PRODUCT ATTRIBUTES AND CELEBRITY ENDORSEMENT ON CUSTOMER PURCHASE INTENTION (CASE OF STREET BOBA MANADO)

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Abstract: This research aims to determine the effect of product attributes and celebrity endorsement on customer purchase intention in Street Boba Manado. The research method used in this research is causal type with associative research approach. Data analysis method of Multiple Linear Regression Analysis used in this research. The populations in this research were all customer of Street Boba Manado with research characteristic of age gap between 15 – 25 years old and resided on Manado city. Using data collection technique of questionnaire, the total qualified respondent obtained were 112 respondents. The result of this research indicated that product attributes and celebrity endorsement significantly influenced customer purchase intention, both partially and simultaneously. The result indicated how high the performance of product attributes and celebrity endorsement towards customer purchase intention since the average answer for the performance is strongly agreed.

Keywords: Product attributes, celebrity endorsement, purchase intention


Kata Kunci: Selebriti endorser, atribut produk, niat beli
INTRODUCTION

Research Background
Accentuating on physiological needs on Maslow’s Hierarchy of Needs, food and drinks are the basic human survival needs that mandatory to be required. With the development of human lifestyle, the basic needs of food and drinks also changes, with more and more outstanding concepts of food base and drinks every year, including the birth of an essential Asian signature drinks, bubble milk tea or boba. The consumption of boba increases every year including in Indonesia, data showed by MOKA (Indonesia’s technological mobile of Point-of-Sale and payment record) in 2019, stated that the sale of boba milk tea rapidly increased up to 12% from July-October 2019. The data retrieved from every outlets and stores using MOKA’s payment and record system. MOKA added that the sale increase rapidly on early-year of 2019 due to the booming opening of franchise Xie Boba Indonesia.

When the first case of corona virus 2019 (COVID-19) appeared, the consumers behaviour begin to changes, focusing on health and hygiene and having preference on certain brand is examples of new commonly behaviour of consumers (Kohli et al., 2020). With all of the new activity limitation policies, a lot of boba based business end up broke or no longer operating because of the limitation time to operate and serving only take aways. The remaining boba based businesses doing best to stay compete on the market. One of the business that struggle the tight competition in pandemic is Street Boba, Specializing on bubble milk tea, it open for business officially in January 31, 2020 (before COVID-19) located on Ampera Kemang, Jakarta. Street Boba itself was a local franchise of bubble or boba shop that was famously owned by Nikmat Grup and celebrity Jovi Adhiguna. The trend of Street Boba increased even after pandemic because of its attributes including their boba quality and its distinctive taste, also it was also famously known before it officially opened by the influence of Jovi Adhiguna as a celebrity and his digital platform. This research was conducted to figured the influence of Street Boba’s product attributes and the influence of Jovi Adhiguna as a celebrity impacting his business performance on one of his Street Boba branch located in Manado.

Research Objective
This research aim to find whether product attributes and celebrity endorsement have significant influence on customer purchase intention both partially and simultaneously.

THEORETICAL FRAMEWORK

Marketing
According to Kotler and Armstrong (2008), marketing is a process in which companies create value for customers and build strong relationships with customers, with the aim of capturing value from customers in return.

Celebrity Endorsement
Famously known as one of the oldest marketing communication strategy, celebrity endorsement combines popular cultures with the icon. The use of celebrity as a strategy in marketing communication is a common practice for companies. In consequence of constant innovations during the previous years in marketing, celebrity endorser has become a substantial marketing tool (Kansu and Mamuti, 2013).

Marketing Mix
Set of a tactical marketing tools that company used in order to retrieved expected response from the target market (Kotler and Keller, 2011). There are four core of marketing mix there are product, price, place and promotions. One of the element used in this research discussing about company’s product.

Product Attributes
According to Kotler and Armstrong (2008), the product attribute is the development of a product or service involving the benefits that the product or service will offer. Product attributes for marketing efforts are one way to be able to win the competition in the market because these product attributes are a tool to differentiate the company's products from competitors' products.
Consumer Behaviour

Consumer behavior is the study of how individuals, groups, and organization select, buy, use and dispose of goods, service, ideas, or experience to satisfy their needs and wants (Kotler and Keller, 2011). It contained observations on how would the individuals or groups responded to certain product or services with reason behind every decisions they made.

