THE INFLUENCE OF CELEBRITY ENDORSERS AND ELECTRONIC WORD OF MOUTH ON PURCHASE DECISION TRUST ON LAZADA MARKETPLACE SURABAYA

Fidela Mandasari¹, Eko Purwanto², Sugeng Purwanto³

¹,²,³ Management Study Program, Veteran National Development University, Jl.Raya Rungkut Madya, Gunung Anyar, Surabaya, fidelamandasari42@gmail.com

DOI: https://doi.org/10.21107/pamator.v16i1.19059

Manuscript received 20th February 2023, Revision 25th March 2023, Published 28th March 2023

Abstract

Celebrity endorsers and electronic word of mouth are essential factors in creating trust and consumer purchase decisions for Lazada. Therefore, this study aims to determine whether celebrity endorsers and electronic word-of-mouth marketing can influence a consumer's purchase decision directly or through trust. The type of data used in this study is quantitative data. The sampling technique used in this study was nonprobability sampling with the purposive sampling method. Thus the sample used was 102 Lazada marketplace customers in Surabaya. The data analysis technique used to process data is SmartPLS. The results of this study show that Celebrity endorsers and Electronic word of mouth have a positive and significant effect on purchase decisions. Furthermore, Celebrity Endorsers and Electronic word of mouth positively and significantly affect purchase decisions through trust.

Keywords: Celebrity, Endorser, Electronic, Word of Mouth, Trust

© Authors; This is an Open Access Research distributed under the term of the Creative Commons Attribution-ShareAlike 4.0 International License (CC BY-SA 4.0) (https://creativecommons.org/licenses/by-sa/4.0/), which allows re-distribution and re-use of a licensed work on the conditions that the creator is appropriately credited and that any derivative work is made available under "the same, similar or a compatible license".

INTRODUCTION

Electronic commerce is a type of technology implementation in terms of increasing business, selling and purchasing products used to market and buy various products or services, both in physical and digital form. The website¹ reveals that Surabaya was once

the largest city in the Dutch East Indies and was a commercial center in the archipelago, on a par with Hong Kong and Shanghai at that time. As a result, it can be concluded that the emergence of the internet certainly has an impact on business people who make small, medium, and large entrepreneurs take advantage of internet media in advancing their business ventures and influencing the economic sector so that online businesses such as online shops, e-commerce and marketplaces thrive in Surabaya. The presence of a marketplace helps a lot of consumer needs. The large number of online stores as they are today is due to the increasing number of sites that offer online buying and selling services or online stores such as Shopee, Tokopedia, Lazada, Blibli, Bukalapak and many others.

The increasingly tight business competition requires marketplaces to be creative and attractive in order to influence consumer purchasing decisions. Improving consumer purchasing decisions on the marketplace is certainly not an easy thing to do. So, marketplace companies need to approach consumers in an effort to build trust in consumers. So that consumers can easily recognize brands and can differentiate between other marketplaces which in the end consumers can decide to buy in that marketplace. According to Sudirman and Others and Purwanto that one of the important components for maintaining good relations with consumers is by building good trust. Kurniawati emphasizes that trust will determine consumer purchases and will have the potential to create high-value relationships. This is in line with the results of research conducted that trust has a significant effect on purchasing decision involvement in the case of using travel services in Bangkok.

From the marketing strategy perspective, building trust in consumers' minds towards the marketplace is influenced by other factors, considering that there are many competitors in the Lazada marketplace. The developing phenomenon is promoting a product or service using celebrity endorsers or brand ambassadors so that the intended

---

market share is on target. According to Sanditya\(^9\), a celebrity endorser is a well-known figure who lends his name and plays himself as a representative consumer of a product or service for a company. Lazada also still uses celebrity endorsements in various advertisements for its products. Lazada is currently collaborating with celebrities Tasya Farasya, Tiara Andiri, Agnes Mo, Verrel Bramasta, Natasha Wilona and many more. According to Tamara\(^10\) states that the better the celebrity endorser used in advertising a product, the higher consumer trust in a product. Reiterated by the statement\(^11\) that the creation of purchasing decisions cannot be separated from the influence of celebrity endorsements. This is supported by the results of research conducted by Tamara\(^12\), that celebrity endorsers have a significant influence on trust in madeenaa.id consumers. As well as the results of the study\(^13\) that celebrity endorsers have a positive and significant influence on purchase decisions. However, contrary to the results of research conducted by Pudyaningsih\(^14\) that celebrity endorsers have no significant effect on purchasing decisions.

