

The Influence Of Celebrity Endorser, Personal Selling And Pricing Strategy On Teenage Customers Response Toward Prepaid Card Products

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Abstract:

One of the promotional techniques used to transmit messages and change consumer attitudes is advertising. The appropriate media must be used if messages are to be effectively delivered to customers. The growth of Indonesia's information media has led to an overabundance of advertisements in the news. Television, radio, magazines, newspapers, and other forms of media are utilized. In particular in Indonesia, where consumers are still brand-conscious and brands that have appeared in television advertisements are more well-liked than those that have not, television advertising is still seen as the most efficient method of product promotion. The purpose of this study is to examine adolescent consumer reaction characteristics in relation to price, personal selling activities and salespeople (personal selling), and the usage of celebrities as advertising supports in television media. Multiple linear regression analysis is the method employed. SPSS was used to calculate the analytical process. Purposive sampling methods were used to distribute questionnaires to 100 teenage male and female respondents in Jakarta in order to gather primary data. The results of this research show that the use of celebrity endorsers in television advertising, personal selling, and price has a significant simultaneous and partial effect on the response of teen consumers in Jakarta. The price variable has a dominant influence on the response of adolescent consumers.

Keywords: consumer, celebrities endorsers, advertising, personal selling, price, consumer response.

Introduction

Indonesia's economy is expanding at an ever-increasing rate, which has fueled the creation of competitiveness in the commercial world. This is evident in the rising number of businesses producing goods and services, which increases the level of competition in the business sector. Companies must be receptive to customer demands in the face of intense business competition. Companies must be able to effectively communicate their products. To get consumers to respond favorably to their items, businesses must give them accurate information about their goods. The marketing tactic that businesses can employ is to implement a promotional mix that can inform consumers, including television advertising that includes celebrities as advocates and personal selling, which will be able to influence consumer responses up to the purchasing stage. Promotions such as advertising are a company's marketing communication tool with potential buyers and customers, in addition to personal communication between sellers and potential buyers (personal selling) (Terence, 2008).

One of the promotional techniques used to transmit messages and change consumer attitudes is advertising. The appropriate media must be used if messages are to be effectively delivered to customers. The growth of Indonesia's information media has led to an overabundance of advertisements in the news. Television, radio, magazines, newspapers, and other forms of media are utilized. In particular in Indonesia, where consumers are still brand-conscious and brands that have appeared in television advertisements are more well-liked than those that have not, television advertising is still seen as the most efficient method of product promotion. Companies must use innovative marketing strategies to grab consumers' attention and establish brand preference. Utilizing endorsers is one inventive method of advertising. Celebrities, regular individuals, and non-celebrities can all serve as endorsement figures. An influencer who promotes a product brand to consumers is known as an endorser. Opinion leaders have a responsibility in educating others, influencing others, and disseminating information. To ensure that the message reaches consumers who can develop opinions and who will then express these ideas in accordance with their respective perceptions, businesses must select appropriate endorsers and communicate the desired advertising message to the target audience. It is thought that by doing this, product awareness will rise (Ratnawita et al., 2023).

To find out whether promotional activities such as advertising stimulated using celebrities and personal selling activities are effective or not and how consumers respond to the prices offered by the company, in this case Excelcomindo through its free card, do they get a positive response from consumers? So, consumer responses to advertising (using celebrity endorsers), personal selling, and price are very important for marketers. Teenagers are one of the target consumers that marketers can target to market their products. Teenagers are a group of people in an age range who are no longer children but cannot yet be considered adults. Psychologically, teenagers are considered immature. Because of this, their prominent character is that they are dynamic, often change, follow trends, want something new, and are easily influenced. At this time, teenagers are more influenced by their friends and someone they consider to represent their own side, which they can absorb from various kinds of information they see. The population of Indonesian teenagers is 1,786,433 people out of Indonesia's total population of 220.4 million people. Looking at the situation above, there is no question that the teenage market has great potential and is attractive for marketers (Dalyono, 2008). For this reason, it is very important for marketers to know the influence of the use of celebrity endorsers in television advertising, personal selling, and pricing on the responses of teenage consumers.

Literature Review

According to recent advances in the advertising industry, celebrities are typically the endorsers who are most frequently hired by advertisers. This is because these superstars have qualities like beauty, talent, power, sexual allure, courage, talent, competence, and athleticism that typically make the items they promote appealing. The role of celebrities as endorsers in an advertisement is considered to be to influence consumers to give positive responses to the products being marketed (Nafisa et al., 2023). Celebrities act as message sources (advertising models) to communicate the advertised product appropriately so that it will raise consumer awareness of the product. But it not only forms awareness of the product but also influences consumers to the point where they make a purchase. Apart

from using advertising strategies, other promotional activities used to communicate products include personal selling. On an internet site, Mario Teguh stated that in an effort to be changed personally, directly to change people's decisions so that people also need people to buy, those people are what we call sales. But because of the stigma in the market that sales are forced, many people switch to using other terms. There are things called marketing officers, product representatives, and so on, to avoid the term sales, even though their function is still sales. Another term for sales is salesperson. This salesperson is a personal salesperson or sales force (Kotler, 2000).

