Effect of Country of Origin, Celebrity Endorser and eWOM on Purchase Intention

Serli Ayuma¹, Vidyarini Dwita²
¹UniversitasNegeri Padang, Padang, Indonesia, serli7ayuma@gmail.com
²UniversitasNegeri Padang, Padang, Indonesia, vidyarinidwita1301@gmail.com

Abstract
Recent technological development comes to the trend of the internet which influences emotional fluctuation, changes in behaviour and lifestyle of teenagers in Indonesia. Changes in lifestyle of Indonesian’s teenagers affect the taste of Indonesian market so that imported products are more in demand recently. One of them, imported fashions from Korea which are very potential in Indonesia, while Indonesian fashion has more potential than Korean.

Keywords: country of origin, celebrity endorser, ewom, purchase intention, korean fashion.

Introduction
Recent technological developments have brought new trend in the business world, the increasing of sophisticated technological developments have caused the transition of the national economy to an increasingly popular global economy. Technological developments generate great opportunities in global market such as domestic market and international market. One of the opportunities which is being felt by the consumers around the world is that they can enjoy various choices of brands or products from many references via internet. Therefore, recently there are many market participants who are more interested in identifying the factors which affect the taste of domestic consumers on imported product.

The Indonesian Internet Networking Organizing Association (APJII) presented the result of a survey named “Penetration and Behaviour of Internet Users in Indonesia in 2017” that the penetration of internet users in Indonesia increased to 143,26 million people or equals to 54,7 % of the total population in Indonesia(Soemartono, 2018). The results of the survey also explain that internet users in Indonesia are dominated by people aged 13-34 years with the main reason of accessing internet is for information retrieval. From the data above, prove that internet eases people in obtaining information globally. One of the causes of changes in market taste in Indonesia is the influence of information about foreign culture which freely accessed in Indonesia.

Foreign culture which has spread in recent years in Indonesia is Korean culture. Korea successfully influences the emotional fluctuation, changes in behaviour and lifestyles of Indonesian through its culture. It is proven by (Susanto, 2015) in his study, that Korean popular culture has a positive impact on teenagers’ fashion style aged 18-21 years. In line, (Izzati, Amalia, 2014) also proves in her study that Kpop, the popular music, influence the entertainments seller’s side, appearance and lifestyles of Indonesian teenagers.

Table 1 Value of Korean Imports of Fashion

| Product Code | Product Labels                          | Import Value from Indonesia | Import Value from Worldwide |
|--------------|----------------------------------------|----------------------------|-----------------------------|
| 6305         | Sacks and bag                          | 1,070                      | 237,987                     |
| 6302         | Linen of all types of textile materials| 97                         | 88,654                      |
| 6303         | Curtains or bed valances of all types  | 340                        | 44,566                      |
| 6307         | Dress patterns                         | 109                        | 183,060                     |
| 6309         | Worn clothing and clothing accessories | 124                        | 31,003                      |
| 6301         | Blankets and travelling rugs           | 108                        | 31,393                      |

Source: Data COMTRADE UN statistics (nominal in thousands of dollars)(International Trade Centre, 2018)
From some data about the influence of Korean culture above, it can be concluded that there is a potential for Korean import to enter the market in Indonesia. The following data shows the value of Korean import of fashion from Indonesia and all over the world.

The increasing value of Korean imported fashion's demand in Indonesia as described in table 1 above, shows that there is a potential of Korean imported fashion which will grow in Indonesia and around the world. However, if it is compared with Indonesia’s export of fashion in Korea, in table 2 below:

| Product Code | Product Labels                                | Import Value from Indonesia | Export Value from Indonesia |
|--------------|-----------------------------------------------|----------------------------|-----------------------------|
| 6305         | Sacks and bag                                 | 1,070                      | 77,107                      |
| 6302         | Linen of all types of textile materials       | 97                         | 31,736                      |
| 6303         | Curtains or bed valances of all types         | 340                        | 46,823                      |
| 6307         | Dress patterns                                | 109                        | 30,646                      |
| 6309         | Worn clothing and clothing accessories        | 124                        | 4,192                       |
| 6301         | Blankets and travelling rugs                 | 108                        | 19,201                      |

Source: Data COMTRADE UN Statistics (nominal in thousands of dollars)(International Trade Centre, 2018)

From the comparison above, it can be concluded that Indonesia has more potential than Korea in fashion products. Supposedly, with the high value of Indonesia’s export of fashion, Indonesian are more proud to wear their own products than wearing imported products from Korea that are still far from the import value of fashion from Indonesia.

