DETERMINANT OF PURCHASING DECISION AND LOYALTY OF THE CONSUMER OF WARDAH COSMETIC PRODUCTSIN BANDA ACEH, INDONESIA

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ABSTRACT

This study aims to test the effect of advertising appeals, celebrity endorser , and brand images on purchasing decisions and loyalty of the consumer of wardah cosmetic products in Banda Aceh. The population in this study is consumers who make decisions to buy the wardah products in Banda Aceh. The sample taken is as much as 150 respondents with purposive sampling technique. The results shows that the advertising appeal effects purchasing decision significantly, celebrity endorser effects purchasing decision significantly, brand image effects purchasing decision significantly, purchasing decision effects consumer loyalty significantly, advertising appeal effects consumer loyalty significantly, celebrity endorser effects consumer loyalty significantly, and brand image does not effect consumer loyalty significantly. The only rejected is the hypothesis 7 that is brand image does not effect consumer loyalty significantly. The causality results contribute to academic that these all can be updates for causality theories to be new premises, and can be develop in the next research by another researchers. The originality is in the form of the model, that this is an integration model from several ones in the previous research. These all findings has an implication to managers especially related to Wardah Cosmetic Products to pay more attention about the causality among variables in this research. This can be a reference to build the right policies and implement the strategies in the further. The limitation of this research lies in the number of variables and object.
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Keyword: Advertising Appeals, Celebrity Endorser, Brand Images, Purchasing Decision, Loyalty.

1. INTRODUCTION

Along with the saturation of consumers with foreign brands, where the quality of local brands is starting to improve, then the pressure of the economic crisis makes some consumers return to local brands (Tjiptono, 2005).Cosmetic industry in Indonesia currently classified as solid or can be called strong.The growth of the domestic cosmetic industry gives a positive signal, because it continues to increase every year.

Wardah is the name of one local cosmetic product. Wardah is produced by PTI (PT Paragon Technology & Innovation). with halal-labeled beauty cosmetics. Most consumers of cosmetic products choose wardah products as a beauty product or in other words wardah is a cosmetic

product chosen by Indonesian consumers. Wardah product purchasing decisions is certainly influenced byseveral factors, which areadvertising appeal, celebrity endorser, and brand images.

The first factor is the advertising appeal. Advertising appeal isalso can be carried out through or by celebrity to promote a product. The second factor is celebrity endorser. Today many product of manufacturers use celebrity endorser as a way to make their products soldout well in the market, such as Yamaha using the icon Valentino Rossi and Jorge Lorenzo, Christiano Ronaldo as ambassadors of "Clear" shampoo products , and many more producers use public figures services and even athletes as their product icon (Wiryawan and Pratiwi, 2009). The third factor is brand image. According to (Rangkuty, 2002), an image is the impression which is obtained in accordance with one's understanding and knowledge of something.

The strategy is carried out to provide customer satisfaction and maintain positive image of product within the consumer. The company continues to innovate by utilizing social media for product promotion and also using celebrities as supporters of its products and is often named as a brand ambassador of the product brand.

2. LITERATURE
Advertising Appeal

Advertising is one of the important tools in selling the name or brand of a product to consumers. According to(Kotler and Keller, 2018), advertising is any paid for non-personal presentation and promotion of ideas, goods, or services by a sponsor. The appeal of advertising aims to motivate consumers to take special actions that affect their attitude towards the product. Advertising is a supporting tool in promotional programs, therefore the advertising appeal is expected to increase the success of delivering messages to the target (Kazmi, 2009). According to (Wibisono, 2005)in (Tanoni, 2014), the ideal advertising are : can cause attention, interesting, can cause desire, and produce an action.

Celebrity endorser

Celebrities usually have fans (target audiences) who can translate or change to create a market target. They can provide valuable information when the celebrity aspect matches the product (Belch and Belch, 2003).(Kotler and Keller, 2018) explain that celebrity endorser are the use of speakers (source) as an interesting and popular figure in the advertising, it is a pretty creative ways to convey the message that the message can get higher attention and be remembered. Indicator of celebrity endorser according to (Ankasaniscara, 2012)in(Wenas, Tumbel and Parengkuan, 2014)namely: Explicit, Implicit, Imperative, and Co-presentational.

Brand Image

Brand image is a determinant in consumer decision making. According to (Kotler and Keller, 2018), the brand is a combination of symbols of goods or services of other vendors. According to (Shimp, 2013), brand image is as a type of association that appears in the minds of consumers when remembering a particular brand. Such associations can simply appear in the form of certain thoughts or images that are linked to a brand, as well as when we think about other people. Factors that influence a brand image according to(Kanuk and Schiffman, 1997)which are:Quality, Trusted, Usability, Service, Risk, Price, and Image.

According to(Hoeffler and Keller, 2002)indicators of brand image include Professional impression, Modern impression, Serving all segments, and Attention to consumers.

