

The Effect of Instagram Influencer Endorsement on Purchasing Decisions for Cireng Sultan Products in Jepara with Online Consumer Reviews as Mediation

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Abstract. One form of online marketing that involves famous figures on social media who have many followers to support and promote a product or service is called endorsement. One form of digital marketing that is currently popular and is considered to have a greater influence than marketing via television is endorsements. Google Form was the tool used to distribute questionnaires online as part of the data collection strategy. The research results show that Online Consumer Reviews influence the purchasing decisions of Cireng Sultan Jepara consumers. Influencer Endorsement influences Consumer Reviews of Cireng Sultan Jepara consumers. Influencer endorsements influence purchasing decisions among Cireng Sultan Jepara consumers. Endorse Influencers influence Purchasing Decisions mediated by Consumer Reviews for Cireng Sultan Jepara consumers. The number of online customer reviews provided by consumers who have purchased the product will influence potential consumers to make a purchase.

Keywords: Influencer Endorsement, Purchasing Decisions, Online Consumer Reviews

1 Introduction

Consumer purchasing decisions are a crucial component in deciding a company's expansion. If a business can convince customers to choose products from a market that receives favorable feedback from customers, it has a good extension. Customers will develop preferences for brands that they own, and they will also develop an intention to purchase the brand that most interests them, which will result in a purchase decision. [1]. A purchasing decision is a purchasing decision made by consumers which is a collection of a number of decision stages.

We Are Social and Hootsuite as reported by Databoks.katadata.co.id. The data reveals that in January 2023, total global social media users reached 4.76 billion. This total covers just under 60% of the world's total population, which now stands at around 8.01 billion. Social media in various countries, such as Facebook, YouTube, WhatsApp, Instagram, Wechat, and TikTok have become very popular and used by internet users [2].

One of the online shopping trends that has become increasingly popular over the last few years is shopping via the live streaming feature available on social media applications [3]. According

to [4] factors that influence consumer purchasing decisions for a product are Influencers and Online Reviews. Consumers will pay attention to these three factors before making a purchasing decision on a product.

This research uses a different combination of variables from the variables used by previous researchers, namely Online Customer Reviews and Influencers on Purchasing Decisions. Apart from that, what differentiates research from other research is the object that is used to measure purchasing decisions. Based on the background and problems described above, the researcher wants to conduct research on Instagram Influencer Endorsements on Purchasing Decisions for Cireng Sultan products in Jepara using online consumer reviews as mediation.

2 Literatur Reviews

2.1 Online Consumer Reviews

[5], online customer reviews include buyers' experiences regarding the services provided by sellers from all aspects of online retail platforms and marketplaces. More and more online intermediary platforms such as e-commerce are placing reviews written by online buyers or consumers in the product or service description so that buyers can get additional information about the product or service, form opinions about the product, and increase buying interest.

2.2 Influencer Endorsement

According to [6] an Influencer is a someone or public figure on social media with a sizable following; the messages they share can impact the actions of their followers. According to [7], endorsement is a type of advertising in which a famous person represents a specific brand or product. An endorsement strategy is part of a popular advertising strategy that uses spokespeople to praise or support a brand, or messages that consumers consider to reflect the opinions, beliefs or experiences of an individual or group.

2.3 Purchasing Decisions

Purchase decisions or purchasing decisions are part of consumer behavior in the form of activities that are directly involved in obtaining, determining products and services, and the process of making decisions [8]. Meanwhile, purchasing decisions can also be interpreted as something that represents consumer confidence in determining purchasing decisions [9].

3 Hypothesis Development

3.1 The Influence of Online Consumer Reviews on Purchase Decisions

[10], online customer reviews include buyers' experiences regarding the services provided by sellers from all aspects on online retail platforms and marketplaces. More and more online intermediary platforms such as e-commerce are placing reviews written by online buyers or consumers in the product or service description so that buyers can get additional information about the product or service, form opinions about the product and increase buying interest.

(H1): Online Consumer Reviews Have a Positive and Significant Influence on Purchase Desire

3.2 The Influence of Influencer Endorsements on Online Customer Reviews

According to [7], endorsement is a communication strategy where a famous person represents a specific brand or product. An endorsement strategy is part of a popular advertising strategy that uses spokespeople to praise or support a brand, or messages that consumers consider to reflect the opinions, beliefs or experiences of an individual or group.