The desire to buy and wear Korean imported fashion, can be caused by the perception about the country of origin which reflects the quality of the products. Indonesian’s perception arise after knowing the quality of one of Korean imported products, Samsung smartphone. The advantage of Samsung which has been proven to have the highest market share of 56,68% compared to other mobile brands, such as Apple which is only 27,3% in the Indonesian electronic market (Stat Counter, 2018). This data proves that Samsung mobile, electronic products from Korea have good quality compared to Apple products for the perception of the Indonesian.

In addition to the quality of the country of the origin, the desire to buy and wear Korean fashion can be caused by emotional value which creates a prestige when wearing the fashion which are similar to Korean celebrity. Like the phenomenon that was viral on social media four years ago, Sehun, one of the members of boy band EXO, has managed to boost the value of the Swallow brand, flip flop from Indonesia (Rahmawati, 2014). Indirectly, Sehun became a celebrity endorser from Swallow brand for sandal from Indonesia. This phenomenon proves that the products wear by Korean celebrity has their own value, and rising the feeling of pleasure and pride when wearing them.

Two factors consider the purchase intention above, the country of origin and celebrity endorsers are inseparable from the contribution of eWOM (Electronic Word of Mouth) as the media which helps in arising the trust of Korean imported products. The amount of positive content on eWOM about a product, has a positive influence on purchase intention. In addition to perceptions that arise from experiences, positive content on eWOM content will strengthen the purchase intention in obtaining reliable information.

Actually there are many factors which affect the purchase intention on Korean imported products., but this study only uses three factors, namely, Country of Origin Product, Korean Celebrity Endorser, and eWOM (Electronic Word of Mouth) as the factors that affect Indonesian teenagers’ purchase intention, especially in the city of Padang. Padang citizen, who are known for their strong Islamic culture, have seen changes in the behaviour in the teenagers of Padang city in their appearance, who like to imitate the appearance of Korean celebrity.
It is proven by the presence of an Instagram account "@gdc_padang". Glorydays Club Padang is a social media account for Korean fanbase (Teenagers who love Korean culture or KPOP celebrity). An account that contains activities like korean dance cover competition, which have been held in several universities like University of Bung Hatta, Andalas University in the Bunkasai Japanese Education and Literature Study, shopping centers such as Basko Grandmall, Transmart and other buildings that become Korean dance competitions. Although the teenagers wear clothes that cover their genital in the school or campus, but when they are in the outside of educational institutions environment, some of teenagers in Padang are still free to look like Korean or do not cover their genital based on the religion regulation or customary culture in the city of Padang.

Previously, an early observation has been done to strengthen the problem which will be examined, with the result there are seventeen respondents interviewed who favor Korean culture but never purchased although they intended to buy, while three others respondents who favor Korean culture have purchased products made in Korea, including cosmetic products, accessories, fashion and shoes. Based on the description above, there is a link between the variables on the country of origin and celebrity endorsers and eWOM to purchase intention, which encourages the writers to examine these variables. So that obtained the tittle of the study, “The Effect of Country of Origin, Celebrity Endorser and eWOM on Purchase Intention”.

According to (Schiffman & Wisenblit 2015:172), “Consumers behaviour refers to the behaviour shown by consumers in finding, deciding to buy, using, evaluating and spend the products and service products that they expect will satisfy their needs.” Attitude is the way of a person sees thing mentally within him that leads to behaviour directed to others or also called as the way of a person communicate his feeling through behaviour. (Schiffman & Wisenblit 2015:175-176)suggest that attitude has three component of the model, namely:

1) Cognitive Component
   Cognitive component is an individual’s knowledge and perception that comes from someone else’s experience which obtained directly or from other source about something.

2) Affective Component
   Affective component represents customer’s emotion and feeling related to what is considered, as an evaluation, because they capture the overall assessment of the extend to which they judge something profitable or not, good or bad.