Personal selling can also have a positive influence on consumers by increasing their purchasing interest. Personal selling is direct personal communication between sellers and potential buyers aimed at creating sales. Personal selling activities are important to increase company equity and the equity of each brand. Due to the one-on-one contact mode that distinguishes personal selling from other communication aspects, this form of marketing communication has a special ability to carry out its functions (Anggraini et al., 2020). Then, in general, companies must understand what consumers need and want for the products they produce, one of which is affordable prices and tariffs. Price is an amount of money determined by a company to satisfy consumer desires and is an important factor in making purchasing decisions. Sometimes, through attractive prices or tariffs offered by companies, consumers can respond to the point of making a purchase without considering the quality of the products and services provided by the company. But there are also many consumers who really pay attention to the quality of a product (Sugiyono, 2007).

Advertising is a tool for promoting a product from marketers to target customers. Because its function is to promote products to consumers, there are several things to consider when designing advertisements to attract consumer attention. One element of advertising that has an important role in designing an advertisement to be effective is the message of the advertisement itself. Designing good advertising messages. Marketers need to be aware of the message's source, format, structure, and substance. Advertising message sources that employ celebrities (celebrity endorsers) and advertising message sources that use the traits of a person or non-celebrity (typical-person endorsers) are two different sorts of message sources that support advertising (advertising models). In general, messaging sources that employ celebrities (celebrity endorsers) are the two advertising support sources that are most frequently used by advertisers (Jodi, 2018). Because celebrities typically endow the items, they advocate with desirable qualities such as attractiveness, talent, power, sexual allure, courage, elegance, skill, and athleticism. Advertising models that use celebrities have two attributes of effectiveness, namely the attractiveness of the advertising model (source attractiveness) and the credibility (source credibility) of the advertising model. To measure the effectiveness of celebrities as advertising supporters, it can be seen from the attributes of their effectiveness, namely attractiveness, trustworthiness, and celebrity expertise, as mentioned in the following explanation. Apart from the attributes mentioned above, in this study, the researcher added several other sub-variables (in Loudon's opinion) that have never been used in previous studies, namely celebrity status/prestige and celebrity suitability (explained in the framework scheme) (Tjiptono, 2008).

Another promotional tool for communicating a product that will be offered to consumers is through personal selling activities. This activity involves face-to-face interaction between a vendor and potential customers in order to get their attention and help them comprehend the product so they will try and purchase it. The success of personal selling activities can be seen in the effectiveness of the salesperson's performance. The appeal of prices or tariffs is sometimes well received by consumers (Tannady & Purnamaningsih, 2023). Attractive prices can encourage consumers to make purchases. According to researchers, this factor also needs to be evaluated for its effectiveness so that companies can find out the extent to which consumers respond to the prices offered. The three variables explained above (advertising, personal selling, and price) are interconnected to find out how consumers respond to a product being studied through these three variables using the hierarchy of effects consumer response model explained in the previous sections (Triguno, 2007).

Methodology

In this research, the authors took 100 teenage respondents who met the established criteria and then became the sample for this research. The information collected uses a non-random sampling method, where samples are selected based on certain considerations. Sampling like this is usually called purposive sampling. Data was collected

through the distribution of questionnaires, namely a number of written questions arranged in such a way that they were easy to answer for a number of respondents. The aim is to obtain relevant data and information according to what the researcher wants to research. The types of questions given in the questionnaire are closed questions. A quantitative descriptive analysis method that is, an analysis method that involves evaluating each variable from the responses to the questionnaire was utilized to analyze the data for this study. A Likert scale is used in the questionnaire. Statistical analysis techniques found in the SPSS version are used to process the data collected through the questionnaire. The analysis's findings will be displayed in tables. The table's results are examined in light of the independent variables, after which the impact on the dependent variable the behavior of teenagers can be seen. Therefore, the data must first be evaluated for validity and dependability on these characteristics before conducting statistical tests. Multiple regression analysis is the method of data analysis employed in this investigation.

Case studies

Teenage female customers dominated the features of respondents in the gender category, while there were only 36 teenage male consumers. Teenage consumers between the ages of 20 and 24 make up the majority of respondents in terms of characteristics based on age groups. Students dominated the respondent characteristics based on employment category. Based on the research findings, the t-count value is 2.6, the df (degree of freedom) is $n-k$ ($100-3$), and the significance level is 5% ($\alpha = 0.05$). It is clear that the t-table value is 0.05 (97) of 1.661. Since H_0 is disregarded and H_a is accepted ($t\text{-count} > t\text{-table}$), the regression coefficient for celebrity endorsers in television advertising (X_1) is significant. H_0 is determined to be rejected and H_a is determined to be accepted due to $\text{Sig.} < \alpha$, which means that the celebrity endorser television advertising regression coefficient (X_1) has a significant impact on consumer reaction (Y). The employment of celebrity endorsers in television advertising can affect consumer responses up until the purchasing process stage, according to the t test results. With a significance level of 5% ($\alpha = 0.05$), the t-calculated value was 2.4, while the t-table value was 0.05 (97) = 1.661. Because H_0 is rejected and H_a is approved, it may be inferred that the personal selling regression coefficient (X_2) is significant because the $t\text{-count} > t\text{-table}$ value. H_0 is determined to be refused and H_a is determined to be accepted because to $\text{Sig.} < \alpha$, which means that the personal selling regression coefficient (X_2) has a strong impact on consumer reaction (Y). The t test results indicate that personal selling done by businesses through salespeople can affect customer reactions up to the purchasing process stage.

