

The Influence of Celebrity Endorsers on Conspicuous Consumption Through EWOM Based on a Gender Perspective

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ABSTRACT

Advances in information technology through Instagram have an influence on conspicuous consumption behavior. On the one hand, conspicuous consumption provides positive contributions such as economic growth, but on the other hand it can have negative impacts such as poverty traps because some people reduce or even eliminate savings even though per capita income increases. This research differentiates the results of conspicuous consumption in women and men. Data collection was carried out using a questionnaire to collect data on marketing strategies carried out on Instagram users. Data analysis using the SEM (Structural Equation Modeling) method using Smart PLS Multigroup. The sample in this study was 385 people spread across 10 provinces in Indonesia. The results of the first hypothesis test were accepted, Selebgram Endorser had a significant effect on conspicuous consumption and there were significant differences between gender groups. The results of the second hypothesis test, electronic word of mouth is significant for conspicuous consumption, and there are significant differences between gender groups. The results of the third hypothesis test were accepted, Selebgram Endorser was significant for electronic word of mouth, and there were no significant differences between gender groups. The results of the fourth hypothesis test were accepted, Selebgram Endorser was significant for conspicuous consumption through electronic word of mouth, and there were significant differences between gender groups.

Keywords : Selebgram, EWOM, Conspicuous Consumption.

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INTRODUCTION

Social media plays an important role in changing consumption patterns. Consumer society in general likes to display selfies and wifie photos in certain places. This hobby then spread massively until it has now become a new culture. This is called conspicuous consumption, namely spending money to get luxury products and then showing them off to the public with the aim of showing off their economic power. Veblen argued that when individuals engage in the process of conscious consumption, the product consumed is not sought for its actual purpose, but rather for what it represents in a social context (Golubeva *et al.*, 2018).

(Veblen, 1899) introduced the term conspicuous consumption in 1899 which saw that some consumption behavior was driven more by social factors than rational economic factors. In general, the products consumed consist of leisure and goods.

According to data from the Central Statistics Agency (<https://www.btpn.com>), since 2003 the MPS figures have tended to decrease, while the Marginal Propensity to Consume (MPC) figures have tended to increase. The social media trend Instagram is used by generations X, Y and Z as a platform for existence. A phenomenon that is currently mushrooming among generations X, Y and Z is that iPhone users are considered successful. iPhones are considered like jewelry, if you pay attention, some iPhone users are proud and like to show off their cellphones.

Instagram is a social media that is used to publish photos and videos to friends, as well as as a means of doing online business. This is in line with (Thomas, 2012) who stated that social media is a new breakthrough in the world of marketing because in the modern era it is no longer possible for individual people to offer products door to door. The rapid growth of Instagram users in Indonesia makes Instagram a potential area for online transactions and also expands market share, especially for traders in the online world. Online shop entrepreneurs who appear on Instagram use celebrity endorsers to promote the products they sell. An endorser celebrity who is attractive, has high popularity and can be trusted by the target public can make the product being promoted become known, known and in demand. (Royan, 2014). The phenomenon that occurred regarding celebrity endorsers found that 59% of marketers stated that the type of influencer they most often collaborated with to endorse was internet celebrities (celebrities, YouTubers), and only 22% stated that they most often collaborated with artists.

In connection with the above phenomenon, the polemic regarding the conspicuous consumption of generations X, Y, and Z is still a model of purchasing behavior that is influenced by external factors, especially trends from celebrity endorsers. When people follow an endorser celebrity, the individual can control the information shared by the endorser celebrity so that people tend to share things that are positive or negative and one of them is a sense of showing off when consuming goods or services. Conspicuous consumption behavior shows how to spend money in a luxurious way, either based on status or when displaying these goods and services (Taylor & Strutton, 2016).

Research (Malik & Guptha, 2014), (Saleem, 2017), states that celebrity endorsers can influence electronic word of mouth significantly. This shows that the higher the attractiveness, expertise and trustworthiness of a particular celebrity endorser, the higher the positive e-commerce activity of consumers towards a product. The use of social media also influences electronic word of mouth. With social media, an effective marketing communication strategy will be formed, namely word of mouth (WOM) or what is usually called word of mouth promotion.

