

Research on the Influence of Celebrity Spokespersons and Promotional Activities on Consumers' Purchase Intentions: Taking Online Shopping Event of "Shopee 9.9 Super Shopping Day" in Indonesia

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Abstract

The development of the Internet has changed the way of people life all over the world, including Indonesia, especially during these last two years of pandemic. It makes people can obtain any information, regarding business at any place and any time, including E-commerce. Shopee as a newcomer in Indonesia, is able to attract the attention of much of the Internet communities through its online marketing strategy itself. Indonesia is a country with a huge population and separated by many islands, making Indonesia has a wide variety of consumers influenced by different factors. In order to maintain and improve Shopee online marketing strategy, and increase consumers' intention based on their characteristic, it is very important to choose and implement a suitable online marketing strategy for the company and consumers, more over to compete with other E-commerce platform. Therefore, to entertain and approach Indonesia Shopee consumers' during current situation, not only gave a huge promotion benefits, Shopee also collaborated with international stars, Jackie Chan and Joe Taslim, in Shopee 9.9 Super Shopping Day advertising. This paper can provide suitable solutions for Indonesia's existing marketing strategies, especially celebrity spokespersons and promotions, through theoretical research and empirical research. By deepening several models, such as VisCAP model, 4P model, AIDA model, clearly identify real problems, and accurately evaluate the influence of Shopee celebrity spokespersons and promotions on consumer purchase intention, and according to the influencing factors of consumer purchase intention, resulting more effective marketing strategy.

Keywords

E-commerce; Online Marketing; Celebrity Spokesperson; Promotional Activity; Purchase Intentions.

1. Introduction

The E-commerce industry in Indonesia is developing rapidly. This makes every company want their product to be known to the wider community. Therefore, marketing strategy and online marketing strategy become the key to the success of the company's business. One of the capabilities of online marketing or e-marketing is to market products to anyone, anywhere, anytime. Online marketing offers many conveniences and benefits to companies, partners and consumers. For the companies, online marketing can expand the market, enhance the company's brand image, and make it easier for consumers to get the information they need. For consumers, accessing information and obtaining desired goods or services can be done anywhere.

While online marketing is ubiquitous, not all E-commerce uses online business communication in the same way. This is because Indonesian consumers vary in how they shopping, evaluate

products, promotions, economic conditions, cultural differences and technological developments. These are the challenges that E-commerce faces in reaching all consumers. Understanding the details of how it works and its impact is very important and what the company needs to use an online marketing strategy that works for both the company and the consumer. And based on this phenomenon, online marketing has now become very common.

Currently, Shopee, one of the largest E-commerce sites in Indonesia, continues to maintain and improve the performance of the company and its partners, and continues to approach its users. One of the strategies the company has adopted is to use celebrities as advertising stars or celebrity spokespersons to promote its products. In addition to providing consumers with flash sale, discount, cashback, and free shipping, they believe that using celebrities as advertising stars can increase attention and sales. Therefore, it is undeniable that using celebrities themselves can increase advertising awareness and brand awareness.

On September 9, 2021, Shopee held a monthly online shopping event, namely "Shopee 9.9 Super Shopping Day", inviting big-name celebrities as celebrity spokespersons to expand brand awareness and increase Shopee consumers' purchase intention. Shopee invited local Indonesian celebrity Joe Taslim and Hong Kong action actor Jackie Chan as the spokespersons in the "Shopee 9.9 Super Shopping Day" online shopping event. The highlight of the "Shopee 9.9 Super Shopping Day" online shopping event is a testament to Shopee's commitment to being an online shopping platform that is always close to the Indonesian people, while meeting their main needs during their life activities at home. The same was conveyed by Daniel Minardi, Head of Brand Management and Digital Products at Shopee Indonesia, "This event is expected to bring excitement, users can enjoy the best deals and a series of innovations that we are presenting. At the same time, we also work with local businesses to maintain business continuity so they can compete in the global marketplace."

This paper will study the influence of celebrity spokespersons and promotional activities of "Shopee 9.9 Super Shopping Day" on consumers' purchase intention, aiming to evaluate the influence of Shopee's marketing strategy on consumers' purchase intention. It is hoped that this research can provide some feasible suggestions and solutions for Shopee and further research.

1.1. Current Status of Shopee Indonesia

Shopee is a B2C (Business to Consumer) E-commerce. Shopee was originally introduced as a customer-to-customer (C2C) marketplace, but has since moved to a hybrid model, where Shopee is currently used as a business-to-customer (B2C). Among the many E-commerce services in Indonesia, the most popular is the Shopee marketplace, which ranked first in 2017 and one of the most visited E-commerce sites in 2019. As a newcomer to the Indonesian E-commerce business, SHOPEE can attract the attention of most of the internet community.