In addition to celebrity endorsers, electronic word of mouth is essential in creating customer trust. Because a person's level of trust arises from suggestions from others and reviews on social media or blogs related to online buying and selling sites, thus, word of mouth yang conveyed on social media can easily affect the perception of dan penilaian seseorang mengenai kepercayaan konsumen. According to Nur and Oktavia\(^15\), electronic word of mouth is a communication medium for sharing information about a product or service that has been used and consumed by consumers before, as well as providing perceptions about the product online. However, nowadays, there is some bad news or reviews in the electronic media regarding Lazada. Of course, this will impact consumers’ purchasing decisions for Lazada.

The source mediakonsumen.com, a consumer review of Lazada, revealed that electronic word of mouth conveyed a negative opinion of Lazada. Therefore, it was found that Lazada's main problem was in electronic word of mouth. Negative electronic word

---


10 Annisa Nurul Tamara, ‘Pengaruh Brand Awareness Dan Celebrity Endorser Terhadap Kepercayaan Serta Dampaknya Pada Minat Beli Produk (Studi Ada Konsumen Madeenaa.Id)’, Jurnal Indonesia Sosial Sains, 2.9 (2021), 1456–76 <https://doi.org/10.36418/jiss.v2i9.413>.


12 Nurul Tamara.

13 Lestari and Wahyono.


of mouth can affect consumers’ purchasing decisions. According to Putri and Others\textsuperscript{16} emphasizes that the more customers who write online reviews or electronic word of mouth through online media, the purchasing decisions will increase. This is supported by the results of research conducted\textsuperscript{15} that electronic word of mouth has a significant effect on consumer trust in fashion product followers Instagram Erigostore accounts. However, this contradicts the results of research conducted by Wijaya and Paramita\textsuperscript{18} which shows that electronic word of mouth has no significant effect on purchasing decisions.

Based on the description above, it can be concluded that celebrity endorsers and electronic word of mouth are essential factors in creating trust and purchase decisions for consumers. To determine whether trust and purchase decisions are influenced by celebrity endorsers and electronic word of mouth, it is necessary to conduct further research. Therefore, this study was titled "The Influence of Celebrity Endorsers and Electronic Word of Mouth on the Purchase Decision of Lazada Marketplace Customers in Surabaya Through Trust as an Intervening Variable".

**RESEARCH METHODS**

The type of data used in this research is quantitative data. This research is the result of a modification of three previous studies, namely research conducted by some researchers\textsuperscript{19,20,21} The population used in this research is Lazada marketplace customers in Surabaya, East Java. The sampling technique used in this study was nonprobability sampling using the purposive sampling method. There were 17 indicators in this study. Thus the sample in this study was $6 \times 17 = 102$ Lazada marketplace customers in Surabaya.

The data collection method used in this study was a questionnaire. The data collection method is a survey by distributing questionnaires directly to customers who have accessed and shopped on the Lazada marketplace. The measurement technique uses a five-point Likert scale, where the Likert scale serves to measure a person's response to something. The data analysis technique used to carry out data processing in this study is


Structural Equation Modeling, commonly referred to as SEM. In comparison, the statistical tool used in this study is SmartPLS.

**Table 1. Research Variables**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Measurement Indicators</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Exogenous variables</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Celebrity Endorser (CE)</td>
<td>1. Physical Attractiveness</td>
<td>(Kurniawati 2022)</td>
</tr>
<tr>
<td></td>
<td>2. Credibility</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Expertise</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4. Congruence</td>
<td></td>
</tr>
<tr>
<td>Electronic Word of Mouth</td>
<td>1. Information</td>
<td>(Wibowo and others 2021)</td>
</tr>
<tr>
<td>(EWOM)</td>
<td>2. Knowledge</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Answer</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4. Reliability</td>
<td></td>
</tr>
<tr>
<td><strong>Intervening Variables</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust (T)</td>
<td>1. Competence</td>
<td>(Meida and others 2021)</td>
</tr>
<tr>
<td></td>
<td>2. Integrity</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Honesty</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4. Benevolence</td>
<td></td>
</tr>
<tr>
<td><strong>Endogenous variables</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase Decision (PD)</td>
<td>1. Purpose in buying a product.</td>
<td>(Rahmawati and others 2021)</td>
</tr>
<tr>
<td></td>
<td>2. Processing information to arrive at the choice of brand.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Steadiness in a good or service.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4. Provide recommendations to others.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>5. Make a repurchase.</td>
<td></td>
</tr>
</tbody>
</table>

**RESULTS AND DISCUSSION**

**Partial Least Square Test**

This study used the Partial Least Square (PLS) test through SmartPLS software version 3.3.2 to test hypotheses. The figure below is the proposed PLS model.