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Research conducted by (Wilcox & Stephen, 2013), who found that the use of social networks makes people feel good about themselves, which indirectly stimulates their spending. Therefore, people tend to make irrational choices when they spend too much time on social media and/or rely heavily on e-wom.

Based on the background above, the author conducted research using quantitative methods with a study of conspicuous consumption based on the gender perspective of Instagram users in Indonesia with the title "The Influence of Celebgram Endorsers on Conspicuous Consumption Through Electronic Word of Mouth Based on a Gender Perspective".

METHOD

The sample for this research was determined from the number of active Instagram users in Indonesia, the exact number of which is not known, so the Lemeshow formula was used with a sample size of 385 people. The sampling technique used is nonprobability sampling, namely purposive sampling. Certain consideration criteria for the sample in this study are (1) Respondents are active Instagram users, (2) Respondents use iPhone products, (3) Respondents know "Fujianti Utami Putri" as an endorser celebrity. The sample calculation was taken proportionally from the percentage of Instagram/internet users in the 10 provinces with the most users, namely 70.07%, which was distributed among the 10 provinces with the top users multiplied by 111.19 million Instagram users in Indonesia. Research data will be analyzed using the SEM (Structural Equation Modeling) method using smart PLS. Structural Equation Model (SEM) is a collection of statistical techniques that allow testing a relatively complex series of relationships simultaneously (Ferdinand, 2012). The data analysis technique in this research uses Partial Least Square (PLS) with multigroup analysis.

RESULT AND DISCUSSION

Most of the respondents who are generation Y (42-27 years) and generation Z (26-18 years) both female and male carry out conspicuous consumption, using iPhones whose new prices range from 6 million rupiah to 25 million rupiah. which is much higher than their average income per month, namely 1-3 million rupiah per month.

To test the hypothesis and produce a suitable model, this research uses Structural Equation Modeling (SEM) with a variance based or component based approach with Partial Least Square (PLS).

The aim of a reliability tester is to see whether the instrument used in research is reliable and trustworthy. With the criteria that if the composite reliability value is > 0.6 then the variable instrument is reliable (trusted).

Table 1. Composite Reliability

Variable	Composite Reliability
Selebgram Endorser	0.959
Electronic Word of Mouth	0.968
Conspicuous Consumption	0.984

Source: SEM-PLS data (2023)

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The significance of the estimated parameters provides very useful information about the relationship between the research variables. The basis used in testing the hypothesis is the value contained in the output result for inner weight.

Table 2. Hasil Pengujian Hipotesis

Hypothesis	Direct Effect			Indirect Effect		
	β	T Statistic	P Value	β	T Statistic	P Value
Selebgram Endorser > Conspicuous Consumption	0,142	2,188	0,029	0,109	2,695	0,007
Electronic Word of Mouth > Conspicuous Consumption	0,241	2,670	0,008	-	-	-
Selebgram Endorser > Electronic Word of Mouth	0,454	12,150	0,000	-	-	-

Source: SEM-PLS data (2023)

Based on the results of the SmartPLS 3.0 analysis, this section will discuss the results of the calculations that have been carried out. Celebrity Endorser directly has a positive and significant effect on Conspicuous Consumption with a t-statistic value of $2.188 > 1.9661$ or a p-value of $0.029 < 0.05$ and a β value of 0.142. The meaning is that the better the Celebrity Endorser, the Conspicuous Consumption of its followers will increase, so the hypothesis is accepted.

Electronic Word of Mouth directly has a positive and significant effect on Conspicuous Consumption with a t-statistic value of $2.670 > 1.9661$ or a p-value of $0.008 < 0.05$ and a β value of 0.241. The meaning is that the greater the Electronic Word of Mouth, the more Conspicuous Consumption of its followers will increase, so the hypothesis is accepted.

Celebrity Endorser directly has a positive and significant effect on Electronic Word of Mouth with a t-statistic value of $12.150 > 1.9661$ or a p-value of $0.000 < 0.05$ and a β value of 0.454. The meaning is that the better the Celebrity Endorser, the greater the Electronic Word of Mouth of its followers, so the hypothesis is accepted.