3) Conative Component
   Conative Component reflects the possibility that someone will perform a certain action or behave in a certain way related to the object of attitude. In the study of consumers, conative component is treated as an expression of consumer’s intention to buy.

Consumer behaviour is actually the steps taken by costumers or group in order to fulfill their needs. There are several factors that influence the consumers’ decision process, namely external and internal factors.

Internal Factor
Internal factor arise within the consumer and the psychologocial processes which occur in the consumer, that are very influential on the consumer’s decision process, are as follows:

1) Motivation
2) Personality
3) Self Concept
4) Information processing and perception
5) Learning process
6) Knowledge
7) Attitude
8) Religion
External Factor

External factor arise outside of the consumer and psychological processes which occur in the consumer, that are very influential on the consumer’s decision process, are as follows:

1) Culture
2) Demographic characteristic, social and economy
3) Family
4) Reference group
5) Environment and situation of the consumer
6) Technology

From several definitions above, it can be concluded that purchase intention is a process of taking decision from various alternatives of choices that arise a positive perception of a product that stimulates consumer’s intention to buy as a solution to a problem which is experienced, or as a way to fulfill the desire to own a product.

The Relations of Country of Origin Product, eWOM, Korean Celebrity Endorser toward Purchase Intention

a. The relation of Country of Origin Product toward Purchase Intention

(Keegan & Green 2015:120) express that “Country of Origin (COO) as perceptions or attitudes toward a product or brand which is based on the country of origin or manufacturer of the origin of the product.” Country of Origin gives several effects on one’s think, one of them is the association and mental trust in evaluating a product that is used to find another informations about the product. This perception can lead to a person’s purchase intention that he assumes qualified after knowing the origin of the country that produces the product is considered capable to produce quality products. It is proven by (Lee& Robb 2016:238), that “Country of Origin (COO) is one of the essential factors which influence consumer’s decision to purchase in competitive international market.

b. The Relation of Korean Celebrity Endorser toward Purchase Intention

According to (Shimp dan Andrews 2013:460), “Celebrity Endorsers are individuals which well known by the public for their achievements beside the products they endorse. If the celebrity endorser has ability to convey a statement about a product that arises the trust of the recipient, the celebrity stimulates the persuasion that stimulates the recipient’s purchase intention on the product he endorses. Evidenced by the result of (Sliburyte 2009:934), that “The use of celebrity in advertisements help to mold the desired consumen response, in the case that this information is received through critical thinking.

c. The Relation of eWOM toward Purchase Intention

(Schiffman & Wisenblit 2015:47), argue that “Purchase intention is a result of two alternatives choices or more which are available from various decision about information seeking, the use of various products and brands.” The effect of eWOM contributes to a certain brand, eWOM affects the sales volum of a brand because the content which contained in eWOM itself. Positive statement from the previous consumers will arise the purchase intention of new consumers for a product. Evidenced by the result of (Hennig. et. al 2014:39), that “Electronic Word of Mouth (eWOM) is a positive or negative statement which stated by an original, actual, potential consumers or previous consumers about a product or a company where the informations are available for people or institution through internet media.

d. The Relation of Country of Origin, eWOM and Purchase Intention

(Sernovitz 2012:21)says that “Word of Mouth (WOM) is an origin consumer’s talk orally which inform his impression of a product he has bought from others. Based on the result of a study by(Hennig. et. al 2014:39)”Electronic Word of Mouth (eWOM) is is a positive or negative statement which stated by an original, actual, potential consumers or previous consumers about a product or a company where the informations are available for people or institution through internet media.” Country of Origin gives various effect on one’s way of thinking, one of them is
the effect in evaluating a product through eWOM. So that, the positive perception dominates
the quality of a product which comes from a certain country, so it will arise purchase intention.

**e. The Relation of Korean Celebrity Endorser, eWOM and Purchase Intention**

According to (Shimp & Andrews 2013:460), “Celebrity Endorsers are individuals which well
known by the public for their achievements beside the products they endorse.” Based on the
result of the study by (Sliburyte 2009:934) concludes that “The use of celebrity in advertisements
help to mold the desired consumer response, in the case that this information is received through
critical thinking.” The information meant is obtained through eWOM so that celebrity endorser
increase the purchase intention of a product through advertisement by creating strong emotional
bounding with the consumers, and can build brand attractiveness in the target market.

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