Purchase Decision Process

According to the “Five-Stages Model” of Kotler and Keller (2011), it will start with evaluation of alternatives where consumer judge the attributes based on what will satisfy their needs, and in this segment, there are brand comparison and sometimes refers to evaluation stages, then there is purchase, after that there are segment called unanticipated situational factors or attitude of others which may or may not happened and resulting the influence of purchase decision success or not. The last step is purchase decision made by the individuals or groups.

Previous Research

Iyan Ayuba (2018) aimed to to determine how attributes influence consumer knowledge of the product and purchase intentions in PT Hasjrat Abadi cabang Limboto and the population in this study are all consumers who never make purchases at PT Hasjrat Abadi cabang Limboto. Samples were taken using purposive sampling sample size of 50 people. Data analysis technique used is multiple regression. The results showed that: 1) Product attributes significantly influence purchase intention on PT Hasjrat Abadi cabang Limboto. 2) Consumer knowledge significantly influence purchase intention on PT Hasjrat Abadi cabang Limboto.

P. Venkata Subbiah, and A.S. Sathish (2020) aimed to examine the impact of celebrity endorsement among rural youth, students of their purchase intensions and loyalty of beverages used rural students. In order to examine the objective of the present study, the data were collected out of the total population, using convenience sampling of 245 respondents are randomly selected. Data was collected through a well-developed structured questionnaire. The impact of celebrity endorsement is computed by using Smart Partial Least Squares (Smart PLS) tool. It is evident from the results; Celebrity Endorsement is played most significant role in shaping brand loyalty of a consumer based on their purchase intension.

Angela Z. Wo'en (2016) aimed to determine the influence of celebrity endorsement on consumer purchase intention. This research used a multiple linear regression analysis with the sample is 100 respondents that were obtained from citizen at Manado City. The result from this research shown that the physical attractiveness, expertise, and congruity have significantly influence customer purchase intention to buying Clear shampoo. The consumer like the endorser that always shows up on the television and already recognize by the consumer, in other words the consumer like the endorser that already have a high popularity and also the respondent more attracted by a good looking endorser.

Conceptual Framework

![Conceptual Framework](image)

Source: Research Hypotheses (2021)

Research Hypothesis

H1: Product Attributes have a significant influence partially toward Customer Purchase Intention of Street Boba Manado

H2: Celebrity Endorsement have a significant influence partially towards Customer Purchase Intention of Street Boba Manado

H3: Product Attributes and Celebrity Endorsement have significant influence simultaneously on Customer Purchase Intention of Street Boba Manado
RESEARCH METHOD

Research Approach
This research is a causal type of research which also means it was classified on a quantitative research method. Causal research is used to evaluate the direct or indirect relationship between the variables. Further, when viewed from the level of explanation, this study use associative approach.

Population, Sample and Sampling Technique
This research respondents were 112 respondents in limited characteristic such as had purchased Street Boba Manado before, youngster group with age gap from 15-25 years old and all reside in Manado. Simple random sampling is a sample taking technique where it took sample members from a population which is done randomly regardless the stratum exist inside the population (Sugiyono, 2014).

Data Collection Method
Primary data through G-Form questionnaires and secondary data obtained in the form of journals and relevant literature from library and internet as the theoretical support of this research

Operational Definition of Research Variable
Table 1 Operational Definitions and Indicators

<table>
<thead>
<tr>
<th>Variable</th>
<th>Definition</th>
<th>Indicator</th>
</tr>
</thead>
</table>
| Product Attributes (X1)   | Product attributes as all features (both tangible and intangible) of an item or service that can be assessed by customers, then it will help distinguish between the products offered by a company with similar products offered by other companies (Lovelock and Wright, 2001) | 1. Product Quality  
2. Product Features |
| Celebrity Endorsement (X2)| Celebrity was a person whose name could grab public attention, arouse interest, and generate profit from the public (Aggarwal-Gupta and Dang, 2009) | 1. Physical Attractiveness  
2. Celebrity’s Credibility  
3. Celebrity’s Expertise  
4. Celebrity’s Congruity |
| Purchase Intention (Y)    | Purchase intention comes within customer themselves to proceed transaction with retailer or such and reflects as promise to repurchase products further (Fandos and Flavian, 2006) | 1. Intention to buy products  
2. Intention to recommend  
3. Intention to make first choice  
4. Intention to seek out product |

Source: Research Theoretical Review (2021)

Data Analysis Method
Validity and Reliability Test
According to Sugiyono (2014), validity is the degree of accuracy between the data that occurs in the object of research with data that can be reported by researchers. While the reliability test purposed to measure object to be used on several times, it is to test the reliability of the instrument.

