

THE INFLUENCE OF CELEBRITY ENDORSEMENT, BRAND IMAGE, PRODUCT INNOVATION AND PRICE SUITABILITY ON PURCHASING INTEREST OF GENERATION Z CONSUMERS IN SCARLETT PRODUCTS (STUDY OF STUDENTS OF THE FACULTY OF ECONOMICS AND BUSINESS MALIKUSSALEH UNIVERSITY USERS OF SCARLETT PRODUCTS)

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Abstract

This research aims to determine the influence of celebrity endorsement, brand image, product innovation and price suitability on generation Z consumers' buying interest in Scarlett products among students at the Faculty of Economics and Business at Malikussaleh University. The sample that will be used in this research is 105 consumers. The research method in this thesis uses quantitative methods with a descriptive approach. The data analysis tool used is multiple regression. The results of the research show that celebrity endorsement does not have a positive and significant effect on generation Z consumers' buying interest in Scarlett products among students at the Faculty of Economics and Business at Malikussaleh University, brand image has a positive and significant effect on Generation Z consumers' buying interest in Scarlett products among students at the Faculty of Economics and Business. Malikussaleh University, Product innovation does not have a positive and significant effect on generation Z consumers' buying interest in Scarlett products among students at the Faculty of Economics and Business at Malikussaleh University and price conformity has a positive and significant effect on Generation Z consumers' buying interest in Scarlett products among students at the University's Faculty of Economics and Business. Malikussaleh. Meanwhile, the results of simultaneous testing showed that Celebrity Endorsement (X1), Brand Image (X2), Product Innovation (X3) and Price Suitability (X4) had a significant effect on Generation Z consumers' buying interest (Y) in Scarlett products among students at the Faculty of Economics and Business. Malikussaleh university.

Keywords : *Celebrity Endorsements, Brand Image, Product Innovation, Price Suitability, Purchase Intention.*

1. INTRODUCTION

In this modern era, a beautiful face and appearance has become an important point in everyday life. Moreover, the rise of beauty standards oriented towards the country of ginseng, South Korea, as a result of the popularity of boybands, girlbands and Korean dramas, has resulted in the emergence of various beauty products that highlight many advantages so that people can look according to current standards. As reported by BPOM, there has been an increase in the number of beauty product business actors from 819 in 2021 to 913 in 2022, this is equivalent to growth of 20.6% in 2022 (KEMNPERIN, 2022). The development of the beauty industry in Indonesia is certainly influenced by increasingly developing technology and is balanced by the use of social media among people, both young and old. Based on data released by KOMINFO, in 2018 Indonesia was ranked 6th in terms of the number of internet users, this is shown in table 1.1 below:

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Table 1.1
Number of internet users in several countries

NO	Country	2013	2014	2015	2016	2017	2018
1	China	620.7	643.6	669.8	700.1	736.2	777.0
2	US	246.0	252.9	259.3	264.9	269.7	274.1
3	India	167.2	215.6	252.3	283.8	313.8	346.3
4	Brazil	99.2	107.7	113.7	119.8	123.3	125.9
5	Japan	100.0	102.1	103.6	104.5	105.0	105.4
6	Indonesia	72.8	83.7	93.4	102.8	112.6	123.0
7	Russia	77.5	82.9	87.3	91.4	94.3	96.6
8	Germany	59.5	61.6	62.2	62.5	62.7	62.7
9	Mexico	53.1	59.4	65.1	70.7	75.7	80.4
10	Nigeria	51.8	57.7	63.2	69.1	76.2	84.3

Source: KOMINFO, 2018

The rapid development of the internet supports the use of social media among the public. Social media itself is used by business people to increase brand awareness and promotion at lower costs (Adnan & Ayub, 2020). The large number of social media users also drives high sales of beauty products. One marketing method that has a big effect is using celebrity endorsements, celebrities have the ability to make people pay attention to what they endorse and create a direct identity or persona for a product (McCormick, 2016). Celebrities have become a popular promotional tool to attract, please and give let the public know about a product so that it can be known and recognized by the general public.