Purchase Decision

The purchase decision according to (Andreasen and Kotler, 2002) is an action of a consumer to buy or not an product. Another understanding of purchasing decisions according to (Kanuk and Schiffman, 1997) is a person's decision where he chooses one of several available alternative choices. According to(Kotler and Keller, 2018)there are six indicators of purchasing decisions, which are : Product choice, Brand choice, Dealer choice, Purchase timing, Amount of Purchase, Payment Method

Consumer Loyalty

According to (Griffin, Phillips and Gully, 2016), consumers will be said to be loyal if a consumer shows regular buying behavior. Consumer loyalty can be created if consumers feel satisfaction with the productpurchased because it matches or even gets a value that is more than expected. According to (Hidayat, 2009)consumer loyalty is a consumer's commitment to a market based on a positive attitude and is reflected in a consistent repurchase. The Indicator of consumer loyalty are Trust, Emotion, Switching cost, Word of mouth, and Cooperation.

3. RESEARCH METHOD

The object is the consumer of Wardah cosmetic products located in Banda Aceh. The population in this study is consumers who make decisions to buy the products. The sample taken is as much as 150 respondents with purposive sampling technique, the criteria is the consumers in Banda Aceh, and as a user the products. Data collection is conducted using questionnaires. The questionnaire method is a series or list of questions arranged systematically, then sent to be filled out by the respondent. After filling in the questionnaire is sent back (Bungin, 2008).The questionnaire contains questions related to the influence of the advertising appeal, celebrity endorser, and brand image on purchasing decisions and their impact on consumer loyalty. Data is analyzed using structural equation modeling (SEM) with the help of the AMOS software. SEM is a set of statistical techniques that allow testing of a series of relatively complicated relationships simultaneously (Ferdinand, 2014).The appearance of a complicated model has the effect that in reality the management decision-making process is a complex process or is a multidimensional process with various patterns of tiered causality relationships. Therefore we need a model as well as an analytical tool that is able to accommodate the multidimensional research.SEM is able to enter latent variables into the analysis. Latent variables are unobserved concepts that are approximated by observed or measured variables obtained by respondents through data collection methods (survey, test, observation) and often called manifest variables (Ghozali, 2017). The Advantage of SEM application in management research is due to its capacity to confirm the dimensions of a concept or factors that are commonly used in the management as well as its ability to measure.

4. RESULT

The results of data processing for full analysis of SEM model are shown in Figure below.
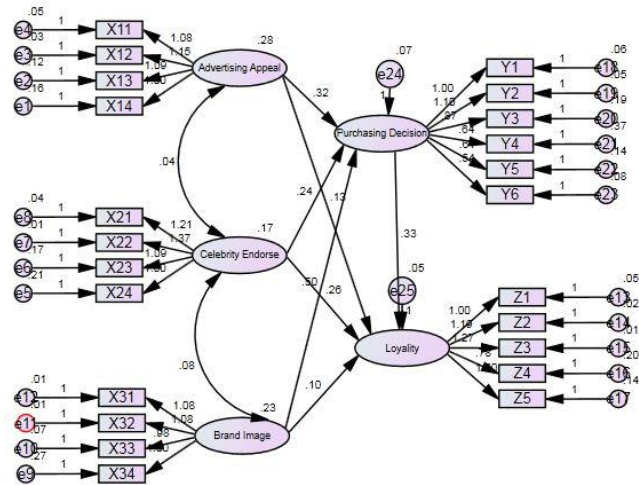

Figure 1. Structural Equation Model

Based on Figure 1, it is known the influence of variables namely the advertising appeal, celebrity endorser, brand image on purchasing decisions and also loyalty.

Hypothesis Test
Causality relationship can be seen in SEM processing result below.

Tabel 1. Regression Weight

			Estimate	C.R.	P
Purchasing decision	<---	Advertising Appeal	0.320	5.128	0.000
Purchasing decision	<---	Celebrity endorser	0.241	2.937	0.003
Purchasing decision	<---	Brand Image	0.504	5.740	0.000
Loyalty	<---	Advertising Appeal	0.126	2.240	0.025
Loyalty	<---	Celebrity endorser	0.261	3.578	0.000
Loyalty	<---	Celebrity endorser	0.096	1.301	0.193
Loyalty	<---	Purchasing decision	0.333	3.312	0.000

Source : Primary Data Processed, (2018)

Based on the result of SEM analysis in Table 1 and statistical equations (1) and (2), the following results can be formulated:

Purchasing Decision= 0.320Advertising appeal + 0.241Celebrity endorser+0.504Brand image
Consumer Loyalty   = 0.126Advertising appeal +0.261Celebrity endorser +0.096Brand image
+ 0.333Purchasing decision

H1 is accepted
The impact of advertising appeal on purchasing decisions is obtained by the CR value of 5.128 with a significance level of 0.000. Thus it can be concluded that the advertising appeal affects the increase in purchasing decisions. The magnitude of the influence of the advertising appeal on the purchasing decision is 0.320 or 32.0%. This indicates that the better the advertising appeal will have a positive and real influence on the increase in purchasing decisions. The results of the study are in line with the research conducted by Mukhlis Yunus and Syarifudin Chan (2015) who also concluded that advertising had an influence on interest.