Celebrity Endorser indirectly has a significant influence on Conspicuous Consumption through Electronic Word of Mouth with a t-statistic value of $2.695 > 1.9661$ or a p-value of $0.007 < 0.05$ and a β value of 0.109. The meaning is that the better the Celebrity Endorser, the Electronic Word of Mouth of their followers will increase, which in turn will increase the Conspicuous Consumption of their followers, so the hypothesis is accepted.

Table 3. Multigroup Analysis Results (Female and Male Gender)

Hypothetical Relationships	β Pr	β Lk	β Perbedaan	T Stat Pr Vs Lk	P Value Pr Vs Lk
Selebgram Endorser > Conspicuous Consumption	0,205	0,726	-0,521	3,681	0,000
Electronic Word of Mouth > Conspicuous Consumption	0,222	-0,374	0,596	4,542	0,000
Selebgram Endorser > Electronic Word of Mouth	0,418	0,435	-0,017	0,205	0,838

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Selebgram Endorser > Electronic Word of Mouth > Conspicuous Consumption	0,093	-0,162	0,255	4,240	0,000
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Source: SEM-PLS data (2023)

The influence of Celebrity Endorser on Conspicuous Consumption is higher in the female gender group (0.205) than in the male gender group (0.726). This difference is significant with a t-statistic value of $3.681 > 1.9661$ or a p-value of $0.000 < 0.05$ and a β difference value of -0.521.

The influence of Electronic Word of Mouth on Conspicuous Consumption is higher in the female gender group (0.222) than in the male gender group (-0.374). This difference is significant with a t-statistic value of $4.542 > 1.9661$ or a p-value of $0.000 < 0.05$ and a β difference value of 0.596.

The influence of Celebrity Endorser on Electronic Word of Mouth is higher in the male gender group (0.435) than female (0.418). This difference is not significant with a t-statistic value of $0.205 < 1.9661$ or a p-value of $0.838 > 0.05$ and a β value of -0.017.

The indirect influence of Celebrity Endorser on Conspicuous Consumption through Electronic Word of Mouth is higher in the female gender group (0.093) than in the male gender group (-0.162). This difference is significant with a t-statistic value of $4.240 > 1.9661$ or a p-value of $0.000 < 0.05$ and a β difference value of 0.255.

DISCUSSION

Celebrity endorsers directly have a positive and significant effect on conspicuous consumption with a t-statistic value of $2.188 > 1.9661$ or a p-value of $0.029 < 0.05$ and a β value of 0.142, so the hypothesis is accepted. Based on the results of the multigroup analysis, it is known that the influence of celebrity endorsers on conspicuous consumption in both male and female gender has a positive and significant effect. The male gender group has a more dominant influence (0.726) than female (0.205). For the combined gender group, it shows that there are significant differences between the female and male groups. Celebrity endorsers have a positive and significant effect on conspicuous consumption for both male and female genders. However, the influence of men is more dominant than women. Women and men look different in processing messages conveyed by celebrity endorsers, this depends on the richness of the message and the accessibility of the information. Women tend to use the central route (thinking about the celebgram's arguments actively and responding to them carefully), meaning that women carry out deeper validation of the information/messages they receive from the celebgram endorser. while men tend to use the peripheral route (trusting the message and conveying it again and again), meaning that it is easier for men to accept without re-validating the information/message they receive from the celebrity endorser. This fact is important in understanding how gender influences responses to messages conveyed by celebrity endorsers to influence conspicuous consumption behavior. The results of this study are in accordance with research (Taylor & Strutton, 2016), The research results show that celebrity endorsers can trigger a conspicuous online consumption behavior response. Then this research is in line with the research conducted (Stevanie, 2018), (Charoennan & Huang, 2016) Conspicuous consumption is accelerated through social media platforms and by celebrity endorsers because they promote good self-expression through the consumption of products that project an image that matches one's ideal self-image.