One of the famous products that is loved by many young people today is Scarlett products. This product offers a variety of beauty treatments ranging from facial, body care products, etc. Scarlett itself has experienced quite rapid development since 2017, of course this is influenced by the image of the Scarlett brand itself. According to Kotler and Keller (Nugroho & Dirgantara, 2021) brand image is a consumer's perception regarding a brand of a product. Scarlett uses Korean faces to be her advertisers. Apart from that, adding merchandise *like* photocard Which Can collected by para fan is also a strategy to convince buyers to use Scarlett products. Then the development of a brand also cannot be separated from product innovation that continues to be carried out by the company. According to Damanpour in Lizardo, et al in Sihombing & Gultom (2022) "defines product innovation as a new product or service introduced to the market to meet market needs". Then according to Danang & Santoso in (Abubakar, Bachri, & Effendi, 2022) Innovation is the process of realizing changes, both small and large, directly quickly or gradually slowly, serving, producing and processing the results of which will be shown to an organization which will increase value for performance.

Kleinschmidt and Cooper (Sheng & Ping, 2016) found that the relationship between innovation and commercial success is U-shaped, meaning that products with high and low innovation tend to be more successful than products that fall in between. Everything described above are some of the things that influence buyers' decisions. However, there is one more thing that can influence the success of whether the buyer will buy the product, namely the suitability of the product's price. According to Kotler and Armstrong (Alharits & Wahyono, 2022) price is the amount of money paid for a product or service and is one part of the marketing mix that provides income. Then from a consumer's perspective, price is often used as an indicator of value when the price is linked to the perceived benefits of a good or service. Value as the ratio of perceived benefits to price. For products that are useful for customers and anticipate customer purchasing power, companies make various packaging, sizes and types of products (Abubakar, 2018). These various variables are interesting to research, including celebrity endorsements and other factors that

support generation Z consumers' buying interest in terms of company brand image, innovation and prices that suit the pockets of generation Z consumers.

2. Research Methods

Research Subjects and Locations

This research was conducted in Lhokseumawe City and the research subjects were Malikussaleh University students who used Scarlett products in Lhokseumawe City.

Population

According to Ghozali (2013) population refers to all people, events, or what the researcher is interested in investigating. The population of this study were Malikussaleh University students who used Scarlett products in the city of Lhokseumawe. In this study, the population taken was large and the number is not known with certainty (infinite).

Samples

According to Ghozali (2013) a sample is a part of a population that contains several members in the population or elements of the population that will form a sample. In this study, the sample that met the research criteria was 105 respondents.

Data collection technique

The sampling technique uses one of the non-probability sampling methods, namely purposive sampling. Meanwhile, the sampling approach is carried out using accidental sampling, namely a technique for determining samples based on chance, or whether they are suitable as a data source (Sugiyono, 2019). The instrument in this research is a questionnaire which will be measured using a Likert scale.

3. Results and Discussion

3.1 Normality Test

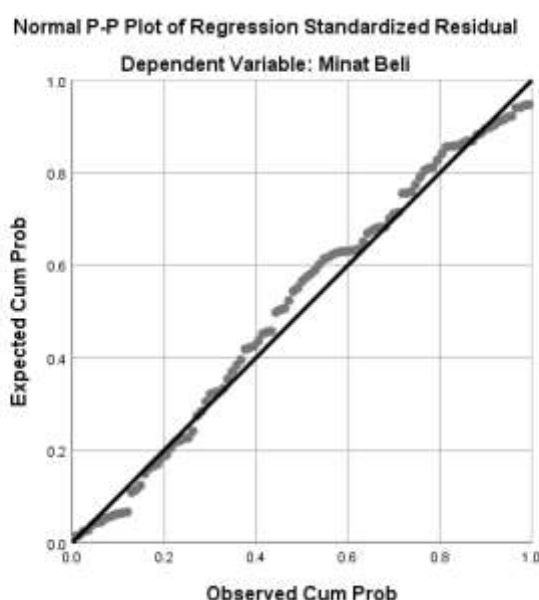


Figure 3.1 Normal graph PP Plot regression standardized residual.