*Figure 2. Model PLS*
Figure 2 shows the amount of loading factor as a result of the estimation of each indicator that measures the construct. The estimation results show that all indicators have met good validity because they have a loading factor of 0.50 or more than 0.50. Since the validity test with outer loadings has been met, the measurement model has the potential to be tested further. Based on Figure 2 above, it can be seen that celebrity endorsers and electronic word of mouth through trust influence the purchase decision. Therefore the equation in this study is shown as follows:

\[
PD = 0.224 \, T + 0.375 \, CE + 0.402 \, EWOM \\
T = 0.569 \, CE + 0.252 \, EWOM
\]

**Coefficient of Determination**

The most commonly used structural model evaluation in testing the inner model is the coefficient of determination using the R-square value. The value of the R-square in this study can be seen in Table 2 below.

<table>
<thead>
<tr>
<th>Table 2. R-Square Values</th>
<th>R Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Decision</td>
<td>0.699</td>
</tr>
<tr>
<td>Trust</td>
<td>0.519</td>
</tr>
</tbody>
</table>

**Source:** Processed data, 2022.

Based on table 4.20 above, it can be concluded that the R Square value of the trust variable is 0.519, meaning that the celebrity endorser and e-wom variables can simultaneously explain their effect on the trust variable by 51.9%. The remaining 48.1% is explained by other variables outside the model studied. At the same time, the R Square value of the purchase decision variable is 0.699, which means that the celebrity endorser, e-wom, and trust variables can explain their effect on the purchase decision variable by 69.9%. The remaining 30.1% is explained by other variables outside the model studied.

Furthermore, the Q-square can be seen to determine the suitability of the structural model. A Q-square value greater than 0 (zero) in structural models indicates that the model has predictive relevance. The Q-square calculation formula is as follows:

\[
Q\text{-Square} = 1 - [(1 - R^2) \times (1 - R^2)] \\
= 1 - [(1 - 0.699) \times (1 - 0.519)] \\
= 0.855
\]

The Q-square value obtained from the above formula is 0.855. The value is greater than 0 (zero), which means the model qualifies for Q-square. That indicates the model has predictive relevance.
Hypothesis Test

Conduct hypothesis testing to answer the research hypothesis that has been previously described. A hypothesis is expressed as accepted if the statistical t-value > 1.96.

Table 3. Results of Testing the Direct Influence Hypothesis

|                      | Original Sample (O) | Sample Mean | Standard Deviation | T Statistics (|O/STDEV|) | P-Value |
|----------------------|---------------------|-------------|--------------------|---------------------|---------|
| Celebrity endorser -> purchase decision | 0.375              | 0.375       | 0.093              | 4.016               | 0.000   |
| E-wom -> purchase decision              | 0.402              | 0.397       | 0.088              | 4.544               | 0.000   |

Source: Processed data, 2022.

The table of results of testing the hypothesis of direct influence above shows that:
1. Celebrity endorsers significantly influence purchase decisions because the statistical t value is 4.016, which is more significant than 1.96. So that the H1 hypothesis, which reads "Celebrity endorser has a positive effect on purchase decisions on Lazada marketplace customers in Surabaya", is acceptable.
2. Electronic word of mouth (E-WOM) significantly influences purchase decisions because the statistical t value is 4.544, where the figure is more significant than 1.96. So that the H2 hypothesis, which reads "Electronic Word of Mouth has a positive effect on purchase decisions on Lazada marketplace customers in Surabaya", is acceptable.

Table 4. Indirect Influence Hypothesis Testing Results

|                      | Original Sample (O) | Sample Mean | Standard Deviation | T Statistics (|O/STDEV|) | P-Value |
|----------------------|---------------------|-------------|--------------------|---------------------|---------|
| Celebrity Endorser -> trust -> purchase decision | 0.128              | 0.131       | 0.061              | 2.099               | 0.036   |
| E-wom -> trust -> purchase decision              | 0.056              | 0.056       | 0.028              | 2.038               | 0.042   |

Source: Processed data, 2022.

