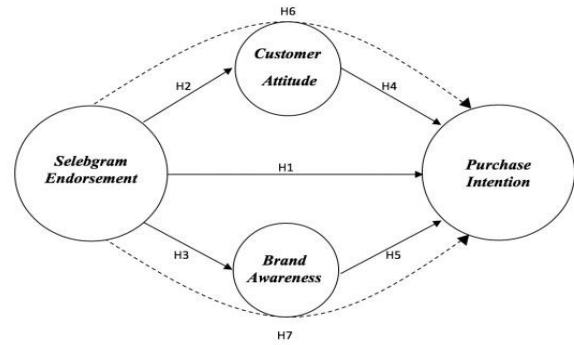
**2.4 Purchase Intention**

Purchase Intention is a type of decision making that studies the reasons for buying a particular brand by customers. Saidani [23] defined purchase intention as a situation in which customers tend to purchase certain products under certain conditions. Purchase intention can be identified through the following indicators:

1. Transactional Intention, a person's tendency to buy products.
2. Referential Intention, a person's tendency to refer products to other people.
3. Preferential Intention, an interest that describes the behavior of someone who has a major preference for the product. This preference can only be replaced, if something happens with the preferred product.
4. Explorative Intention, an interest that illustrates the behavior of someone who always looks for information about the product and looks for information to support the positive qualities of the product.

**2.5 Hypothesis**

- H<sub>1</sub>:** There is an Effect of Celebgram Endorsement on Purchase Intention
- H<sub>2</sub>:** There is an Effect of Celebgram Endorsement on Customer Attitude
- H<sub>3</sub>:** There is an Effect of Celebgram Endorsement on Brand Awareness
- H<sub>4</sub>:** There is an Effect of Customer Attitude on Purchase Intention.
- H<sub>5</sub>:** There is an Effect of Brand Awareness on Purchase Intention.
- H<sub>6</sub>:** There is an Effect of Customer Attitude, which mediates the Celebgram Endorsement on Purchase Intention.
- H<sub>7</sub>:** There is an Effect of Brand Awareness, which mediates the Celebgram Endorsement on Purchase Intention.



**Figure 1.** Conceptual Model

Figure 1 illustrates the structural model of this study. The existence of celebrity endorsement in social media marketing is one strategy to conduct promotions that can affect customer attitude and brand awareness. Thus, the research model shows that celebrity endorsement can create attitude and brand awareness, that can directly affect purchase intentions.

**3. RESEARCH METHOD**

The hypotheses testing in this study used a quantitative research method with a sample consisting of 100 respondents. The sample selection technique used in this study was non-probability sampling in which the respondents who met the population criteria did not have the same opportunity to be sampled. The data was obtained through questionnaires distributed directly to the respondents through electronic media. The analysis technique used was Partial Least Square - Structural Equation Modeling (PLS-SEM) by using the SmartPLS 3.2.8 Program.

**4. ANALYSIS**

**4.1 Characteristics of the Respondents**

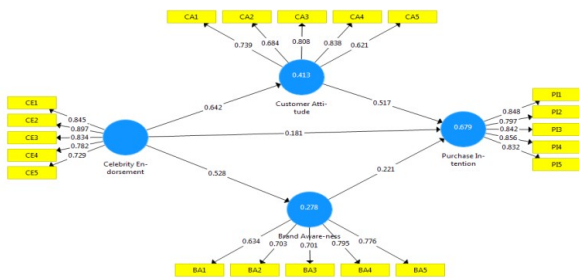
The characteristics of the respondents in this study were women who lived in Jakarta Special Region and had an Instagram account with the majority of respondents aged between 25-30 years (49%). 71% of the respondents had a bachelor education and 63% worked as employees. In addition, this study showed that 88% of the respondents are the followers of one or more Instagram Celebrities (Celebgram) or Beauty Vlogger in their Instagram accounts.

**4.2 Outer-Model Analysis**

The Outer-Model was adopted to examine the relationship between variables and indicators. The tests carried-out in the outer-model analysis were convergent validity,

composite reliability, Average Variance Extracted (AVE), and Cronbach's Alpha.

