# PURCHASE DECISION IN E-COMMERCE: UTILISING CELEBRITY ENDORSEMENT, ADVERTISING APPEAL, AND E-WORD OF MOUTH

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| ARTICLE INFO | ABSTRACT |
|---|---|
| *Keywords*:<br>Purchase Decision,<br>Celebrity Endorsement,<br>Advertising Appeal,<br>E-Word of Mouth,<br>E-Commerce | Marketing has now adopted technologies in the attempt to increase brand recognition. Due to the COVID-19 pandemic, many companies suffer, yet many even reap more profits, such as e-commerce. The purpose of this research is to figure out whether Celebrity Endorsement, Advertising Appeal, and Electronic Word of Mouth have influence towards customer's Purchase Decision in one of popular e-commerce in Indonesia called Bukalapak. Through the non-probability sampling type, particularly purposive sampling approach, one hundred respondents are taken as samples. The method in this research is descriptive and causal, and the research type is quantitative research. The data analysis methods used are descriptive statistics, coefficient of correlation, coefficient of determination, linear regression analysis and hypothesis testing through T-Test and F-Test. The T-test shows that Celebrity Endorsement, Advertising Appeal, and Electronic Word of Mouth partially influence the Purchase Decision. The F-Test result shows that all independent variables simultaneously influence Purchase Decision. Out of all, Celebrity Endorsement has the biggest influence on Purchase Decision. The value of coefficient of determination obtained is as much as 80.6% indicating that the customer's Purchase Decision in Bukalapak is explained by Celebrity Endorsement, Advertising Appeal, and Electronic Word of Mouth. The recommendation given is to ensure the company uses talented and well-known celebrity endorsers, design attractive and unique advertisement, and maintain satisfactory performance to encourage complimentary reviews on its platform. |
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## 1. INTRODUCTION

Internet has given a notable influence on the economic growth in current digital era, and nowadays, with the right technology and stable internet connection, the users of e-commerce in Indonesia has shown a significant increase in number. Attributable to the economic threats due to the COVID-19 pandemic, a huge change in customer purchase decision-making process occurs. Demand towards online transactions through e-commerce escalates and lots of companies are flocking to establish online platforms, and each one of them has their own unique features, either it be in terms of security, website design, and many more. As seen in the figure below, it is expected that value of e-commerce is growing each year (GlobalData, 2022).



Figure 1. Expected E-commerce Value in IDR Trillion in 2017 – 2025

As an attempt to introduce its services, an e-commerce could use public figure to draw public attention, which is expected to create a sense of familiarity in people's mind. In addition, a customer that comprehends and is appealed to the advertisements promoted by the company will stimulate interests within themselves to make a purchase. Technology advancement has widened the possibilities of word of mouth spread from mere conventional basis to digital, which is now known as electronic Word of Mouth (e-WOM).

In this study, the writer would like to use Bukalapak e-commerce as the research object to corroborate the previously expressed concerns. PT Bukalapak.com Tbk or simply known as Bukalapak is one of the biggest e-commerce in Indonesia, which is currently competing fiercely with Shopee and Tokopedia. Bukalapak is an Indonesian technology company that was found back in 2010 by Achmad Zaky. Bukalapak was officially a Limited Liability Company (PT) in 2011 and is a part of PT Kreatif Media Karya Group. It offers an online marketplace platform or e-commerce where its users are allowed to conduct buying and selling goods transaction and facilitate them various features.

According to Investing (2022), Bukalapak experiences stable growth from year to year since 2018 to 2021. In the year of 2018, Bukalapak has the total revenue of IDR 297,907.49 million, and following in the year of 2019, it experiences an extreme increase of approximately 70%, and in 2020, Bukalapak achieves the total revenue of IDR 1,351,664.46 million. Lastly, in the end of year 2021, Bukalapak has an increase of around 28% (Investing, 2022).