Shopee's big competitors: Tokopedia, Bukalapak, Lazada, and Blibli.com. The competitive ranking of E-commerce in Indonesia in the second quarter of 2021 is as follows.

Table 1. Competitive Ranking of E-commerce in Indonesia in the Second Quarter of 2021

Indonesia E-commerce	Users
Tokopedia	1.47 million
Shopee	1.26 million
Bukalapak	290 million
Lazada	270 million
Blibli.com	80 million

From Table 1, it can be seen that the competition of Indonesian E-commerce is very strict. Although Shopee is ranked second, they have been able to compete with other huge E-

commerce players in Indonesia since they were just launched in 2015. The achievement of Shopee is the promotion of success in a short period of time. Shopee could be No. 2 in 6 years with more than 1.26 million users. This success is because Shopee was able to implement their marketing strategy to attract the Indonesian public to use the platform.

Shopee offers a wide range of products, such as: fashion products, food, medicine, toys and other products for daily needs. Shopee is an E-commerce platform that comes in the form of a mobile app that also enables consumers to transact quickly and easily on their mobile phones. Shopee makes it easier for consumers to shop online without having to open a website through a computer device. Shopee offers an integrated approach, logistical support, with a secure and convenient payment method. This makes online shopping easy, both for sellers and buyers. In addition, Shopee is very aggressive in promoting its services in Indonesia, and has a strategy of free shipping to all parts of Indonesia, which leads to an increase in consumers' purchase intentions.

In "Shopee 9.9 Super Shopping Day" online shopping event, Shopee invited local Indonesian celebrity Joe Taslim (Joe Taslim) and Hong Kong action actor Jackie Chan as spokespersons. Action fans are of course familiar with the names Jackie Chan and Joe Taslim, who have had illustrious careers in the international film industry. Jackie Chan has collaborated with Shopee to provide entertainment to all Shopee users in every region. Jackie Chan himself is a celebrity known to embrace all age groups from all walks of life. Then, Shopee Indonesia also invited Joe Taslim, who brought Indonesia's name to the international film industry, as the latest celebrity spokesperson, and at the same time launched the "Shopee 9.9 Super Shopping Day" online shopping event. These two celebrity spokespersons are not only famous among Indonesian people, but also the two most popular, and can give consumers a great influence.

In "Shopee 9.9 Super Shopping Day" online shopping event, Jackie Chan and Joe Taslim, dressed in orange, showed off Shopee's signature moves, "Goyang Shopee", kung fu-inspired moves. Not only that, Jackie Chan and Joe Taslim also invite all users to shop on Shopee during the event.

Besides discounts, cashbacks, and regular free shipping, this event also offers, a series of promotions for other celebrations, namely:

1. COD Free Shipping: During the 9.9 event, users can enjoy a special coupon for free shipping on every purchase using the Cash on Delivery (COD) payment method.
2. Plant ShopeePay 30M: Have a chance to win a total ShopeePay prize of IDR 30 billion by playing Shopee *Tanam's* games throughout the event period.
3. Super Serba *Seribu*: It is a flash sale to find product range of only 1,000 rupiah from various brands and local businesses participating in the event.

2. Celebrity Spokesperson: VisCAP Model

Table 2. Celebrity Spokesperson Influencing Factors

Influencing Factor	Definition
Visibility	The person is easily recognizable by the public.
Credibility	The person is able to provide objective and trustworthy product information.
Attraction	The person is able to support communication through advertising with him/her attractive appearance.
Power	The person is able to persuade and influence consumers and cause them to act.

One way to convey the company's message in an ad is to have a celebrity act as the face of the ad. Greenwood (2012) believed that celebrity spokespersons are a tool used by businesses to communicate and connect with the public to increase sales. Shimp (2003) considered celebrity

spokespersons to be advertising supporters, also known as advertising stars supporting advertised products. According to Royan (2012), a celebrity spokesperson is someone who is trusted to represent a particular product. Companies use celebrity spokespersons to influence consumers to use or buy products.

According to Rossiter, et al. (1997), based on the VisCAP model, four characteristics of celebrity spokesperson can be proposed, namely Visibility, Credibility, Attraction and Power.

