THE EFFECTS OF CELEBRITY ENDORSEMENT ON CONSUMERS' ATTITUDE TOWARDS THE BRAND AND PURCHASING INTENTION

THESIS

Presented as Partisial Fulfillment of Requirements for the

Degree of Sarjana

Ekonomi (S1) in International Business Management Program

Faculty of Economics Universitas Atma Jaya Yogyakarta

Compiled by:

Stella Chrisma Adyatami

NPM: 11 12 18717

FACULTY OF ECONOMICS

UNIVERSITAS ATMA JAYA YOGYAKARTA

APRIL 2015

Faculty of Economics

Universitas Atma Jaya Yogyakarta

I hereby recommend that thesis prepared under my supervision by

Stella Chrisma Adyatami

Student ID Number: 11 12 18717

Thesis Entitled

**THE EFFECTS OF CELEBRITY ENDORSEMENT ON CONSUMERS'
ATTITUDE TOWARDS THE BRAND AND PURCHASING INTENTION**

Be accepted in partial fulfillment of the requirements for the Degree of Sarjana

Ekonomi (S1) in International Business Management Program

Faculty of Economics Universitas Atma Jaya Yogyakarta

Advisor

Mahestu N. Krisjanti, M.Sc.IB., Ph.D.   Yogyakarta, May 11th, 2015

This is to certify that the thesis entitled

THE EFFECTS OF CELEBRITY ENDORSEMENT ON CONSUMERS' ATTITUDE TOWARDS THE BRAND AND PURCHASING INTENTION

Presented by

Stella Chrisma Adyatami

Student ID Number: 11 12 18717

Has been defended and accepted on June 12th, 2015 towards fulfillment of

the requirements for the Degree of Sarjana Ekonomi (S1)

in International Business Management Program

Faculty of Economics Universitas Atma Jaya Yogyakarta

Examination Comittee

Chairman   Member

Dr. EF. Slamet S. Sarwono, MBA   Mahestu N. Krisjanti, M.Sc.IB., Ph.D.

Drs. Budi Suprapto, MBA., Ph.D

Yogyakarta, June 12th, 2015

Dean

Drs. Budi Suprapto, MBA., Ph.D

AUTHENTICITY ACKNOWLEDGEMENT

I, Stella Chrisma Adyatamim hereby declare that I compiled the thesis with the

following title:

THE EFFECTS OF CELEBRITY ENDORSEMENT ON CONSUMERS' ATTITUDE TOWARDS THE BRAND AND PURCHASING INTENTION

Is really, my own thinking and writing, I fully knowledge that my writings

does not contain others' or part(s) of others' writing, except for those

that have been cited and mentioned in the references.

Yogyakarta, May 11th, 2015

Stella Chrisma Adyatami

ACKNOWLEDGEMENT

Foremost, the writer would like to express the deepest joy and grateful to her lovely Father, Jesus Christ, for His love, bless, so she can finish this thesis and her whole study in Atma Jaya Yogyakarta University.

In writing this thesis, the writer faced a lot of difficulties and problems in analyzing and collecting the data that without much help from the following people, it was impossible for her to finish this thesis. Therefore, the writer would like to express the gratitude to:

1. Her lovely dad and mom, one and only super-brother and her big family for the care, love, patience, pray and endless supports. Thank you for having faith in her, being her shelter and her hope-charger.

2. The best supervisor, Mrs. Mahestu N. Krisjanti for always give so much love, patience, guidance and support in this thesis. Thank you for being her favorite lecturer.

3. All of lectures in Atma Jaya Yogyakarta University for the precious knowledge that have given to her.

4. The best international administration staff office, Mr. Adit. Thank you for super best services and informations which help her so much during study period and thesis project.

5. Her one and only super-best hero, Kim Ji Hun, who always fill her world with so much happiness, joy and love everyday. Thank you for always on her side and being a part of her life.

6. Her super-duper-beautiful rangers – Bebe Centel, Pieka, Shiro Cyfee, Gebong, Ndoly, Debby and Endah who always spread the endless love, biggest laugh, best support and the most colorful life for her. She is so lucky and no words can express her happiness to have all of them in her life.

7. All of her friends, especially for IBMP 2011 and FE UAJY 2011, which can not mention one by one. Thank you for all happy time and precious moment that the writer have been through all these time.

8. Last but not least, for all respondents who have participated in answering the questionnaires, without your help this research can not be done.

Stella Chrisma Adyatami

TABLE OF CONTENTS

CHAPTER V: CONCLUSION AND RECOMMENDATIONS

LIST OF TABLES

LIST OF FIGURES

LIST OF APPENDIXES

THE EFFECTS OF CELEBRITY ENDORSEMENT ON CONSUMERS' ATTITUDE TOWARDS THE BRAND AND PURCHASING INTENTION

Compiled by

Stella Chrisma Adyatami

Student ID Number: 11 12 18717

Supervisor   **Mahestu N. Krisjanti, M.Sc.Ib., Ph.D.**

ABSTRACT

This research aims at investigating the effects of celebrity endorsements with respect to their source credibility and congruence on customers' attitude towards the brand and purchase intention. Celebrity endorsement seems to be the latest and majorly used technique by marketers these days. This paper tests the efficacy of this marketing tool. Data has been collected from 241 respondents in questionnaire form. Regression analysis, descriptive analysis and Cronbach's Alpha were used to analyze the data.

The result showed that source credibility of celebrity endorsement do have insignificant effect on consumers' attitude towards the brand. While other variables show significant influence. Consumers' attitude towards the brand positively affect purchase intention. Further research can be conducted in this research by adding other factors or variables that can more affect to consumers attitude and purchase intention, such as the celebrity-society congruency. Other suggestions are by changing the demographics of respondents and more expanding the research to check the significance of media in marketing and promotion.

Keywords: Celebrity Endorsement, Source Credibility, Congruence, Attitude, Purchase Intention.

Colossians 3:23

WHATEVER YOU DO

work at it with all your heart

as WORKING FOR THE LORD

not for men