Not only became the first unicorn to go public on the Indonesian stock exchange, Bukalapak also made new history on the stock exchange floor because it won fresh funds of IDR 21.9 trillion by selling the IPO price of IDR 850 per share. However, it turns out that Bukalapak is not a top marketplace in terms of visits per month. The first position of the marketplace with the highest visits in Indonesia is still held by Tokopedia (Tari, 2021). As the intensity of the competition between marketplaces in Indonesia increases, each e-commerce needs to produce innovative ideas and innovations to keep up with each other and survive in the market competition. Therefore, the writer is interested to find out how purchase decision in Bukalapak is hugely influenced by three main factors, which are celebrity endorsement, advertising appeal, as well as e-WOM.
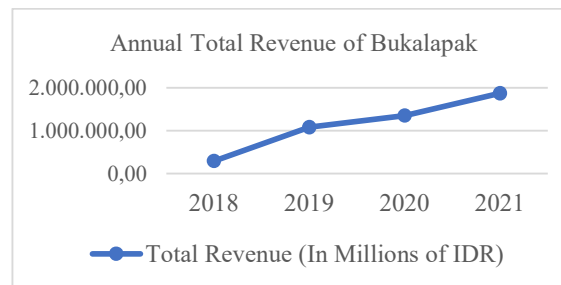


Figure 2. Total Revenue of Bukalapak from 2018 – 2021
Source: Prepared by the Writer (Investing.com, 2022)

Previous research by Utami & Ellyawati (2021) emphasizing that the utilization of celebrity endorsement creates a sense that customers are selective in buying goods and upgrading their social status by having what is used by the celebrity. Marketers expects an adjustment in the perception of customers towards a certain goods or services through the presence of celebrity endorsement as it could provide a positive association towards the offered products or services. Furthermore, the presence of advertising appeal associates the company with society, especially the advertisement's consumers, which is deemed to be a part of the product marketing. Advertising appeal is required as it is capable of persuading, maintaining, or even evoking the memories of audiences against the offered products or services (Jacob, Lapian, & Mandagie, 2018). Lastly, the result of the study showed by Mawadah & Mada proved that e-WOM has a direct influence on purchase decision, especially in e-commerce platform. Thus, the novelty of this

research is to see how Bukalapak utilizes celebrity endorsement, advertising appeal, and e-WOM as to influence the customers' purchase decision especially after the company go public in 2021.

This study is conducted with four objectives, which are (1) To know whether Celebrity Endorsement partially has an influence on Purchase Decision at Bukalapak, (2) To know whether Advertising Appeal partially has an influence on Purchase Decision at Bukalapak, (3) To know whether Electronic Word of Mouth partially has an influence on Purchase Decision at Bukalapak, and (4) To know whether Celebrity Endorsement, Advertising Appeal, and Electronic Word of Mouth simultaneously have an influence on Purchase Decision at Bukalapak.

The hypotheses developed for this research are as follow:
H1: Celebrity Endorsement partially has an influence on Purchase Decision at Bukalapak
H2: Advertising Appeal partially has an influence on Purchase Decision at Bukalapak
H3: Electronic Word of Mouth partially has an influence on Purchase Decision at Bukalapak
H4: Celebrity Endorsement, Advertising Appeal, and Electronic Word of simultaneously have an influence on Purchase Decision at Bukalapak
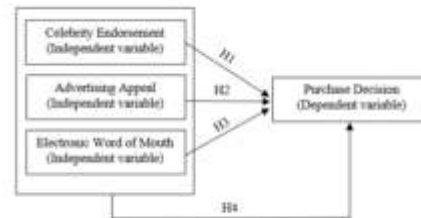
The conceptual research model is designed as follows:



Figure 3. Research Model

## 2. LITERATURE REVIEW
### Celebrity Endorsement
According to Setiawan (2018), celebrity endorsement is one of the communication channels that is being utilized by celebrities to express their words in promoting brands based on their popularity and personality. People that could be deemed as celebrities are people who appear in television shows, actor, sports star, and other influential people that acts as a supporter is believed to be able to affect customers' spending. According to Percy and Rossiter as cited in Dewa (2018), the indicators of celebrity endorsement could be explained through VisCAP Model, which consists of (a) Visibility, celebrity that represents a product or service is deemed to be a person that is capable to be noticed by public; (b) Credibility, which refers to the perception of the society towards the talent of the celebrity endorser that is appropriate to be followed by people; (c) Attraction, characterised by "likability that expresses the characteristics in terms of the physical appearance and personality of the celebrity, so that the attraction of the endorser could bring up a positive influence towxpresses the ards the represented brand and "similarity that depicts the equation of the celebrity's emotion in the advertisement, thus assisting the audience to be attracted to the endorser; (d) Power, refers to the magnitude of the influence owned by the endorser towards community, by which the bigger the influence, the more society shows faith in the products or service.