2.1. The Relationship between Celebrity Spokespersons and Purchase Intentions

A celebrity spokesperson is a person employed by a company or organization to attract public attention and promote the company's products or services. A study by Sharon, et al. (2018) showed that compared with the other three characteristics, the popularity of celebrity spokesperson him/herself has an impact on purchase intention. Olivia, et al. (2016) also found the same result that the popularity has an impact on purchase intention. This can indicate that consumers are interested in products endorsed by well-known people. Celebrity spokespersons have an impact on endorsed products and are easier for consumers to remember. Then, they also found that trustworthiness of celebrity spokesperson had a significant impact on purchase intention, thus showing that spokespersons with expertise and high public trust would be more likely to persuade consumers. Ridha, et al. (2018) proposed that the attractiveness of celebrity spokesperson has an impact on purchase intention. King, et al. (2016) also proved that attractiveness has an impact on purchase intention. It can be seen that the appearance of celebrity spokesperson will be able to attract more consumers' attention. Then, they found that the power of celebrity spokesperson has an impact on purchase intention. These suggest that a spokesperson with high admiration in the community will easily persuade consumers.

3. Promotional Activities

Table 3. Promotional Activity Influencing Factors

Influencing Factor	Definition
Sample	A small amount of product offered to consumers to try.
Coupons	Certificates that give consumers discounts on the purchase of certain products.
Refund	An offer to refund a portion of the purchase price of a product to a consumer who sends a "proof of purchase" to the manufacturing company.
Pricing Program (Discount)	Offers consumers a discount on the normal price of a product.
Giveaway	An item offered for free or at a very low price as an incentive to purchase a product.
Frequency Program	A program that provides incentives based on the frequency and intensity of consumer purchases of the company's products or services.
Contests, Sweepstakes and Games	Promotions that give consumers the opportunity to win things like cash, travel, or merchandise through luck or extra effort.
Subscription Incentives	Cash or other incentives for use of the Company's products or services.
Free Test	Invite potential consumers to test the product for free, hoping they will buy it.
Product Warranty	The company's express or implied promise that the product will work as specified.
Co-promotion	Coupons, refunds, contests are used jointly by two or more company brands to increase attractiveness.
Cross-promotion	Using one brand to promote another non-competing brand.
POP Advertising	Displays or demonstrations at the point of payment or sale.

Promotion is a promotional method that uses special props and promotions to make consumers interested in the products on offer. Quoted from Wikipedia, promotions are short-term techniques designed to achieve short-term goals, such as stimulating purchases, encouraging store traffic, or simply building excitement for a product or brand. Tjiptono (2001) proposed that promotion is essentially a form of marketing communication. Marketing communication refers to marketing activities aimed at disseminating information, influencing and even persuading and reminding the target market that their products are willing to accept, buy and be loyal to the products offered by the relevant companies. Joseph, et al. (2009) considered that promotion is the exchange of information between sellers and potential buyers or others based on their attitudes and behaviors. The promotional part of the marketing mix involves telling target customers that the right product is available at the right price in the right place. Just as it must be tailored to a specific target market, promotions must match other variables in the marketing mix and emphasize strategic differentiation and positioning.

A promotion is any activity designed to offer a product or service to a target market for immediate action. Kotler (2005) indicated promotion as a collection of incentive tools, most of which are short-term, designed to stimulate consumers or sellers to buy certain products or services faster and more.

3.1. The Relationship between Promotional Activities and Purchase Intentions

Promotional activities can give users and consumers a great deal of influence. Promotional activities capture the attention of users and consumers, increase their perceived value, and drive purchases. If a company will provide various promotional activities, such as discounts, cashbacks, games and other promotional activities, consumers will be more willing to buy. According to Swastha, et al. (2011), the purpose of promotional strategies is to change consumer behaviour, informing, influencing, persuading and reminding consumers of the products or services offered by the company. The more effectively a company uses a promotional strategy, the more it will have a positive impact on consumers.

Doresa, et al. (2017) study presented a study on the impact of personal selling and promotions on consumer purchasing decisions in clothing stores in Malang, Indonesia. The result of the study shows that promotion has an impact on consumers' purchasing decisions, among which the promotion variables are considered to have the greatest impact on consumers' purchasing decisions. Then, Huang Yiting, et al. (2013) argued that promotion and brand awareness have significant main effects on consumers' perceived quality. Specifically, price discounts have a greater impact on consumers' perceived quality than coupon promotions.

4. Purchase Intention: AIDA Model

Consumers' purchase intention is basically the driving factor in making a product purchase decision. Durianto, et al. (2003) pointed out that purchase intention is related to consumers' plans to purchase certain products and how many units of the product are needed in a certain period. Intention is a behavior that occurs in response to an object that shows a customer's desire to buy (Kotler, et al., 2016).