Multiple Linear Regression Analysis
Multiple Linear Regression analysis is a tool used to figure the influences of two or more variables towards dependent variables. The equation formula of multiple linear regression displayed below:

\[ Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \epsilon \]

Whereas:
- \( Y \) = Purchase Intention,
- \( \alpha \) = Constant Value,
- \( X_1 \) = Product Attributes, \( X_2 \) = Celebrity Endorsement,
- \( \beta_1, \beta_2 \) = Regression Coefficient of Each Variable
- \( \epsilon \) = Error
RESULT AND DISCUSSION

Result
Validity Test and Reliability Test

From the result from the SPSS software, the index value Product Attributes (X1), Celebrity Endorsement (X2) and Customer Purchase Intention (Y) instrument, shows value greater than 0.3 and significant value below 0.05 and all instrument R-Count is higher than the R-Table (0.184), where Product Attributes (X1) is 0.704, Celebrity Endorsement (X2) is 0.723 and Celebrity Endorsement (Y) is 0.723 meaning all instrument are valid. The Cronbach’s Alpha value of Product Attributes (0.800), Celebrity Endorsement (0.934) and Customer Purchase Intention (0.883) is higher than the minimum value which were 0.600, the research instrument is considered reliable.

Normality Test

![Figure 2. P-Plot Graphic](source:SPSS Output (2021))

On Figure 2, the P-Plot graphic shows that the dots are spreading and following the direction of the diagonal line. Therefore, the normalization test resulted that the data of this research is considered normally distributed.

Heteroscedasticity Test

![Figure 3. Scatter Plot Graphic](source:SPSS Output (2021))

As seen on Figure 3, the Scatter Plot graphic shows that the dots are not performing any pattern and that the dots seen spreading above and below 0 (zero) on the Y axis. Therefore, the heteroscedasticity test resulted that the data of this research had no heteroscedasticity in this regression.
Multicollinearity Test

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>15.158</td>
<td>7.589</td>
<td>1.997</td>
</tr>
<tr>
<td>Product Attributes</td>
<td>.955</td>
<td>.250</td>
<td>.379</td>
</tr>
<tr>
<td>Celebrity Endorsement</td>
<td>.426</td>
<td>.153</td>
<td>.275</td>
</tr>
</tbody>
</table>

Source: SPSS Output (2021)

The tolerance value of both Product Attributes and Celebrity Endorsement are 0.607, while the VIF value of both Product Attributes and Celebrity Endorsement are 1.647. It means that the tolerance value of all variable are more than 0.100 and the VIF value of all variable is less than 10.00, indicating than this research is free from multicollinearity.

Multiple Linear Regression Analysis

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>15.158</td>
<td>7.589</td>
<td>1.997</td>
<td>.048</td>
</tr>
<tr>
<td>Product Attributes</td>
<td>.955</td>
<td>.250</td>
<td>3.822</td>
<td>.000</td>
</tr>
<tr>
<td>Celebrity Endorsement</td>
<td>.426</td>
<td>.153</td>
<td>2.779</td>
<td>.004</td>
</tr>
</tbody>
</table>

Source: SPSS Output (2021)

Based on the regression equation above, the result on the relationship between independent variables and dependent variables are as shown below:

1. The constant value of 15.158 shows the influence of Product Attributes (X1) and Celebrity Endorsement (X2) towards Customer Purchase Intention (Y), meaning that if the independent variables equals to zero, then the dependent value predicted to be 15.158.
2. Product Attributes (X1) shows a coefficient value of 0.955, which means if it increases by 1, the value of Customer Purchase Intention as dependent variable will be increased by 0.955.
3. Celebrity Endorsement (X2) shows a coefficient value of 0.426, which means if it increases by 1, the value of Customer Purchase Intention as dependent variable will be increased by 0.426.

Coefficient of Correlation (R) and Coefficient of Determination (R²)

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.592</td>
<td>.350</td>
<td>338</td>
<td>8.560</td>
</tr>
</tbody>
</table>

Source: SPSS Output (2021)

Based on the Table 4, it shows that the value of R is 0.592 which mean it had fulfilled the standard value of R test (>0.70 = strong positive correlation) and R² value is 0.350 or 35% indicating that the independent variable of this research only had impact of 35% on dependent variable (Customer Purchase Intention) and the remaining 65% came from external factors that were not discussed in this research.