Based on Figure 3.1, it can be concluded that the data is spread around the diagonal line and follows the direction of the diagonal line. Chart normal PP The standardized residual regression plot is also supported by the results of the non-parametric Kolmogorov-Smirnov

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(KS) statistical test with a significance level of > 0.05 , so the data can be concluded to be normal.

3.2 Test Multicollinearity

A variable is said to have no symptoms of multicollinearity if the tolerance is > 0.1 and the VIF is < 10 . Table 3.1 is the result of the multicollinearity test in this study:

Table 3.1 Multicollinearity Test Results

Independent variable	Tolerance	VIF	Information
Celebrity Endorsements	0.711	1,407	There is no multicollinearity
Brand Image	0.409	2,446	There is no multicollinearity
Product Innovation	0.455	2,199	There is no multicollinearity
Price Match	0.726	1,378	There is no multicollinearity

Source: Processed by researchers 2023

Based on Table 3.1, the tolerance value is > 0.1 while the calculated VIF is < 10 . So it can be concluded that the regression model is suitable for use in this research because the conditions for multicollinearity to not occur have been met.

3.3 Test Heteroscedasticity

The following are the output results from the heteroscedasticity test with the following Scatterplot:

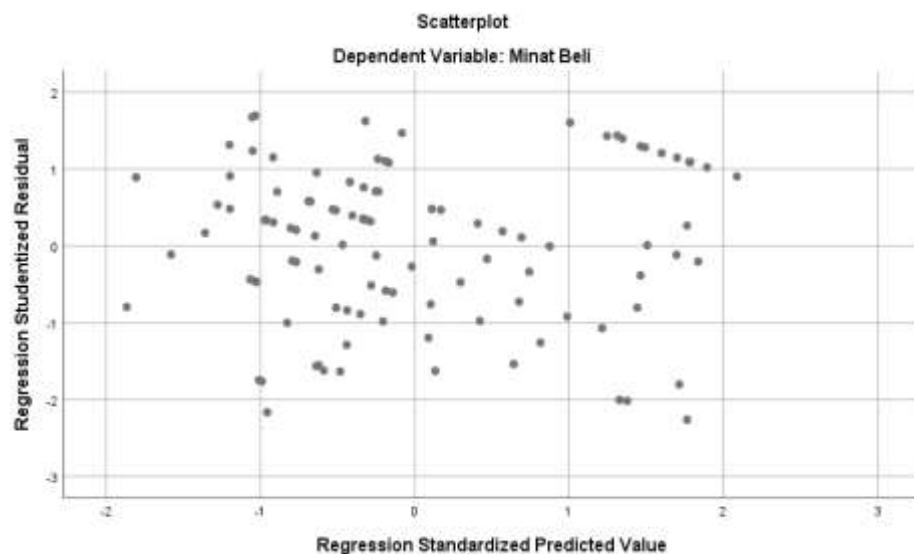


Figure 3.2 Heteroscedasticity test with Scatterplot.

Source: Processed by researchers (2023)

Based on Figure 3.2, it can be seen that the points are spread randomly and are spread both above and below the number 0 on the Y axis. This can be concluded that heteroscedasticity does not occur in the regression model. So the regression model is suitable for use in predicting purchase interest based on the independent variables celebrity endorsement, brand image, product innovation and price suitability.