Purchase intention refers to the desire to purchase a product or service due to external and internal influences, after which the product or service to be purchased has been evaluated. Purchase intention is also related to consumers' plans to purchase a particular product and how many units of the product are needed in a particular period (Julianti, et al., 2014). Consumers will tend to buy things they already know first. Consumers usually have been influenced by product quality, product information, such as price, how to buy, disadvantages and advantages compared with other brands, will generate purchase intention. Therefore, the more consumers are persuaded and given maximum service, the more sales the company or seller can generate.

According to Kotler, et al. (2009), AIDA model is the formula most commonly used and applied to help plan overall marketing, such as advertising campaigns. Using the AIDA model (attention, interest, desire, action) will elucidate the concepts of change, attitudes, and behaviors associated with action frameworks. Basically, AIDA is a method that can be used as a benchmark when a company wants to market a product. It identifies the cognitive stages a person goes through in the purchase of products and services. This model describes how consumers go through a process consisting of several stages before making a final purchase. AIDA model is very useful for enhancing business development. The 4 stages of AIDA are as follows.

Table 4. Purchase Intention Influencing Factors

Influencing Factor	Definition
Attention	The first stage is to seek the attention of every potential customer by providing information about the product being sold, so that the potential customer or the market knows about the product being sold.
Interest	The second stage builds consumer interest in the product by highlighting product benefits/willingness of potential consumers that can provide a solution. Then note and analyze the market's interest in the product being sold.
Desire	The third stage, which is to convince potential customers that the product meets their needs/desires, increases their desire to make a purchase.
Action	The last stage judges the success of the previous stage by observing whether consumers will buy or repurchase the product sold.

5. Summary and Prospect

The development of the current digital era is increasing. Almost all activities take place online, especially in the business world. Many E-commerce in Indonesia is competing fiercely and vying to attract the attention of their audience, especially to introduce and sell their products online in various interesting ways that aim to increase sales as well as public awareness. However, whether the marketing strategy that has been used is appropriate and effective? Right in the sense that it is in accordance with the characteristics of the target audience, such as the Indonesian people who are diverse in various factors, such as how to shop, evaluate products, promotions, economic conditions, cultural differences, technological developments, etc. Effective in the sense that it can increase awareness and sales of the company itself. These are all challenges that online shopping platforms face in reaching all consumers.

There are quite a number of studies that discuss the influence of marketing strategies on consumers' purchase intention in Indonesia based on the above aspects separately. The selection of an online marketing strategy that is suitable for the company and customers, knowing the details of how and the impact of its role, is very important and needed by the company. The strategy that has been implemented by Shopee deserves thumbs up because it is able to attract the attention of the Indonesian people to participate in trading at Shopee. Shopee has also done a lot to successfully dominate 5 other E-commerce sites that have been in Indonesia for a long time. The presence of Jackie Chan and Joe Taslim in the Shopee event seemed to have succeeded in attracting the attention of Shopee users, even going viral and making people curious about Shopee. Combined with flash sale, including cashbacks, discounts, and free shipping, of course, it will make consumers flock to shop at Shopee. However, again, is this marketing strategy appropriate and effective or is it just entertainment?

Recently, quite a lot of online shopping platforms in Indonesia have invited celebrity spokespersons, as the "face" of their company. Starting from local artists to foreign artists. The choice of celebrity spokesperson itself, of course, must be appropriate and in accordance with the company's image. Then, the quality of the celebrity spokesperson also has a big influence

on consumers. Many things can be taken into consideration in his/her selection, for example whether he/she only has an attractive appearance or is an expert in his/her field, is he/she known by young people and/or adults, and so on. In addition, supported by the selection of promotions that will be used must also be considered both external and internal factors. A company is required to identify its consumers from all aspects, such as the distance from the warehouse location to the area where consumers live. Because it greatly affects the implementation of the marketing strategy that will be executed, especially in Indonesia, which is an archipelagic country. Many areas are separated by a vast ocean, which of course greatly affects the distribution flow, cost and value of the promotion given. If the company is already in abundance in the market, then pricing itself will definitely play an important role because the increase in price will discourage customers from buying it. Similarly, if prices are lowered under such market conditions, then consumers will increase the amount that they purchase significantly.

Based on this paper, I believe it's time for professionals to start thinking about another additional marketing strategy. Improving and developing such strategy of marketing will be a very important record in the future, so that it can be easily influenced by this strategy, and it may also be beneficial to the development of the entire economy of Indonesia. Therefore, future research is needed in conjunction with Indonesian culture, Indonesian people conditions, more in-depth analysis and summary.

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