Hypotheses Testing

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>15.158</td>
<td>7.589</td>
<td>1.997</td>
<td>.048</td>
</tr>
<tr>
<td>Product Attributes</td>
<td>.955</td>
<td>.250</td>
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<tr>
<td>Celebrity Endorsement</td>
<td>.426</td>
<td>.153</td>
<td>2.779</td>
<td>.004</td>
</tr>
</tbody>
</table>

Source: SPSS Output (2021)
On Table 5, the result shows the value of both significant value and t-count. This research would proceed the T-test following option number 2, in which if the t-count > t-table, it means independent variable are significantly influence dependent variable. But first the t-table must be discover. Formula of t-table:

\[(\alpha/2; n-k-1)\], where:
α = 0.05  
n (total sample) = 112,  
k (independent variable) = 2,  
and so it is:

\[T-table = (0.05/2; 112-2-1) = (0.025; 109) = 1.981\]

Table 6 T-Count Table

<table>
<thead>
<tr>
<th>Variable</th>
<th>T-Count</th>
<th>T-Table</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Attributes</td>
<td>3.822</td>
<td>1.981</td>
</tr>
<tr>
<td>Celebrity Endorsement</td>
<td>2.779</td>
<td>1.981</td>
</tr>
</tbody>
</table>

*Source: SPSS Output (2021)*

Table 6 shows that:
- H1: Product Attributes have an influence partially toward Customer Purchase Intention of Street Boba Manado. From the result on the table above, the tcount (3.822) > ttable (1.981), indicating that Product Attributes have a significant influence partially towards Customer Purchase Intention of Street Boba Manado, then it is declared that H1 is accepted.
- H2: Celebrity Endorsement have an influence partially towards Customer Purchase Intention of Street Boba Manado. From the result on the table above, the tcount (2.779) > ttable (1.981), indicating that Celebrity Endorsement have a significant influence partially towards Customer Purchase Intention of Street Boba Manado, then it is declared that H2 is accepted.

Table 7 F-Test Table

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>-4303.089</td>
<td>2</td>
<td>2151.544</td>
<td>29.367</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>7985.902</td>
<td>109</td>
<td>73.265</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>12288.991</td>
<td>111</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Source: SPSS Output (2021)*

From Table 7 shows both of the significant value and the Fcount. This research would take option number 2 as the way to do the F-test. In which, if the Fcount > Ftable it means that all of the independent variables simultaneously influence dependent variable. Before proceeding, the Ftable must be discover first. Formula of Ftable:

\[(k;n-k)\], where:

k (independent variable) = 2  
n (total sample) = 112,  
and so it is:

\[F-table = (2;112-2) = (2;110) = 3.08\]

Table 8 F-Count Table

<table>
<thead>
<tr>
<th>Variable</th>
<th>F-Count</th>
<th>F-Table</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Purchase Intention</td>
<td>29.367</td>
<td>3.08</td>
</tr>
</tbody>
</table>

*Source: SPSS Output (2021)*

Table 8 shows that:
- H3: Product Attributes and Celebrity Endorsement an influence simultaneously on Customer Purchase Intention of Street Boba Manado. From the result shown above, the F-count (29.367) > Ftable (3.08), indicating that independent variables (Product Attributes and Celebrity Endorsement) have significant influence simultaneously towards dependent variable (Customer Purchase Intention) of Street Boba Manado, therefore it is declared that H3 is accepted.
Discussion

Product Attributes (X1) and Customer Purchase Intention (Y)

In specification, the significant relationship between product attributes and customer purchase intention in this research is supported by the variables indicators itself, as product’s style and design hold the strongest influence (since the average answers are strongly agreed) in this research caused by the first impression of customer made by seeing the cute and fun logo of Street Boba Manado therefore giving a cheerful impression (whether it is on offline store or online one) before purchasing it, then followed by product features whereas lots of drinks selection available on the menu giving customer free will to choose the drinks suitable for them including the availability of non-sugar and soury bubble milk tea. Lastly the quality of product, considered consisted high quality ingredients and the main signature, the boba, averaging the answer from respondents, they are strongly agreed that it met the expectation of the chewiness of boba standard and it does really attract the interest to purchase on Street Boba Manado. The result is similar to the previous research by Ayuba (2018) that the higher the performance by product attribute’s elements, equals to the higher interest to purchase.