The t-table value was 0.05 (97) = 1.661 and the t-count value was 2.2 with a significance level of 5%. H_0 is ruled out and H_a is allowed due to $\text{Sig.} < \alpha$, which means that the price regression coefficient (X_3) significantly affects consumer response (Y). The t test results indicate that the company's competitive pricing can affect customer replies up until the point of the purchasing process. $F_{0.05(3)(96)} = 2.7$ and estimated f-value = 39.829 and f-statistical value with degrees of freedom $df_1 = 3$ and $df_2 = 96$. Because H_0 is rejected and H_a is accepted, it may be inferred that the employment of celebrity endorsers in television advertising (X_1), personal selling (X_2), and price (X_3) all have an impact on consumer response (Y). This is because the $f\text{-count} > f\text{-table}$ value. Because of $\text{sig.} < \alpha$, it may be inferred that H_0 is rejected and H_a is accepted, indicating that the employment of celebrity endorsers in television advertising, personal selling, and price has an impact on consumer reactions. It can be inferred from the results of the f test that celebrity endorsing in television advertising, personal selling, and prices, either jointly or simultaneously, influence consumer responses, both by comparing f-count and f-table, as well as with significance numbers.

According to the output findings, the R squared (R^2) value is 0.5. The adjusted R square (or adjusted coefficient of determination) is then equal to 0.5. This indicates that the use of celebrity endorsers in television advertising (X_1), personal selling (X_2), and price (X_3) account for 50% of the dependent variable consumer response (Y), while the remaining 50% is explained by independent variables other variables outside the variables used in this research, such as sales promotion variables, public relations, quality, word-of-mouth value, and so forth. The R value in the SPSS output above is 0.7. If R is close to 1, then this indicates a very strong relationship. This means that the R value obtained is 0.7, which indicates that the independent variables celebrity endorser in television advertising (X_1), personal selling (X_2), and price (X_3) have a strong relationship with the dependent variable consumer response (Y). This influence illustrates that the three independent variables, namely celebrity endorsers in television

advertisements, personal selling, and price, can influence teenage consumers' responses to products.

A constant of 4 states that if there is no influence of celebrity endorsers in television advertising (X1), personal selling (X2), or price (X3), then the consumer response (Y) is 0.04%. If there is an increase in the celebrity endorser variable for television advertising (X1) by 1%, then the consumer response (Y) will increase by 0.00194%. The consumer reaction (Y) will increase by 0.00161% if the personal selling variable (X2) also increases by 1%. The consumer reaction (Y) increases by IDR 0.949 for every IDR 1 increase in the pricing variable (X3). Based on the findings of the multiple linear regression study, it can be deduced that the price variable (X3), which has a regression coefficient value of 0.95 and is the largest regression coefficient value compared to the celebrity endorser variable for television advertising (X1) and personal selling (X2), is the independent variable that has the most dominant influence on consumer response (Y).

Conclusion

Simultaneously, the factors of using celebrity endorsers in television advertising, personal selling, and price can influence the response of teenage consumers. Partially, the factors of using celebrity endorsers in television advertising, personal selling, and price have a significant influence on the response of teenage consumers. The price factor is a dominant factor that can positively influence the response of teenage consumers to the stage of the purchasing process. There are other independent variables that can influence the response of teenage consumers that are unknown and not included in this regression analysis, for example, sales promotions, service quality, public relations, or advertising that uses non-celebrity supporting figures (typical-person endorser). This research has implications for the business world, especially the advertising industry, because the use of celebrity endorsers in television advertising is the right choice because consumers give positive responses. This research can add new knowledge for academics and students that the use of celebrity endorsers in television advertising, personal selling, and prices is related to consumer responses to get to the purchasing stage. The use of celebrity endorsers in television advertisements featuring advertising stars, personal selling activities, and pricing strategies carried out by companies for their products is considered quite effective because respondents responded positively. Seeing the positive responses of respondents, the company is expected to maintain its strategy or even maximize its strategy in influencing consumers so as to create loyalty in their minds. Considering that there are still many other independent variables that can influence the dependent variable, it is hoped that further research will be carried out related to the title of this thesis by adding other variables that are estimated to contribute quite significantly to the influence, so that it will provide input for other interested parties and can provide input for the company.

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