3.4 Results Multiple Linear Regression Analysis

Table 3.2 Linear Regression Analysis Results

Coefficients ^a					
Model		Unstandardized Coefficients		Standardized Coefficients	Sig.
		B	Std. Error	Beta	
1	(Constant)	-1,742	1,335		,195
	X1	,084	,067	,101	,212
	X2	,222	,071	,300	,002
	X3	,074	,109	,073	,501
	X4	,338	,075	,436	,000

Dependent variables: Celebrity Endorsement, Brand Image, Product Innovation and Price Suitability

R Square: 0.663

Adjusted R Square: 0.649

Based on Table 3.2, the results of the linear regression influence *celebrity endorsements*, brand image, product innovation and price suitability. The constant value obtained is -1.742, while the coefficient value for the variable *celebrity endorsements* is 0.084, brand image is 0.222, product innovation is 0.074 and price suitability is 0.338. So the following regression equation is obtained:

$$Y = a + b_1x_1 + b_2x_2 + b_3x_3 + b_4x_4$$

$$Y = -1.742 + 0.084x_1 + 0.222x_2 + 0.074x_3 + 0.338x_4$$

The R Square value of 0.663 can be interpreted as a variable *celebrity endorsements*, brand image, product innovation and price suitability influences variations in the value of purchasing interest by 66.3%. Meanwhile, the remaining 36.6% is influenced by other variables not included in the model.

3.5 Test Partial Influence (t Test)

Based on the data obtained that has been processed in SPSS, the following conclusions are obtained:

1. The significance value for the influence of
2. The significance value for the influence of
3. The significance value for the influence of
4. The significance value for the influence of

3.6 Simultaneous Effect Test (f Test)

The F statistical test is the accuracy of the sample regression function in estimating the actual value. If the significant value of $F < 0.05$, then the regression model can be used to predict the independent variable.

Table 3.3F Test Results

ANOVA ^a					
Model		Sum of Squares	df	Mean Square	Sig.
1	Regression	690,713	4	172,678	,000b
	Residual	351,477	100	3,515	
	Total	1042.190	104		

Source: Processed by researchers 2023

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Based on the table above, the significance value for the influence of X1, and X4 simultaneously against Y.

3.7 Correlation and Determination Test Results(R-R2)

Table 4.19 Determination Test Results

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.814a	.663	.649	1,875

Source: Processed by researchers 2023

The table shows that R square is 0.663, which means that the influence of variables X1, X2, X3 and X4 simultaneously on variable Y is 66.3%, which means a strong correlation.

4. Conclusion

Based on the results and discussions that have been carried out, the following conclusions can be drawn:

- 1 *Celebrity endorsement* (X1) has a negative effect on purchase interest (Y) of generation Z consumers for Scarlett products. The results of the negative beta coefficient indicate that celebrity endorsement has no effect on generation Z consumers' buying interest in Scarlett products. So hypothesis 1 that celebrity endorsements influence purchasing interest is rejected.
- 2 Brand image (X2) has a significant positive effect on generation Z consumers' buying interest (Y) in Scarlett products. The results of the positive beta coefficient indicate that brand image has an influence on generation Z consumers' buying interest in Scarlett products. So Hypothesis 2 that brand image has a significant positive effect on purchase intention is accepted.
- 3 Product innovation (X3) has a negative effect on purchase interest (Y) of generation Z consumers for Scarlett products. The results of the negative beta coefficient indicate that product innovation has no effect on generation Z consumers' purchasing interest in Scarlett products. So hypothesis 3 that product innovation influences purchasing interest is rejected.
- 4 Price suitability (X2) has a significant positive effect on purchase interest (Y) of generation Z consumers for Scarlett products. The results of the positive beta coefficient indicate that price suitability has an influence on generation Z consumers' buying interest in Scarlett products. So Hypothesis 4 that price suitability has a significant positive effect on buying interest is accepted.
- 5 *Celebrity endorsements*(X1), brand image (X2), product innovation (X3) and price suitability (X4) simultaneously influence the purchasing interest of generation z consumers (Y) in Scarlett products. The results of the F test state that celebrity endorsement (X1), brand image (X2), product innovation (X3) and price suitability (X4) have a simultaneous and significant effect on generation Z consumers' (Y) purchasing interest in Scarlett products. So Hypothesis 5 is accepted.

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