# CHAPTER I INTRODUCTION

# 1.1 General description Object of research

## a. Profile Company

Scarlett Whitening is a product of the local care beauty company owned by an artist named Felicya Angelista and was only released in 2017. Scarlett Whitening is produced by PT. Eternal Banyan Currency, Bogor, Indonesia. All Scarlett Whitening has been tested by the Food and Drug Supervisory Agency of the Republic of Indonesia (BPOM RI, 2017).

Scarlett Whitening offers a wide range of divided product types. It is divided into three categories: body care, facial care and hair care. Scarlett Whitening focuses on a product line that whitens and brightens the skin of the body and face because it contains Glutathione and Vitamin E which are excellent for making the skin appear more radiant and healthy. Its flagship product is the body care range that can provide instant white results that first appeared in the application. (Scarlett Bleaching, 2021).

Felicya Angelista, owner of Scarlett Whitening, started Scarlett Whitening early because she had a lot of questions about the products she used to care for her skin. Through Scarlett Whitening, Felicya aims to provide solutions for those who want to take care of their skin and want to provide clean and healthy skin.

### b. Company Logo



Figure 1. 1 Logo Scarlett Whitening Source: (Scarlett Whitening, 2021)

## c. Product Profile



Figure 1. 2 Products Scarlett Whitening Source: (Scarlett Whitening, 2021)

Scarlett Whitening shares Miscellaneous the product Becomes three categories, namely a series of body care, face care, and hair care (care products) body, face, and hair).

## d. Ingredients in Scarlett Whitening Products

All Scarlett Whitening products are registered with BPOM. So, you can be sure all the products are very safe. The main ingredients of the product range are natural ingredients, such as cucumber or pomegranate. In addition, all product variants contain glutathione which has the function to brighten the skin. Then, there is also a high vitamin E content that can help treat your skin.

#### e. Benefits of Scarlett Whitening Products

As the name suggests, Scarlett Whitening has the main function of brightening the skin. The natural ingredients of the product make this product safe for the skin. Just make sure you buy the original and guaranteed product, okay? In addition to brightening the skin, Scarlett Whitening products have other benefits for cleaning and moisturizing the skin. The long-lasting fragrance makes you no longer need to wear perfume. You can buy a treatment package consisting of 5 items.

#### 1.2 Background Behind Study

With the growing needs of the community and the business world today. Coupled with the rapid development of information technology, including the internet, this has a very large impact in all aspects, including business development and marketing. The internet has become a medium for people's daily needs, as well as a field of business known as e-commerce and e-commerce. On websites, in e-commerce, and in social networks, the offers of online stores are doubled. It also includes the care and beauty sector, which is gaining popularity around the world.

Globally, the celebrity market is a multi-billion dollar industry. In the United States, for example, celebrity endorsements are a popular advertising strategy, accounting for about 15% of advertising. By associating celebrities with brands, advertisers inspire known brands with desired associations in hopes of developing consumer-centric brands that benefit equity. Although previous studies have examined the impact of celebrity endorsers on brand recall, attitudes towards supported brands, and purchase intent, academic research on the impact of celebrity endorsers on brand recall, attitudes towards with recruiting celebrities, it is imperative that marketing and advertising managers link the quality of endorsers with the recommended brand value to justify the funds allocated to celebrities. Therefore, our first goal is to empirically assess the impact of celebrity credibility (Dwivedi, 2015).

Celebrities are considered the embodiment of related personalities and lifestyles. Consumers value the symbolic meaning of celebrities and, in part, use this meaning to create individual feelings. Despite the theoretical understanding of the movement of meaning in celebrity endorsements and their potential impact on the consumer's self-concept, empirical investigations of this relationship are minimal. Our second goal is to empirically test the influence of celebrity endorsements on consumers' own brand connections. Self-brand connection is an emerging concept, reflecting the formation of a strong and meaningful bond between the brand and the personal identity of the consumer. In addition, given the well-documented role of the "self" in regulating consumer behavior, the development of private label connections is potentially possible. is an additional avenue for the development of strong brand equity (Dwivedi, 2015).

Scarlett was also able to hook several local artists and even Korean artists to become celebrity endorsers of their products, including Agnes Monica, Ria Ricis, Natasha Wilona, and a Korean artist who had just been made Scarlett Whitening's Brand Ambassador, namely a Korean actor named Song Jong Ki and a Girl Band Kpop is Twice. Below are some photos of celebrity endorsers wearing Scarlett Whitening.