(H2): Influencer Endorsements Have a Positive and Significant Influence on Purchase Decision

3.3 The Influence of Influencer Endorsements on Purchase Decisions

According to [6] an Influencer is a public figure or individual on social media with a sizable following, their messages have the power to shape the actions of their followers.

(H3): Influencer Endorsements Have a Positive and Significant Influence on Purchase Decision

(H4): Influence of Online Mediation Consumer Review of Endorse Influencer on Purchase Desire.

Table 1 . Measurement Items

Constructs	Items	Indicator	Source
Online Consumer Review	OCR1	Perceived reviewers' emotion	(Zak & Hasprova, 2020)
	OCR2	Perceived credibility	
	OCR3	Perceived diagnosticity	
Endorse Influencer	EI1	Attractiveness	(Zak & Hasprova, 2020) (Annur, 2023)
	EI2	Skill	
	EI3	Recommendation	
	EI4	Experience	
Purchase Decision	PD1	Information search	(Zak & Hasprova, 2020)
	PD2	Evaluation	
	PD3	Attractiveness	

4 Research methods

Quantitative methods are methods that have a positive philosophy that are used to research certain populations and samples. The technique used for collecting data is random and using research instruments. Data analysis aims to test previously established hypotheses [10]. In this study, researchers used simple random sampling, then according to [11] Using simple random sampling, sample members are selected at random from the population without taking into account the population's strata. This research uses quantitative methodology to determine the role of Self-Efficacy and Entrepreneurial Attitude on Entrepreneurial Intention among Young Entrepreneurs in Jepara. The research sample consisted of 116 consumers. The sampling technique uses a census technique where the entire population is sampled. Primary data was collected using a Likert scale questionnaire with ten alternative answers. This study's data analysis method makes use of PLS software and structural equation modeling, or SEM. Data

collection and hypothesis testing were carried out using a Likert scale questionnaire with ten alternative answers.

5 Results and Discussion

5.1 Result

From the validity test carried out, the results showed that all instrument items could be declared valid. This can be stated this way because all correlation coefficients are greater than 0.70.

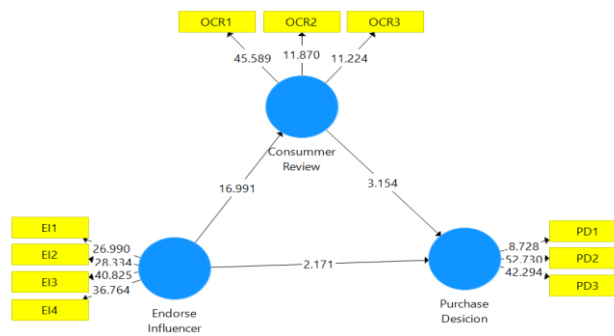


Figure 1. Outer Model

Source: Primary data processed, 2024

From the Convergent Validity Test findings that every value tested is higher than 0.7. As a result, it may be said that the research's data is reliable.

All of the discriminant validity values of the latent variable correlations for each variable are greater than 0.7, according to the findings of the discriminant validity test for the correlation of latent variables. As a result, it may be said that the research's data is reliable.

Table 2. AVE Convergent Validity Test Results

	Average Variance Extracted (AVE)
Consumer Review	0,703
Endorse Influencer	0,818
Purchase Desicion	0,750

Source: Primary data processed, 2024

From the preceding table that every average variance extracted (AVE) value is greater than 0.5. As a result, it may be said that the research's data is reliable.

Table 3. Cronbach's alpha reliability test results

	Cronbach's Alpha
Consumer Review	0,787
Endorse Influencer	0,926
Purchase Desicion	0,832

Source: Primary data processed, 2024

For every variable, the Cronbach's alpha value is more than 0.7. As a result, it may be said that the research's data is trustworthy.

Table 4. Composite reliability test results

	Composite reliability
Consumer Review	0,876
Endorse Influencer	0,947
Purchase Desicion	0,899

Source: Primary data processed, 2024

For every variable, the Composite reliability values exceed 0.7. As a result, it may be said that the research's data is trustworthy.

Table 5. R-square test results

	R Square	Adjusted R Square
Consumer Review	0,645	0,642
Purchase Desicion	0,567	0,560

Source: Primary data processed, 2024

The Online Consumer Review variable has an r-square value of 0.645 after calculating via SmartPLS. This means that the variance that can be explained by the endorse influencer variable on the Online Consumer Review variable is 64.5%, and for the endorse influencer variable on Purchase Desicion is amounting to 56.7%.