### Advertising Appeal
The basic of advertising message could be obtained through various advertising appeals, which could be defined as a fragment of advertising strategies employed as a foundation of a particular advertised communication that is purposed to captivate the potential consumers' attention, ingeniously influence their perception and viewpoint, as well as approach against the promoted goods or services, and certainly, the purchase intention (Dahake, 2020). Advertising appeal is required as it is capable of persuading, maintaining, or even evoking the memories of

audiences against the offered products or services. The indicators used for advertising appeal are (a) The interest when watching the advertisement, (b) The uniqueness of the advertisement, (c) Informative advertising, (d) The clarity of the advertisement and (e) Presence of desire to purchase the advertised goods (Zufaldi, Evanita, & Septrizola, 2019).

## Electronic Word of Mouth

Electronic Word of Mouth (e-WOM) has taken the phenomenon of mere Word of Mouth into a new context with varying the traits from the offline setting. As explained by Amin & Yanti (2021), e-WOM is the metamorphosis form of Word of Mouth, by which it is a personal communication that occurs when several people or more meet face to face that will then converted into a virtual world communication through internet as the media. The utilization of e-WOM has allowed the company to experience high impact on its business with low cost. In the case of Bukalapak, the e-WOM for the company is related to its security, privacy, delivery speed, and many more. According to Goyette, in measuring the e-WOM, there are 3 indicators that could be used, which are (a) Intensity, refers to the amount of opinions that is shared by the customers or visitors in a social networking site; (b) Valence of Opinion, defines as the opinions of customers either it be positive or negative regarding a product, service, and/or a brand; (c) Content, refers to an information about the quality, price, convenience, hygiene, as well as the service of a product or service that is going to be purchased by a customers or visitors (Putra & Kalvin, 2019).

## Purchase Decision

Purchase decision refers to the stage in the process of decision-making made by consumers where they really made the purchase. It is not merely about the product only, but also the decision to purchase the brand of the products or services as well (Abi, 2020). According to Kotler, Keller, Brady, Goodman, & Hansen (2019), the indicators of purchase decision are (a) Stability of a Product, refers to the quality of the goods or services that will develop consumers' trusts to support purchase decision; (b) Purchasing Habits, refers to the tendencies consumers possess when buying products or services and the repetition in purchasing same things; (c) Recommendation, refers to advise given to other people regarding how reliable a good or service is; (d) Re-Purchase, refers to the situation where an individual conducts a purchase of products or services and determine whether to purchase again, hence, the second and subsequent purchases are deemed as re-purchase.

## Relationship Between Celebrity Endorsement, Advertising Appeal, Electronic Word of Mouth, and Purchase Decision

According James (2018) in the book titled "Persuasion: Mastery - How to Master Persuasion, Mind Control and NLP", there is a suggestion that celebrity endorsement builds on the credibility to strengthens the argument that a certain product should be bought. Thus, it has explicitly denotes that celebrity endorsement has an effect towards customer purchase decision, where customers will be convinced to make a purchase decision when celebrity endorsement is involved in the marketing efforts. Furthermore, as written in Mogaji (2021) in the book titled "Introduction to Advertising: Understanding and Managing the Advertising Process", it is stated that advertising appeal offers a reason to purchase a product, through the central message of the advertising, presenting something that attracts customer and enhances their interest against a product. Thus, advertising appeal indeed has an influence against customer purchase decision towards a good, service or even the brand itself.

In Žarkić & Marinković (2018) in their book titled "Doing Business in the Digital Age: Challenges, Approaches and Solutions", it is claimed that with the expansion of the Internet and the advent of the digital and social media era, the Word of Mouth (WOM) concept has evolved into e-WOM, which is more pervasive and more important in purchase decision-making. Furthermore, according to Akgul (2019) in the book titled "Structural Equation Modeling Approaches to E-Service Adoption", advertising research foundation report marked out that people use social

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media content or social e-WOM prior to making purchase decision and intention to adopt service or product such as hotel, travel, e-shopping, and restaurant. Based on the above claims made, e-WOM could offer advertised goods, service, or brand knowlegde that is the essential aspect in determining customer's decision to buy something.