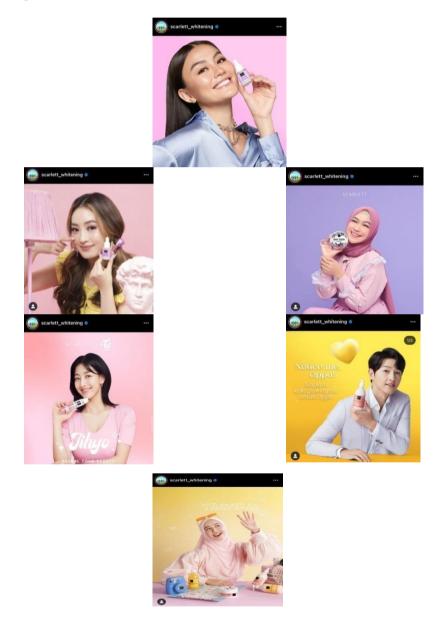


Figure 1. 3 Celebrity Endorsers

The influence of celebrity endorsers on consumer brand behavior has been found to depend on the extent to which consumers consider celebrity brand partners congruent or logical. Thus, the endorser's brand suitability level has the potential to reduce the impact of well-known endorsers on brand results. The role of aligning in favor of brands was highlighted in the practitioner study, which reported that the recommended level of fit between celebrities and brand figures was one of the advertisers' top priorities in recruitment and selection. Celebrity. Therefore, our third objective is to assess the role of endorsers and facilitators of brand compliance in the attestation process (Dwivedi, 2015).

Celebrity endorsements are a common marketing communication strategy to improve brand image. Advertisers believe that the use of celebrities affects the effectiveness of advertising, memory and brand recognition, as well as purchase intentions and follow-ups. These studies examine the influence of celebrity endorsements on young adults (Hakimi et al., 2011), celebrity worship on purchase intent, and celebrity credibility on consumer action-based brands (Spry et al., 2011). However, none of these studies focus solely on adolescents, although many ads target young people using celebrity vocations (Chan, 2013). Scarlett, launched by Felicya Angelista, is the second leading local e-commerce brand for the facial care category. Scarlett products are sought after for their benefits that can purify and brighten the skin. In the facial care category, the Scarlett brand managed to increase turnover of Rp. 29.78 billion. Scarlett Acne Whitening Serum is the best-selling e-commerce product in the facial care category, with a total revenue transaction of 36,000 or IDR 2.6 billion in May 2021 (Compas, 2021).

The development of beauty products that have developed so rapidly has brought great changes in the market, with the existence of different brands of beauty products causing fierce competition in the skin care industry. Today's consumers are very critical in choosing beauty products. Therefore, producers must always try to understand consumer needs in order to get a good image in the minds of consumers. If consumers have no experience with a product, they tend to do it famous and favorite brands or a good brand image. This encourages manufacturers to positively strengthen the brand position and include a brand image that can make a good impression on consumers. Brand image is a consumer's impression or belief about a product that reflects an enterprise embedded in the memory of consumers. If a product has a strong image with the consumer, it will give a good picture of the vision of the product and the consumer will be interested in the product offered. As well as providing a great opportunity for companies to make their products sell well in the market.

Social media is something that is very often approached by the public. The full power of social media celebrity advocates to influence audiences in the introduction of many branded beauty products. the high attributes of credibility, strength, ability, trust contained in celebrity testimonials, the stronger the influence on consumers' buying intentions. Scarlett has taken advantage of the power of celebrity endorser Felicya Angelista, who also has celebrity endorser products Scarlett and Acha Sinaga, as an actress living abroad who can promote this beauty product abroad. Scarlett has a line-up of strategic celebrities who are skilled in the physics of attraction, including the name Felicya Angelista in one of her beauty products. Consumer perception of the product will be good with endorsements from celebrities who use the product. On the other hand, Scarlett's products also take out all of their body and skin care products, so they don't bother consumers when they want to buy a second beauty product (Resanti, et al, 2019).



Figure 1. 4 Categories of goods and services that are growinghighest infield e-commerce

Source: We are Social & Hootsuite, 2019

The strong growth of e-commerce for beauty products is on the rise worldwide and Indonesia is showing high buying interest in beauty products. Celebrities, brand image, and trusted brands include things that affect purchase intentions (Suhardi & Irmayanti 2019: 61). Lately, beauty products are very popular among teenagers for adult women, Scarlett's beauty products. There are several definitions of buying interest, it's just that the mistake is: buying interest is correlated. The statement argues that purchase intention is a process of buying at least once (Ambarwati, et al, 2015: 4). Quantitative data view The average number of Scarlett sales products reaching this product > 10,000 sold in online stores in Figure 1.2 in early November. The data also shows the high public interest in Scarlett beauty products.