Figure 2



#### 4.2.1 Validity Test

Validity test aimed to observe how well the results obtained from a measurement in which the construct validity consists of convergent and discriminant validity. All indicators had a Loading Factor > 0.5, so it can be concluded that all indicators were valid.

#### 4.2.2 Reliability Test

Based on the results of SmartPLS data processing, the composite reliability of Celebgram Endorsement was 0.911, Customer Attitude was 0.859, Brand Awareness was 0.846, and Purchase Intention was 0.920. Hence, all composite reliability values on this research variable were > 0.70. This showed that all variables in this study were reliable. The results of composite reliability can be strengthened by looking at the value of Cronbach Alpha. Cronbach's Alpha value for Celebgram Endorsement was 0.876, Customer Attitude was 0.793, Brand Awareness was 0.773, and

Purchase Intention was 0.892. Similar to the composite reliability, a variable can be said to be reliable, if it has a value greater than 0.70 [4]. Based on the data, it can be inferred that the Cronbach's Alpha value of each variable had a value of > 0.70, so all the variables in this study were reliable.

### 4.3 Inner-Model Analysis

#### 4.3.1 R-Square Test

The structural model was evaluated by using R-square for the dependent construct. The value of R<sup>2</sup> can be used to assess the effect of certain independent latent variables, whether the dependent latent variable has a substantive effect or not [4]. The higher the R<sup>2</sup> value, the greater the ability of the independent latent variable to explain the dependent latent variable. The R<sup>2</sup> results of 0.67, 0.33, and 0.19 indicates that the models were "good", "moderate", and "weak".

Table 1. R-Square

Variabel	R-Square
Customer	0.278
Brand	0.413
Purchase	0.679

#### 4.3.2 Hypotheses Testing

Hypothesis testing was used to examine whether the hypothesis formed at the beginning of the study had significance value.

Table 2. Path Coefficient

	Original Sample	Sample Mean	Standard Deviation	t-Statistic	p -Values
Celebgram Endorsement -> Purchase Intention	0.181	0.182	0.082	2.198	0.028
Celebgram Endorsement -> Customer Attitude	0.642	0.650	0.070	9.115	0.000
Celebgram Endorsement -> Brand Awareness	0.528	0.540	0.090	5.866	0.000
Customer Attitude -> Purchase Intention	0.517	0.507	0.104	4.962	0.000
Brand Awareness -> Purchase Intention	0.221	0.230	0.100	2.214	0.027

Table 2 shows the results of the PLS calculation stating the direct effects between variables. There is a direct effect, if the t-statistic value is greater than 1.96. Hence, the results in Table 2 can be summarized as follows:

1. The Endorsement variable affects Purchase Intention

- The Endorsement variable affects Customer Attitude
- The Endorsement variable affects Brand Awareness
- Customer Attribute variable affects Purchase Intention
- Brand Awareness variable affects Purchase Intention

**Table 3.** Specific Indirect Coefficient

	Original Sample	Sample Mean (M)	Standard Deviation	t-Statistics	p-Values
<i>Celebgram Endorsement -&gt; Customer Attitude -&gt; Purchase Intention</i>	0.332	0.330	0.077	4.317	0.000
<i>Celebgram Endorsement -&gt; Brand Awareness -&gt; Purchase Intention</i>	0.116	0.124	0.057	2.043	0.042

Based on Table 3 displaying the Specific Indirect Effect, out of the two mediating effects, each mediated variable was evident to have a significant effect. The hypothesis is declared acceptable or has a significant effect, if the t-Statistic value is in accordance with the standard t-Table, which has a value  $> 1.96$  and  $p\text{-value} < 0.05$ .

## 5. DISCUSSION

### H<sub>1</sub>: There is an Effect of Celebgram Endorsement on Purchase Intention.

Celebgram Endorsement has a positive effect on Purchase Intention. This means that if the perception of celebgram endorsement is positive, it will increase the purchase intention of millennial women in Jakarta Special Region. This result is supported by previous research conducted by Silvera and Austad [24]. These results are also relevant to previous research conducted by Johansson and Bozan [25] showing that attributes such as familiarity, likability and similarity in a celebrity endorser affect customers' purchase intentions. Rachmat et al [9] concluded that the visibility and compatibility of celebrity products significantly affects the customers' purchase intention.