The table of results of testing the hypothesis of direct influence above shows that:
1. Celebrity endorsers significantly influence purchase decisions through trust because the statistical t value is 2.099, which is more significant than 1.96. So that the H3 hypothesis, which reads "Celebrity endorsers have a positive effect on purchase decisions through trust in Lazada marketplace customers in Surabaya", is acceptable. It means trust plays a mediating role in influencing the celebrity endorser's purchase decisions.
2. Electronic Word of Mouth (E-WOM) significantly influences purchase decisions through trust because the t-statistical value is 2.038, which is more significant than 1.96. So that the H4 hypothesis, which reads "Electronic word of mouth (E-WOM) has a positive effect on purchase decisions through trust in Lazada marketplace customers in Surabaya", is acceptable. It means that trust plays a mediating role in the influence of electronic word of mouth (E-WOM) on purchase decisions.

![Figure 3. Research results](image)

Based on the description of the hypothesis test and the figure above, the results of the hypothesis test in this study can be concluded as follows:

H1: Celebrity Endorser has a positive and significant effect on Purchase Decision

With a hypothesis test at a P-value of 0.000 < 0.05, the t-statistical value is 4.016, where the figure is more significant than 1.96 and then shows that both variables are significant. These results prove that the hypothesis that reads "Celebrity endorsers have a significant effect on purchase decisions on Lazada marketplace customers in Surabaya" was accepted.

According to the source\(^\text{22}\), making purchasing decisions cannot be separated from the influence of celebrity endorsements. Meanwhile, according to the source\(^\text{23}\), the endorsed celebrities chosen by the company are generally not only famous but also have a good image and achievements and are in accordance with the theme and target market you want to target, so that they can improve purchasing decisions.

The results of this study are in accordance with the results of previous research conducted\(^\text{24}\) that celebrity endorsers have a positive and significant influence on purchase decisions. This is also in line with the results of research conducted by the source\(^\text{25}\) that there is a positive and significant influence between celebrity endorsers on purchasing...

\(^{22}\) Lestari and Wahyono.


\(^{24}\) Lestari and Wahyono.

decisions. Thus, the first hypothesis in this study is stated to have an influence or significant (positive).

H2: Electronic Word of Mouth has a positive and significant effect on Purchase Decision

A hypothesis test at a P-value of 0.000 < 0.05 and a statistical t-value of 4.544 where the number is greater than 1.96 shows that both variables are significant. This result proves that the hypothesis that reads "Electronic Word of Mouth has a significant effect on Purchase Decisions on Lazada Marketplace Customers in Surabaya" is acceptable.

According to 26 the more customers who write online reviews or electronic word of mouth through online media, the higher their purchasing decisions will be. While Hakim and Others 27 revealed that currently consumers are very much influenced by positive comments from other consumers in purchasing decisions, because by participating in other consumers in providing recommendations or reviews, for example when sharing review platforms, this can influence consumer purchasing decisions.

The results of this study are in accordance with the results of research conducted 28 that electronic word of mouth has a positive and significant effect on the decision to use the Lazada marketplace in Buleleng Regency. The results of the research conducted 29 also found that there was a partially significant effect between electronic word of mouth and purchase decisions. The results of the research conducted 30 also state that electronic word of mouth has a positive and significant influence on purchasing decisions. Thus, the second hypothesis in this study is stated to have an influence or significant (positive).

H3: Celebrity Endorser has a positive and significant effect on Purchase Decisions through Trust

Based on the results of hypothesis testing, it is known that celebrity endorsers influence purchase decisions through trust. With a hypothesis test at a P-value of 0.036 < 0.05, the t-statistical value of 2.099, where the number is greater than 1.96, shows that both variables are significant. These results prove that the hypothesis that reads "Celebrity endorsers have a significant effect on purchase decisions through trust in Lazada marketplace customers in Surabaya" is acceptable. However, with a path coefficient value of 0.127, this figure is still smaller than the 1st Hypothesis which reads "The Influence of Celebrity Endorsers on Trust in Lazada Marketplace Customers in Surabaya" which is

26 Putri, Santra, and Putrana.
29 Putri, Santra, and Putrana.
0.375. So it can be concluded that celebrity endorsers have a greater influence on purchase decisions directly than through trust as an intervening variable.

According to\textsuperscript{31} states that the factors that need to be considered by companies when consumers make purchases are trust and celebrity endorsers so that they can influence consumers to make purchasing decisions. Meanwhile, according to\textsuperscript{32} attractive appearance, good behavior or other personal characteristics of an endorser can increase consumer confidence in making purchasing decisions and influencing product sales.