Advertising appeals are messages that could be delivered in various styles, which is through displaying product images, music to brighten up the message, scientific evidence of product superiority, evidence from famous figure's testimonies, as well as when an advertisement has an appeal, could generate interest towards the product, where it could also be done verbally, which is through electronic word of mouth. Through the arguments above, it could be considered that promotion made by public figure, namely celebrity endorsement, advertising appeal, as well as verbal message, such as electronic word of mouth could bring about the interest within the customer, which eventually, will give an impact towards their decision to buy (Cristimonica & Setiawan, 2022).

## 3. METHOD

In this study, the writer uses the quantitative research along with descriptive and causal methods to explain about celebrity endorsement, advertising appeal, electronic word of mouth, and purchase decision. Due to the current pandemic, as an attempt to minimize the virus spread possibility, the data utilized in this research will be derived from online questionnaires through Google Forms that will be shared to all customers who have had a transaction in Bukalapak in the last 3 years. The duration that the writer needs to conduct the research is 3 months, particularly from 31st July 2022 until 31st October 2022. The type of sampling method used is non-probability sampling, where each individual in the population does not possess the equal chance in participating in the study. Purposive sampling approach is used using these criteria – customers stay in Indonesia, at least 17 years old, having experience of doing a transaction in Bukalapak at least once and made a transaction in in the last 3 years.

In determining the total of sample used in a huge amount and uncountable population such as active users in Bukalapak, the writer decided to use the Cochran formula to decide on the appropriate sample size to represent the population of this research. Based on the calculation, the total sample needed in this research is 96 people, however, in order to ease the writer in doing the research, the number will be rounded up to 100 people. The writer utilizes SPSS version 25 software program to analyze the data collected and the writer utilizes 5-Level Likert scale in measuring the variables, where the score measurement ranging from 1 to 5, labelling as Strongly Disagree to Strongly Agree accordingly. Below is a table presenting the variables and indicators used in developing the questionnaire.

Table 1. Variables and Indicators

| Variable | Indicators | Questionnaire (Q) |
|---|---|---|
| Celebrity Endorsement (X₁) | Visibility | 1. Bukalapak uses well-known celebrity to endorse its brand |
| | Credibility | 2. Bukalapak uses talented and honest celebrity to promote its brand |
| | Attraction | 3. Bukalapak tends to have a familiar and viral celebrity to promote its brand |
| | Power | 4. I am interested in purchasing in Bukalapak when there are certain celebrities endorse its brand |
| Advertising | Interest in Watching the Advertisement | 5. Bukalapak's advertisement is captivating and fascinating |
| | Uniqueness of the Advertisement | 6. Bukalapak's advertisement is creative and different from the others |

| Appeal (X₂) | Informative Advertising | 7. I learn and gain more information by watching Bukalapak's advertisement |
| | Clarity of the Advertisement | 8. I understand the message that Bukalapak tries to convey through its advertisement |
| | Desire to Purchase the Advertised Goods | 9. I am interested to do purchase in Bukalapak because of its advertisements |
| | Intensity | 10. I care about the number of opinions posted online by other Bukalapak customers |
| Electronic Word of Mouth (X₃) | Valence of Opinion | 11. I do take into consideration of the satisfied and unsatisfied opinions that are posted online in Bukalapak platform. |
| | | 12. The online comments offer enough information to let me know about the quality of the service in Bukalapak |
| | Content | |
| | Stability of Product | 13. I choose Bukalapak because of its consistency in providing satisfying service |
| Purchase Decision (Y) | Purchasing Habits | 14. I prefer Bukalapak compared to the others because I am more used to its features compared to the others |
| | Recommendation | 15. I purchase from Bukalapak since many relatives suggest it and I believe in their advice |
| | Re-purchase | 16. I am satisfied with Bukalapak's service and will purchase from this e-commerce again next time |

Source: Prepared by the Writer (2022)

## 4. RESULTS AND DISCUSSION
### Validity and Reliability Test

A pre-test with 30 respondents is conducted beforehand to prove the validity and the reliability of the statements in the questionnaires, and could be used for further observation. The criteria to decide on the validity and the reliability is through the Cronbach's Alpha and validity value ($r_{count}$). The results show that all questions used are valid and reliable as seen in the tables below.