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Electronic word of mouth directly has a positive and significant effect on conspicuous consumption with a t-statistic value of $2.670 > 1.9661$ or a p-value of $0.008 < 0.05$ and a β value of 0.241, so the hypothesis is accepted. Based on the results of multigroup analysis, it is known that electronic word of mouth directly has a positive and significant effect on conspicuous consumption in the female gender group (0.222), this is caused by: 1) Influencer Marketing: When influencers who women trust give positive reviews, this increases their desires. to purchase an iPhone as a status symbol, 2) Social Identification: If positive eWOM regarding the iPhone comes from members of a community or group that women admire, this will encourage them to conspicuously consume an iPhone as a way to demonstrate their social affiliation, 3) Social Validation: Women tend to value this social validation, which increases their desire to own products that are appreciated within their social circles. The results of multigroup analysis show that electronic word of mouth directly has a negative and significant effect on conspicuous consumption in the male gender group (-0.374), this is caused by: 1) Skepticism towards online reviews: Men are more critical of negative eWOM and consider such reviews are more credible, which may reduce their interest in purchasing an iPhone as a status symbol, 2) Focus on Features and Specifications: Men often focus more on technical aspects such as features and specifications rather than the social status that results from owning a particular product, 3) Reliance on Professional Reviews: Men may rely more on reviews from sources perceived to be more professional than eWOM from regular users on Instagram. The results of this study are in line with (Thoumtungroje, 2014), EWOM has a positive and significant influence on the consumption of conspicuous goods, respondents approached using the intercept technique are almost equally divided between men and women with a median age of 34 years who are classified as generation Y. Next in (Wilcox & Stephen, 2013), ewom can increase self-esteem and influence conspicuous consumption behavior in Facebook users.

Celebrity endorsers directly have a positive and significant effect on electronic word of mouth with a t-statistic value of $12.150 > 1.9661$ or a p-value of $0.000 < 0.05$ and a β value of 0.454, so the hypothesis is accepted. Based on the results of multigroup analysis, it is known that celebrity endorsers have a positive and significant influence on electronic word of mouth in the female (0.418) and male (0.435) gender groups. Celebrity endorsers can have a positive and significant influence on e-WOM (electronic word-of-mouth) for both female and male genders because: 1) Wide Reach: Celebgram endorsers have a large number of followers, so when they support or recommend a product or service, the message can be seen by thousands or even millions of people in a short time, 2) Credibility: Celebrity endorsers who have a good reputation and are respected on social media platforms have high credibility in the eyes of their followers, 3) High Engagement: Account Celebrity endorsers often have a high level of interaction and involvement from their followers. The results of this study are in line with research (Saleem, 2017), this study examines three dimensions of celebrity endorsement, including trustworthiness, expertise, and attractiveness, as predictors of positive consumer word of mouth. Next on research (Malik & Guptha, 2014), celebrity endorsements impact ewoms and their purchasing intentions.

Celebrity endorsers indirectly have a positive and significant effect on conspicuous consumption through electronic word of mouth with a t-statistic value of $2.695 > 1.9661$ or a p-value of $0.007 < 0.05$ and a β value of 0.109, so the hypothesis is accepted. Based on the results of multigroup analysis, it is known that celebrity endorsers indirectly have a positive and significant effect on conspicuous consumption through electronic word of

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mouth in the female gender group (0.093). The results of the multigroup analysis show that celebrity endorsers indirectly have a negative and significant effect on conspicuous consumption through electronic word of mouth in the male gender group (-0.162). This research is in line with (Katona et al, 2011), Personal influencers influence eWOM which ultimately impacts conspicuous consumption patterns in viral marketing.

CONCLUSION

Most Instagram users are generation Y (42-27 years) and generation Z (26-18 years), both female and male, who carry out conspicuous consumption, using iPhones whose new price range is much higher than their average income. per month, namely 1-3 million rupiah per month.

Based on the model using the SEM (Structural Equation Modeling) method using smart PLS, it is known that directly and indirectly, celebrity endorsers have a positive and significant influence on conspicuous consumption through EWOM in the female gender, and EWOM also has a positive and significant influence on conspicuous consumption in the female gender.

Directly, celebgram endorsers have a positive and significant effect on conspicuous consumption through EWOM in the male gender, and celebgram endorsers also have a positive and significant effect on EWOM in the male gender. However, EWOM directly has a negative effect on conspicuous consumption in the male gender. And indirectly, celebrity endorsers have a negative influence on conspicuous consumption through EWOM in the male gender.

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