Table 6. Direct Effect Test Results

	(O)	(M)	(STDEV)	T Statistik	P Values
Consumer Review -> Purchase Desicion	0,427	0,439	0,135	3,154	0,002
Endorse Influencer -> Consumer Review	0,803	0,805	0,047	16,991	0,000
Endorse Influencer -> Purchase Desicion	0,709	0,706	0,082	8,683	0,000

Source: Primary data processed, 2024

Hypothesis 1: The Influence of Online Consumer Reviews on Purchase Desire. Online Consumer Reviews have a significant effect on Purchase Desire. Based on the results of the inner model evaluation of the Online Consumer Review of Purchase Desire, a statistical t value of 3.154 was produced, where the value is greater than the t table of 1.65833, so this hypothesis

is declared accepted. The results of hypothesis testing state that Online Consumer Reviews influence Purchase Decisions for Cireng Sultan Jepara consumers.

Hypothesis 2: The Influence of Influencer Endorsements on Online Consumer Reviews. Influencer Endorsements have a significant influence on Online Consumer Reviews. Based on the results of the inner model evaluation of Influencer Endorsements for Online Consumer Reviews, a statistical t value of 16.991 was produced, where the value is greater than the t table of 1.65833, so this hypothesis is declared accepted. The results of hypothesis testing state that Influencer Endorsements influence Online Consumer Reviews on Cireng Sultan Jepara consumers.

Hypothesis 3: The Influence of Influencer Endorsements on Purchase Desire. Endorse Influencers have a significant influence on Purchase Decisions. Based on the results of the inner model evaluation of Influencer Endorsements on Purchase Desire, a statistical t value of 8.683 is produced, where the value is greater than the t table of 1.65833, so this hypothesis is declared accepted. The results of hypothesis testing state that Endorse Influencers influence Purchase Decisions among Cireng Sultan Jepara consumers.

Table 7. Indirect Effect Test Results

	(O)	(M)	(STDEV)	T Statistik	P Values
Endorse Influencer -> Purchase Desicion	0,343	0,356	0,119	2,871	0,004

Source: Primary data processed, 2024

Hypothesis 4: Influence of Online Mediation Consumer Review of Endorse Influencer on Purchase Desire. Online Consumer Reviews are able to significantly mediate Influencer Endorsement towards Purchase Desicion. Based on the results of the inner model evaluation of Online Consumer Review mediation on Influencer Endorsements on Purchase Desire, a statistical t value of 2.871 was produced, where the value is greater than the t table of 1.65833, so this hypothesis is declared accepted. The results of hypothesis testing state that Endorse Influencers influence Purchase Decisions mediated by Online Consumer Reviews for Cireng Sultan Jepara consumers.

5.2 Discussion

The results of the research done suggest that the better the reviews supplied, the more online customer reviews can encourage potential consumers to make purchases. The positive reviews given by previous customers will give potential consumers the impression that the products being sold reflect the reviews given. This means that the more online customer reviews provided by consumers who have purchased the product, the more it will influence potential consumers to make a purchase. In line with research [12] states that reviews are part of Electronic Word of Mouth, namely someone's direct opinion and not an advertisement. A person's decision to buy is influenced by a number of factors, including the number of reviews. This suggests that consumers may use the quantity of reviews to gauge a product's value or popularity, which may affect their propensity to purchase it [13].

The Fear of Missing Out phenomenon is also one of the supporting factors why influencer endorsements are able to create purchase intentions because people want to try or experience what influencers do. Additionally, because food products are low-involvement products, consumers do not have deep consideration in deciding whether to try the product in the future.

In line with research conducted by [14] states that influencer endorsements have a significant influence on purchasing decisions. People tend to think that an influencer is someone who is credible because they have a large number of followers or interesting content so that people are interested in following what the influencer says or does [15].

6 Conclusion

Online Consumer Reviews have a significant influence on Purchasing Decisions. Influencer Endorsement influences Online Consumer Reviews of Cireng Sultan Jepara consumers. Influencer endorsements influence purchasing decisions among Cireng Sultan Jepara consumers. Endorse Influencers influence Purchasing Decisions mediated by Online Consumer Reviews for Cireng Sultan Jepara consumers. The number of online customer reviews provided by consumers who have purchased the product will influence potential consumers to make a purchase.

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