Table 2. Validity Test

| No. | Validity Value ($r_{count}$) | Critical Value ($r_{table}$) | Criteria | Result |
|---|---|---|---|---|
| Q1 | 0.787 | 0.361 | $r_{count} > r_{table}$ | Valid |
| Q2 | 0.724 | 0.361 | $r_{count} > r_{table}$ | Valid |
| Q3 | 0.576 | 0.361 | $r_{count} > r_{table}$ | Valid |
| Q4 | 0.395 | 0.361 | $r_{count} > r_{table}$ | Valid |
| Q5 | 0.636 | 0.361 | $r_{count} > r_{table}$ | Valid |
| Q6 | 0.667 | 0.361 | $r_{count} > r_{table}$ | Valid |
| Q7 | 0.551 | 0.361 | $r_{count} > r_{table}$ | Valid |
| Q8 | 0.487 | 0.361 | $r_{count} > r_{table}$ | Valid |
| Q9 | 0.718 | 0.361 | $r_{count} > r_{table}$ | Valid |
| Q10 | 0.481 | 0.361 | $r_{count} > r_{table}$ | Valid |
| Q11 | 0.604 | 0.361 | $r_{count} > r_{table}$ | Valid |
| Q12 | 0.591 | 0.361 | $r_{count} > r_{table}$ | Valid |
| Q13 | 0.718 | 0.361 | $r_{count} > r_{table}$ | Valid |
| Q14 | 0.485 | 0.361 | $r_{count} > r_{table}$ | Valid |

| | | | | |
|---|---|---|---|---|
| Q15 | 0.677 | 0.361 | $r_{count} > r_{table}$ | Valid |
| Q16 | 0.474 | 0.361 | $r_{count} > r_{table}$ | Valid |

Source: Prepared by the Writer (2022)

Table 3. Reliability Test

| Celebrity Endorsement | |
|---|---|
| Cronbach's Alpha | N of Items |
| 0.796 | 4 |
| **Advertising Appeal** | |
| Cronbach's Alpha | N of Items |
| 0.815 | 5 |
| **Electronic Word of Mouth** | |
| Cronbach's Alpha | N of Items |
| 0.718 | 3 |
| **Purchase Decision** | |
| Cronbach's Alpha | N of Items |
| 0.779 | 4 |

Source: Prepared by the Writer (2022)

## Respondents' Characteristics

In total, there are 100 customers of Bukalapak used in this study, in which 47% are males and 53% are females. Also, the respondents' age is between 17 to 50 years old, as seen in the table below.

Table 4. Respondents' Characteristics Based on Gender and Age

| Gender | Frequency | Percentage |
|---|---|---|
| Male | 47 | 47% |
| Female | 53 | 53% |
| **Age** | | |
| 17 – 30 | 79 | 79% |
| 31 – 40 | 20 | 20% |
| 41 – 50 | 1 | 1% |

## Descriptive Statistics

The table below presents the results of mean, median, mode and standard deviation for each variable used.

Table 5. Descriptive Statistics of Variables

| | | Celebrity Endorsement | Advertising Appeal | Electronic Word of Mouth | Purchase Decision |
|---|---|---|---|---|---|
| | | | Statistics | | |
| N | Valid | 100 | 100 | 100 | 100 |
| | Missing | 0 | 0 | 0 | 0 |
| Mean | | 15.63 | 18.48 | 10.65 | 14.65 |
| Median | | 15.00 | 18.00 | 10.00 | 14.00 |
| Mode | | 15 | 17 | 10 | 14 |
| Standard Deviation | | 2.082 | 2.172 | 2.022 | 2.129 |

**Results of Data Quality Testing**
**Normality Test**
          Referring to the figure below, the Normal P-Plot of the data displays the dots lied or distribute along the line or close to the line that intersects X-axis and Y-axis at point (0,0). The distribution of the dots along the line also shows little deviation, by which it could be assumed that the residual data is normally distributed.
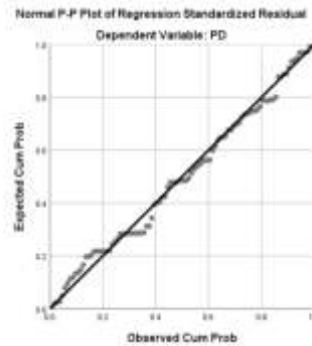