Figure 1. 5 Purchase of Scarlett Beauty Products until

November 2021 Source: Scarlett Whitening Official Shop 2020

The picture above shows that both Scarlett Serum products are top sellers. Uniquely, this Scarlett serum is only available for 1 year but can replace the serum that was first present on the market. The high level of competition for both similar and non-similar products makes consumers selective in making purchasing decisions. For this reason, business people need to be able to understand consumers in making purchasing decisions. Purchasing decisions are choices made by individuals to make selections according to needs among various alternative products (Effendi, 2016: 248). When making a purchase decision, consumers look for information about the product or service they want to consume. The development of technology today allows potential consumers to be more selective in seeking information and in consuming goods and services.

According to Setiawan (2019:113), brands must have unique and attractive physical attributes in order to have a big impact on society. The brand image can

influence the behavior of consumers, consumers who give a positive response to a brand, which then also creates an image that the brand of the product is good and that consumers prefer the brand when buying. Scarlett's brand image is ingrained in people's minds. Scarlett Company will maintain the brand image. Producers can persuade consumers through promotion using testimonials or celebrities by choosing the right figures. In addition to the influence of celebrity endorsers to attract consumers' buying interest in Scarlett Whitening products, there are also comments from other buyers who have previously purchased the product.

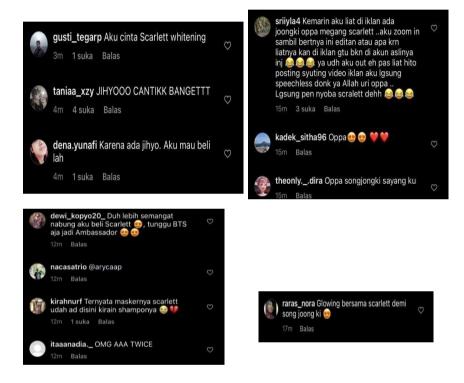


Figure 1. 6 Proof of Interest in Buying Scarlett Whitening Products due to celebrity endorsers

Source: (Scarlett Whitening Official Shop, 2020)

Below is some evidence of interest in buying because of Scarlett's brand image which does make it smell good, makes it white, and makes skin glow.

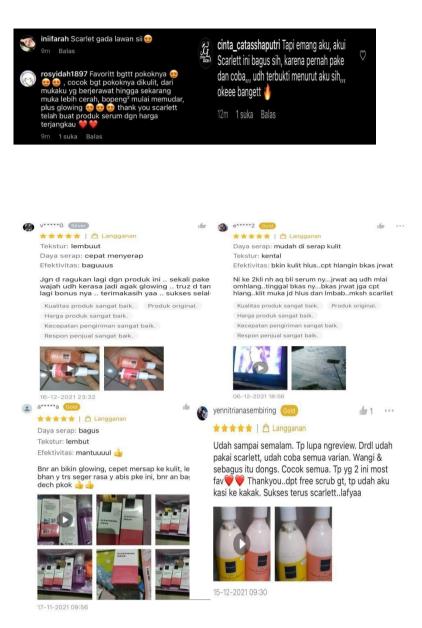


Figure 1. 7 Proof of Interest in Buying Scarlett Whitening Products because of Scarlett's brand image it makes you smell good, makes you white, makes your skin glow

Source: (Scarlett Whitening Official Shop, 2020)

Chi et al. (2007) found that a celebrity endorser can increase or decrease the value of a product being marketed. The promotion of an influencer is usually a well-known celebrity or expert whose expertise, credibility, and appeal can convey the message of the product to attract the attention of consumers in a short time and increase purchase intentions. user. According to Shimp (2014:260), credibility itself refers to the tendency to believe something.

In a study, et al. (2020:34) found that the celebrity endorser variable had no

significant effect on purchase intention. And in the research Lestari et al (2020: 4) stated that the brand image variable or brand figurative partly did not have a significant effect on buying interest, while in the research the results (Suhardi and Irmayanti, 2019) stated that the three variables of brand image, celebrity and Scarlett brand had a significant effect on consumers' buying interest. In the research of Sudirjo et al (2020), the purchase decision is the consumer's decision about which brand to buy. Purchasing decisions differ from consumer to consumer because the needs and tastes of consumers are different. The purchase decision is the stage where the buyer makes a choice and buys and consumes the product.