H2 is accepted
The impact of celebrity endorser on purchasing decisions is obtained by the CR value of 2.937 with a significance level of 0.003. Thus it can be concluded that the celebrity endorser influences the increase in purchasing decisions. The magnitude of the impact of celebrity endorser on purchasing decisions is 0.241 or 24.1%. This indicates that the higher the celebrity endorser level will further increase the purchasing decision. The results of this study are in line with research conducted by (Ahmed, Farooq and Iqbal, 2014) who also concluded that advertising stars have a positive effect on purchasing decisions.

H3 is accepted
The impact of brand image on purchasing decisions obtained a CR value of 5.740 with a significance level of 0.000. Thus it can be concluded that brand image influences the increase in purchasing decisions. The magnitude of the impact of brand image on purchasing decisions is 0.504 or 50.4%. This indicates that the higher the level of brand image will further increase purchasing decisions. The results of this study are in line with research conducted by (Alfanda et al., 2018) and (Ali, 2015) who also concluded that brand trust has a significant effect on consumer buying interest.

H4 is accepted
The impact of purchasing decisions on consumer loyalty obtained a CR value of 3.312 with a significance level of 0.000. Thus it can be concluded that purchasing decisions affect consumer loyalty. The magnitude of the influence of purchasing decisions on consumer loyalty is 0.333 or 33.3%. This indicates that with higher purchasing decisions it will have a direct influence on increasing consumer loyalty.

H5 is accepted
The impact of the advertising appeal on consumer loyalty obtained a CR value of 2.240 with a significance level of 0.025. Thus it can be concluded that the advertising appeal has an effect on consumer loyalty. The magnitude of the impact of the advertising appealon consumer loyalty is 0.126 or 12.6%. This indicates that the higher the advertising appeal will have a direct influence on increasing consumer loyalty. The results of this study are in line with the research conducted

by (Mukhlis, 2015) which also concluded that the advertising appeal affects consumer loyalty.

H6 is accepted
The impact of celebrity endorser on consumer loyalty obtained a CR value of 3.578 with a significance level of 0.000. Thus it can be concluded that the celebrity endorser has an impact on increasing consumer loyalty. The magnitude of the impact of celebrity endorser on consumer loyalty is 0.261 or 26.1%. This indicates that the higher the celebrity endorser that is owned will have an impact on increasing consumer loyalty. The results of this study are in line with the research conducted by (Mukhlis, 2015) which also concluded that celebrity endorser influence consumer loyalty.

H7 is accepted
The impact of brand image on consumer loyalty obtained a CR value of 1.301 with a significance level of 0.193. Thus it can be concluded that the brand image does not have an impact on increasing consumer loyalty. The results of this study are not in line with the research conducted by (Lubis, 2016) which concluded that brand image influences consumer loyalty.

Furthermore, the test results of each hypothesis above is presented briefly in Table below about the hypothesis conclusions.

Table 2.Conclusion of Hypothesis

No	Hypothesis	CRCut off >1.96	P Value Cut off < 0.05	Result
1	Advertising Appeal (X1) effects Purchasing Decision (Y) significantly	5.128	0.000 (Sig, < 5%)	H_1Accepted
2	Celebrity endorser (X2) effects Purchasing Decision (Y) significantly	2.937	0.003 (Sig, < 5%)	H_2Accepted
3.	Brand Image (X3) effects Purchasing Decision(Y) significantly	5.740	0.000 (Sig, < 5%)	H_3Accepted
4	Purchasing Decision (Y) effects Consumer Loyalty (Z) significantly	3.312	0,000 (Sig, < 5%)	H_4Accepted
5	Advertising Appeal (X1) effects Consumer Loyalty (Z) significantly	2.240	0.025 (Sig, < 5%)	H_5Accepted
6	Celebrity endorser (X2) effects Consumer Loyalty (Z) significantly	3.5778	0.000 (Sig, < 5%)	H_6Accepted
7	Brand Image (X3) does not effect Consumer Loyalty (Z) significantly	1.301	0.193 (Sig, < 5%)	H_7 Rejected

Source : PrimaryData Processed, (2018)

Based on table 2 it can be explained that the advertising appeal, celebrity endorser, and brand image effect the purchase decision. Others, the advertising appeal, celebrity endorser, and purchasing decisions affect the consumer loyalty. While the brand image does not affect the consumer loyalty.

5. CONCLUSION

The result figures the advertising appeal effects purchasing decision significantly, celebrity endorser effects purchasing decision significantly, brand image effects purchasing decision significantly, purchasing decision effects consumer loyalty significantly, advertising appeal effects consumer loyalty significantly, celebrity endorser effects consumer loyalty significantly, and brand image does not effect consumer loyalty significantly. The only rejected is the hypothesis 7 that is brand image does not effect consumer loyalty significantly. The causality results contribute to academic that these all can be updates for causality theories to be new premises, and can be develop in the next research by another researchers. The originality is in the form of the model, that this is an integration model from several ones in the previous research. These all findings has an implication to managers especially related to Wardah Cosmetic Products to pay more attention about the causality among variables in this research. This can be a reference to build the right policies and implement the strategies in the further. The limitation of this research lies in the number of variables and object.

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