Figure 4. Normal P-Plot of Regression Standardized Residual

          To prove statistically that the data is normally distributed, this study is also adopting the One-Sample Kolmogorov Smirnov Test, and the outcome shows that the value of Asymp. Sig (2-tailed) is greater than 0.05, by which Asymp. Sig (2-tailed) itself represents the indicator for normally distributed data. When the value is bigger than 0.05, it shows that the data is normally distributed, or in other words, have passed the normality test.

**Linearity Test**
          A regression model is deemed to have passed the linearity test when the Sig. value of Linearity is less than 0.05 and the Sig. value of Deviation from Linearity is greater than 0.05. Referring to the tables below, the Sig. linearity value of Purchase Decision – Celebrity Endorsement is 0.000 and Sig. deviation from linearity value is 0.181, which has fulfilled the requirement. Meanwhile, the Sig. linearity value of Purchase Decision – Advertising Appeal is 0.000 (less than 0.05) and Sig. deviation from linearity value of 0.105 (greater than 0.05). On the other hand, the Sig. linearity value of Purchase Decision – Electronic Word of Mouth is 0.000 (less than 0.05) and Sig. deviation from linearity value of 0.053 (greater than 0.05). Hence, it is proved that Celebrity Endorsement, Advertising Appeal, and Electronic Word of Mouth has linear relationship with Purchase Decision.

Table 6. Linearity Test between Variable $X_1$ and Y

| ANOVA Table | | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|---|
| Purchase Decision * Celebrity Endorsement | Between Groups | (Combined) | 335,534 | 10 | 33,553 | 26,377 | ,000 |
| | | Linearity | 318,970 | 1 | 318,970 | 250,746 | ,000 |
| | | Deviation from Linearity | 16,564 | 9 | 1,840 | 1,447 | ,181 |
| | Within Groups | | 113,216 | 89 | 1,272 | | |
| | Total | | 448,750 | 99 | | | |

Table 7. Linearity Test between Variable $X_2$ and Y

| | | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|---|
| | | | **ANOVA Table** | | | | |
| Purchase Decision * Advertising Appeal | Between Groups | (Combined) | 298,895 | 12 | 24,908 | 14,461 | ,000 |
| | | Linearity | 268,062 | 1 | 268,062 | 155,626 | ,000 |
| | | Deviation from Linearity | 30,832 | 11 | 2,803 | 1,627 | ,105 |
| | Within Groups | | 149,855 | 87 | 1,722 | | |
| | Total | | 448,750 | 99 | | | |

Table 8. Linearity Test between Variable $X_3$ and Y

| | | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|---|
| | | | **ANOVA Table** | | | | |
| Purchase Decision * Electronic Word of Mouth | Between Groups | (Combined) | 303,002 | 9 | 33,667 | 20,789 | ,000 |
| | | Linearity | 276,856 | 1 | 276,856 | 170,960 | ,000 |
| | | Deviation from Linearity | 26,146 | 8 | 3,268 | 2,018 | ,053 |
| | Within Groups | | 145,748 | 90 | 1,619 | | |
| | Total | | 448,750 | 99 | | | |

**Multicollinearity Test**

As seen in the table below, the value of Celebrity Endorsement, Advertising Appeal, and Electronic Word of Mouth is 0.388, 0.490, and 0.354 consecutively, that are greater than 0.1. Meanwhile, for the VIF value of Celebrity Endorsement, Advertising Appeal and Electronic Word of mouth are 2.576, 2.040, and 2.823 consecutively. Thus, it is concluded that there is no multicollinearity in the regression model or no relationship between the independent variables.