Based on the explanation of the background above, the researchers are interested in for look for a solution problem the through title "Influence brand image, celebrity endorser, and brand Scarlett on consumer purchase intention in Scarlett whitening products ".

## **1.3 Formulation Problem**

This year, it seems that Indonesians still rely more on local products to take care of themselves. At the beginning of this year, Scarlett Whitening was firmly at the top of sales with a market share of 57%. In second place is Vaseline, which is quite far behind at 15%, followed by Lifebuoy at 8%. It is interesting to note that Scarlett, a local brand that has only established in 2017, can beat its competitors who are international brands. Total sales alone reached more than IDR 7 billion in less than 2 weeks.

Media social is a Thing that is very often accessed by the public. Strength media social complete strength celebrity endorser to influence the public in introducing many brand product beauty the.

Scarlett has a celebrity endorser strategy selection that is good in power pull physique including include name Felicya Angelista in one of her beauty products. Consumers' perception of the product will be good with the endorsement celebrity endorser who uses product the. On t h e other side product Scarlett also already emit its body care and skincare products, so it doesn't bother consumers when want to buy a second beauty product.

Bramantya (2017) found that celebrity advocates and brand image simultaneously influence purchasing decisions. In addition, research conducted by

Dwivedi (2016) shows that celebrity endorsers can interact with consumers. Cretu's research (2015) found that brand image influences the perception of product quality and additional services, while Yusuf (2021) in the study of findings showed that product quality and brand image through celebrity endorsements can improve purchasing decisions.

Based on the description of the background above, the formulation of the problem in the study is as follows:

- 1. How is the influence of celebrity endorsers on consumer purchase intention in Scarlett Whitening products?
- 2. How does the influence of brand image on consumer purchase intention in Scarlett Whitening products?
- 3. How is the influence of celebrity endorsers and brand image on consumer purchase intention in Scarlett Whitening products?

# 1.4 Objective Study

Based on the formulation of the problem above, the objectives of this research are as follows:

- 1. Knowing the influence of celebrity endorsers on consumer purchase intention in Scarlett Whitening products?
- Knowing the influence of brand image on consumer purchase intention in Scarlett Whitening products?
- 3. Knowing the influence of celebrity endorsers and brand image on consumer purchase intention in Scarlett Whitening products?

## 1.5 Benefit Study

#### a. Benefit Theoretical

The theoretical benefits of this research are expected to be a reference learning and add outlook about credibility influencers as influencers, specifically how they could give influence consumers and generate interest in buying on the brand which represented.

# **b. Benefit Practical**

The results of this study are expected to be a reference for companies to find out what things need to be focused on when Selebgram selection process as influencers to use so that capable cause interest buys product on the candidate the consumer.

### 1.6 Systematic Assignment Writing End

The systematics of writing this final project are as follows:

# **CHAPTER I PRELIMINARY**

This chapter is a general, concise, and accurate description of the substance of the research. The following are some of the topics discussed in this chapter: Research Overview, Research Background, Problem Formulation, Research Questions, Research Objectives, Research Benefits, and Systematics of Final Project Writing.

## **CHAPTER II OVERVIEW LIBRARY**

This chapter contains theories from general to specific, accompanied by previous research and followed by a research framework ending with hypotheses if needed.

#### **CHAPTER III RESEARCH METHODS**

The approaches, methods, and strategies used to collect and analyze findings that address the research problem are described in this chapter. Descriptions of the following items can be found in this chapter: Type of Research, Operationalization of Variables, Population and Sample (for quantitative) / Social Situation (for qualitative), Data Collection, Validity, and Reliability Testing, and Data Analysis Techniques.

# CHAPTER IV RESEARCH RESULT AND DISCUSSION

The results of the research and discussion are systematically described in accordance with the formulation of the problem and research objectives and are presented in separate sub-headings. This chapter contains two parts: the first part presents the research results and the second part presents the discussion or analysis of the research results. Each aspect of the discussion must begin with the results of data analysis, then be interpreted and followed by concluding. In the discussion, it should be compared with previous studies or the relevant theoretical basis.

# CHAPTER V CONCLUSION AND SUGGESTIONS

Conclusions are answers to research questions, then become suggestions related to the benefits of research.