Research by\textsuperscript{33} that indirectly celebrity endorsers through trust have a significant influence on purchasing decisions. The results of the research conducted\textsuperscript{34} also state that celebrity endorsers have a significant effect on purchasing decisions through brand trust. Thus, the third hypothesis in this study is stated to have a significant (positive) effect or a mediating effect.

**H4: Electronic Word of Mouth** has a positive and significant effect on **Purchase Decisions** through **Trust**

Based on the results of hypothesis testing, it is known that electronic word of mouth influences purchase decisions through trust. With hypothesis testing at a P-value of 0.042 < 0.05, a statistical $t$-value of 2.038 where the number is greater than 1.96 indicates that both variables are significant. These results prove that the hypothesis which reads "Electronic Word of Mouth has a significant effect on Purchase Decisions through Trust in Lazada marketplace customers in Surabaya" can be accepted. However, with a path coefficient value of 0.056, this figure is still smaller than the path coefficient in the second hypothesis which reads "Effect of Electronic Word of Mouth on Purchase Decisions in Lazada Marketplace Customers in Surabaya" which is 0.402. So it can be concluded that electronic word of mouth has a greater influence on purchase decisions directly than through trust as an intervening variable.

According to\textsuperscript{35}, the more often electronic word of mouth is carried out on a product, the higher the level of brand trust in the product, then if the brand trust is high, it will indirectly increase purchasing decisions for the product. Meanwhile\textsuperscript{36} states that

\textsuperscript{31} Kurniawati.
\textsuperscript{33} Pudyaningsih and others.
with electronic word of mouth communication someone will easily believe in a product which can form a purchasing decision.

The results of this study are in accordance with the results of research conducted by\textsuperscript{37} that electronic word of mouth mediated by trust has a positive impact on purchasing decisions. The research conducted\textsuperscript{38} also states that electronic word of mouth has a positive effect on purchasing decisions through online trust. Thus, the fourth hypothesis in this study is stated to have a significant (positive) effect or a mediating effect.

**CONCLUSION**

Celebrity endorsers impact purchase decisions, so by utilizing the fame of an endorser, it is hoped that it can attract consumers to make purchase decisions. Because an advertisement using other factors such as image, status, class, gender, age, and the personality and lifestyle of a celebrity endorser can easily attract viewers or audiences to make purchase decisions. Thus, celebrities can be a reflection of a brand.

Electronic word of mouth impacts purchase decisions, so with a good sentence, someone from the internet will cause a purchase decision that consumers will make, so it is undeniable that electronic word of mouth can bring up someone's purchase decision directly. Electronic word-of-mouth communication can determine consumer choices in product purchase decisions because consumers will consciously look for information related to the product before making a purchase decision. Thus, the existence of the electronic word of mouth makes consumers who want to make a purchase decision pay more attention to reviews from other people regarding the product.

Celebrity Endorser impacts purchase decisions through trust, so an endorser with exemplary achievements and image can provide charm to foster a sense of consumer trust which is expected to impact purchasing decisions. Choosing the right endorser can give consumers confidence in buying products because using celebrity endorsers with a good image can increase consumer confidence in the products offered by the company so that consumers' purchasing decisions can be made.

Electronic word of mouth impacts purchase decisions through trust, meaning that consumers disseminate more often positive information on a product. It will generate trust in the brand and is expected to increase purchasing decisions on products with that brand. In other words, electronic word-of-mouth communication can provide more reliable information about the product to foster customer trust, which will further impact purchasing decisions. Because the higher the level of trust that consumers feel will make the purchase decisions they will make in the future.


BIBLIOGRAPHY


Haekal, Muhammad Erlandy, Suharyono, and Edy Yuliyanto. 2016. ‘Pengaruh Electoronic Word of Mouth Terhadap Kepercayaan Dan Keputusan Pembelian (Survei Pada Konsumen Produk Fashion Followers Akun Instagram Erigostore)’, *Jurnal Administrasi Bisnis (JAB)*, 40.2: 162–68


Rusli, Cindy Arista, and M. Rachman Mulyandi. 2019. ‘Pengaruh Penggunaan Media Sosial, Electronic Word of Mouth (EWOM) Terhadap Keputusan Pembelian
Konsumen Dan Dimediasi Oleh Kepercayaan’, in Seminar Dan Lokakarya Kualitatif Indonesia, pp. 149–58 <https://doi.org/10.33510/slki.2019.149-158>