Table 9. Multicollinearity Test

**Coefficients[a]**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | Collinearity Statistics | |
|---|---|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | | Tolerance | VIF |
| 1 | (Constant) | -1.164 | .885 | | -1.315 | .192 | | |
| | Celebrity Endorsement | .497 | .073 | .486 | 6.830 | .000 | .388 | 2.576 |
| | Advertising Appeal | .320 | .062 | .327 | 5.160 | .000 | .490 | 2.040 |
| | Electronic Word of Mouth | .200 | .078 | .190 | 2.557 | .012 | .354 | 2.823 |

a. Dependent Variable: PD

**Heteroscedasticity Test**

The heteroscedasticity test could be conducted through Scatterplot Test. Based on the figure below, it could be seen that all the dots are scattered around without forming any shape or pattern and are distributed above and below the point 0 on Y-axis. Therefore, it has no
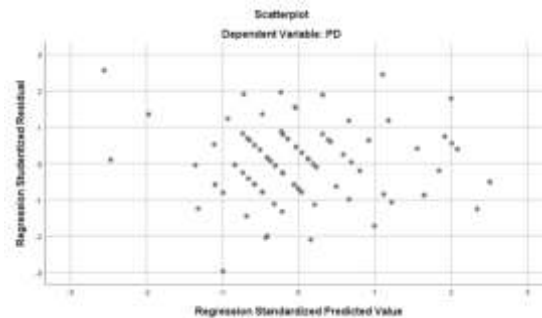
heteroscedasticity detected in it.



Figure 5. Scatterplot for Heteroscedasticity Test on Purchase Decision

The indication of the presence of heteroscedasticity could be observed through the Sig. value of the independent variables. A model is free from any heteroscedasticity when the Sig. value is greater than 0.05, which also means that the residual variance is stable from one examination to another. In this research, which could be seen from Table 4.26, the Sig. value of Celebrity Endorsement, Advertising Appeal, and Electronic Word of Mouth is 0.963, 0.561, and 0.478 respectively, which are all greater than 0.05. This indicates that this regression model is free from heteroscedasticity and passed the test.

Table 10. Heteroscedasticity Glejser Test

| | **Coefficients**[a] | | | | |
| | Unstandardized Coefficients | | Standardized Coefficients | | |
| Model | B | Std. Error | Beta | t | Sig. |
|---|---|---|---|---|---|
| 1 (Constant) | .646 | .543 | | 1.190 | .237 |
| Celebrity Endorsement | .002 | .045 | .008 | .046 | .963 |
| Advertising Appeal | .022 | .038 | .085 | .583 | .561 |
| Electronic Word of Mouth | -.034 | .048 | -.122 | -.712 | .478 |

a. Dependent Variable: ABSRES

**Multiple Linear Regression Analysis**

The multiple linear regression analysis is used in the model in this research, which is purposed to analyze the relationship of the independent variables with the dependent variables. The outcome of this test in this research is seen below.

Table 11. Result of Multiple Linear Regression Analysis

| **Coefficients**[a] | | | | | |
|---|---|---|---|---|---|
| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
| | B | Std. Error | Beta | | |
| 1 (Constant) | -1.164 | .885 | | -1.315 | .192 |
| Celebrity Endorsement | .497 | .073 | .486 | 6.830 | .000 |

| | B | Std. Error | Beta | t | Sig. |
|---|---|---|---|---|---|
| Advertising Appeal | .320 | .062 | .327 | 5.160 | .000 |
| Electronic Word of Mouth | .200 | .078 | .190 | 2.557 | .012 |
| a. Dependent Variable: Purchase Decision | | | | | |

The coefficient of linear regression is used as an estimated value of parameters of the regression model. Hence, from the regression equation, it can be assumed that Celebrity Endorsement has the most influence towards Purchase Decision since it has the biggest value of coefficient regression.

## Coefficient of Determination

Coefficient of Determination is conducted in this research as it is necessary in determining whether the estimated regression model is appropriate or not. Moreover, it helps to identify the precision of the model in forecasting the result and to what extent of how the independent variables describe the dependent variable. The calculation shows that the coefficient of determination is 80.6%, which is considered a high value. This indicates that the independent variables; Celebrity Endorsement, Advertising Appeal, and Electronic Word of Mouth, contribute to the dependent variable, Purchase Decision as much as 80.6%. The rest 19.4% is the number that represents other factors other than the variables in this research that might influence the Purchase Decision. The indicator of this test is through the Adjusted R square value which is seen as below.