### H<sub>2</sub>: There is an Effect of Celebgram Endorsement on Customer Attitude.

Celebgram Endorsement has a positive effect on Customer Attitude. This means that if the perception of celebgram endorsement is positive, it will increase the purchase intention of millennial women in Jakarta Special Region. This result is supported by previous research conducted by Chen [1] who found that customers have a positive attitude towards programmer as a phenomenon, and it affects the customers' purchasing decisions. It is revealed that promoting a particular product by a program affects the customers' purchase intention at the next stage of the customer decision-making process.

### H<sub>3</sub>: There is an Effect of Celebgram Endorsement on Brand Awareness.

Celebgram Endorsement has a positive effect on Brand Awareness. This means that if the level of celebgram endorsement increases, it will increase the brand awareness of millennial women in Jakarta Special Region. This result is supported by previous research conducted by Tapinfluence [21] proving that celebrity endorsement has a positive contribution to brand awareness with a strong influence. Likewise, in line with the statement taken from Tapinfluence [21], celebrity endorsement has a role in

increasing brand awareness among customers, while social media influencers play a very significant role in encouraging product involvement and brand loyalty [21], as they are able to communicate with niche segments better, in this case, the Celebrities and Influencers.

### H<sub>4</sub>: There is an Effect of Customer Attitude on Purchase Intention.

Customer Attitude has a positive effect on Purchase Intention. This means that if the level of customer attitude increases, it will increase the purchase intention of millennial women in Jakarta Special Region. This result is supported by previous research conducted by Chen [1] stating that customer attitude has a positive effect on purchase intention.

### H<sub>5</sub>: There is an Effect of Brand Awareness on Purchase Intention.

Brand Awareness has a positive effect on purchase intention. This means that if the level of brand awareness increases, it increases the purchase intention of millennial women in Jakarta Special Region. This result is supported by previous research conducted by Hutter et al [19] stating that brand awareness has a direct and significant impact on purchase intention. Soewandi [15] exemplified the dimensions of brand equity; i.e. brand awareness or brand association, brand loyalty, and quality perception. In addition, all dimensions of brand equity also have a positive effect on customers' purchase intention.

### H<sub>6</sub>: There is an Effect of Customer Attitude mediating the Celebgram Endorsement on Purchase Intention.

Customer Attitude mediates the effect of Celebgram Endorsement on Purchase Intention. According to Shih and Fang [20], attitude significantly controls customers' intentions, while subjective norms do not. Furthermore, they stated that behavioral intentions also significantly affect actual usage [20]. This means that if the level of customer attitude increases, in this case, a positive attitude to follow and trust what is used and discussed by the Celebgram will increase the relationship between the Celebrity Endorsement Program and Purchase Intention of Millennial Women in Jakarta Special Region.

### H<sub>7</sub>: There is an Effect of Brand Awareness mediating the Celebgram Endorsement on Purchase Intention.

Brand Awareness mediates the effect of Celebgram Endorsement on Purchase Intention. In line with Soewandi's research [15], it implies that social media



communication has a positive impact on brand awareness or brand association, brand loyalty, and quality perception. In addition, all dimensions of brand equity also have a positive impact on customers' purchase intentions. This means that if the level of brand awareness increases, it will increase the relationship between the Celebrity Endorsement Program and Purchase Intention of Millennial Women in Jakarta Special Region.

## 6. CONCLUSIONS

1. Celebgram Endorsement affects Purchase Intention.
2. Celebgram Endorsement affects Customer Attitude.
3. Celebgram Endorsement affects Brand Awareness.
4. Customer Attitude has an effect on Millennial Women's Purchase Intention.
5. Brand Awareness has an effect on Millennial Women's Purchase Intention.
6. Customer Attitude, as a mediating variable, affects the relationship between Celebgram Endorsement and Purchase Intention.
7. Brand Awareness, as a mediating variable, affects the relationship between Celebgram Endorsement and Purchase Intention.

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