Celebrity Endorsement (X2) and Customer Purchase Intention (Y)

Reflecting from the data obtained, celebrity congruity had important roles (also hold strongest influence among other indicators) since the responses of respondents are likely recognized the product by looking at Jovi Adhiguna and recognized him from his food vlogs on his early career that eventually woke their customer’s brand memory of Jovi Adhiguna and come to thinks he is endorsing products on his specialty. Then since his background considered suitable on endorsing Street Boba, it lead to the customer trust of his endorsing. Many respondents strongly agreed that his reviews and promotions did not exaggerated from the original products (real pictures) and they come to find Street Boba products as the same as what he is reviewing, therefore customers trust on his credibility as an endorser. Aside the background and reputation of Jovi Adhiguna, the physical appearance of him also impacting the interest on purchasing since respondents agreed that his charismatic appealing and fun personality is very suitable with the image of Street Boba products. This also related regarding the way he wrapped the endorsement material with jokes and simple supposition. The data also shows that respondents agreed on the consistency he had as an endorser in endorsing the products including the newest products from Street Boba that just launched on August 2021, summing more interest from customers in trying new products from Street Boba. Eventually this research resulted the similar outcome with research by Putra (2020) that the celebrity endorser affects the purchase interest since it attract customer but only if the elements inside a celebrity endorser is performing well.

Product Attributes (X1), Celebrity Endorsement (X2) and Customer Purchase Intention (Y)

The contribution amount of Product Attributes and Celebrity Endorsement on Customer Purchase Intention is 35% and the rest is influenced by other factors outside this research. By the previous discussion, the higher the performance of the product attributes, the higher the purchase interest of customers towards Street Boba Manado, as well as Celebrity Endorsement which were used as marketing strategy for Street Boba Manado products so this variable also affected the purchase intention. In order to add more positive influences on customer purchase intention, Product Attributes were juxtaposed with Celebrity Endorsements in order to have better impacts. The combination of Product Attributes and Celebrity Endorsements has significant impact of 35%. If this is associated with variable descriptions, Product Attributes need to improve the quality of products that have slightly average score (32% of total) compared to other elements. Likewise with Celebrity Endorsements which need to improve the element of celebrity expertise which has a low average score (19% of total) compared to other elements. If these two independent variables keep improving the performance of their elements, in further the impact of these two variables on customer purchase intention of Street Boba Manado will increase by more than 35%.

CONCLUSION AND RECOMMENDATION

Conclusion

1. Product Attributes has significant influence on Customer Purchase Intention. Thus, the first hypothesis which stated that the Product Attributes have a significant influence partially towards Customer Purchase Intention of Street Boba Manado is accepted.
2. Celebrity Endorsement has significant influence on Customer Purchase Intention. Thus, the second hypothesis which stated the Celebrity Endorsement have an significant influence partially towards Customer Purchase Intention of Street Boba Manado is accepted.

3. Product Attributes and Celebrity Endorsement has significant influence simultaneously on Customer Purchase Intention. Thus, the third hypothesis which stated that Product Attributes and Celebrity Endorsement have significant influence simultaneously on Customer Purchase Intention of Street Boba Manado is accepted.

**Recommendation**

1. Street Boba Manado need to maintain their performance on the product attributes since the performance of product attributes of Street Boba Manado is high and suggested to develop more practical way for customer like packaging for take aways or large number of order even practical way to select and order since there is a lot of drinks selection on menu in Street Boba Manado and since the customer in this research tends to have everything practically.

2. Celebrity Endorsement in Street Boba Manado has high performance since most customers recognized the endorser from the social media platform therefore to consider other future endorser, it is need to well managed introduce the endorser first on Street Boba social media and then following the research, not only physical attractiveness that attract customers but also the credibility, the expertise and congruity therefore should consider on having future endorser who balance all the indicator like good background, professional endorsement delivering and the match up between what the endorser specialize and the product since it is very important to have someone that fit in representing the company’s value.

3. It is recommended for future researcher to pursue more factors influencing the customer purchase intention or else having the same variable but develop it by setting a mediator between the independent and dependent variables for the completeness of the research.

4. Since this research is conducted during pandemic, it has the urge to proceed data collection method with online questionnaires, yet nevertheless, it is suggested to have physical approaches or indirect direct approaches like online interviews, so it is performing better accuracy for the answers and the validity of the questionnaires.

**REFERENCES**