Table 12. Coefficient of Determination

| Model Summary[b] | | | | |
|---|---|---|---|---|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | .901[a] | .811 | .806 | .939 |
| a. Predictors: (Constant), EWOM, AA, CE | | | | |
| b. Dependent Variable: PD | | | | |

## Hypothesis Test Result

In this research, T-test is applied to know whether there is partial influence by the independent variables towards the dependent variable. Referring to the table below, the Sig. value of Celebrity Endorsement, Advertising Appeal, and Electronic Word of Mouth are 0.000, 0.000, and 0.012 consecutively. A regression model is said to have passed the T-Test if the Sig. value is less than 0.05, which means that each Celebrity Endorsement, Advertising Appeal, and Electronic Word of Mouth has a partial significant influence on Customer Purchase Decision at Bukalapak. Thus, the $H_1$, $H_2$, and $H_3$ are proven to be accepted.

Table 13. Result of T-Test

| Coefficients[a] | | | | | |
|---|---|---|---|---|---|
| | Unstandardized Coefficients | | Standardized Coefficients | | |
| Model | B | Std. Error | Beta | t | Sig. |
| 1  (Constant) | -1.164 | .885 | | -1.315 | .192 |
| Celebrity Endorsement | .497 | .073 | .486 | 6.830 | .000 |
| Advertising Appeal | .320 | .062 | .327 | 5.160 | .000 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Electronic Word of Mouth | .200 | .078 | .190 | 2.557 | .012 |
| | | | a. Dependent Variable: Purchase Decision | | | |

Different from T-Tests that is used to know the presence of partial influence, F-Test is utilized in this research to know whether there are simultaneous influence by all the independent variables towards the dependent variable. The outcome of the F-Test that is seen as follows.

Table 14. Result of F-Test

| ANOVA[a] | | | | | | |
|---|---|---|---|---|---|---|
| Model | | Sum of Squares | df | Mean Square | F | Sig. |
| 1 | Regression | 364.152 | 3 | 121.384 | 137.744 | .000[b] |
| | Residual | 84.598 | 96 | .881 | | |
| | Total | 448.750 | 99 | | | |
| a. Dependent Variable: PD | | | | | | |
| b. Predictors: (Constant), EWOM, AA, CE | | | | | | |

Referring to the table above, the Sig. value is 0.000. which is less than 0.05, hence, it could be concluded that Celebrity Endorsement, Advertising Appeal, and Electronic Word of Mouth have simultaneous significance influence on Customer Purchase Decision at Bukalapak.

## 5. CONCLUSION

In proportion to the results derived from the data and analysis established, it could be drawn conclusions that Celebrity Endorsement, Advertising Appeal, and Electronic Word of Mouth indeed have significant influence towards the customer's Purchase Decision both partially and simultaneously. The outcome of the tests and analysis conducted has authenticated that all hypotheses are valid. The positive significant result that is shown in the model and hypotheses indicates that any increase happens in the Celebrity Endorsement, Advertising Appeal, and Electronic Word of Mouth will have a parallel affect towards the customer's Purchase Decision at Bukalapak.

The correlation between the variables in this research is deemed to be strong with as much as 80.6% of the customer's Purchase Decision in Bukalapak is explained by Celebrity Endorsement, Advertising Appeal, and Electronic Word of Mouth. The other 19.4% is explained by other factors not mentioned in this research, which might be website design, payment methods, easy return policy, loyalty rewards, and many more.

Out of all independent variables, statistically, Celebrity Endorsement offers the biggest impact towards the Purchase Decision in Bukalapak which is denoted by its value of regression coefficient that is the highest among others, which is 0.497. From the industry viewpoint, where e-commerce is a service company, credibility towards corporate image is very crucial. The utilization of celebrity endorsement accumulates people's trustworthiness against the brand and increase curiosity against the corporate's profile. Furthermore, during the pandemic where people rely on gadgets a lot, celebrities are the main source of their entertainment, especially for most of the respondents, gen Z. Hence, it is easier to use celebrity endorsement to influence audiences through information that they shared from digital platforms. According to the writer, people tend to be more easily convinced by the famous person they admire; thus, celebrity endorsement indeed is a strong factor in influencing customer's purchase decision.

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