THE EFFECT OF ENDORSER CREDIBILITY (AGNES MONICA) ON VIVO’S BRAND EQUITY AND SELF-BRAND CONNECTION

Thesis for S-1

By:
IE YONATHAN SETYAWAN
3303013006

INTERNATIONAL BUSINESS MANAGEMENT PROGRAM
MANAGEMENT MAJOR
FACULTY OF BUSINESS
WIDYA MANDALA CATHOLIC UNIVERSITY
SURABAYA
2018
THE EFFECT OF ENDORSER CREDIBILITY (AGNES MONICA) ON VIVO’S BRAND EQUITY AND SELF-BRAND CONNECTION

THESIS
Addressed to
BUSINESS FACULTY
WIDYA MANDALA CATHOLIC UNIVERSITY SURABAYA
To Fulfill the Requirements
For the Economy Bachelor Degree
International Business Management Program

By:
IE YONATHAN SETYAWAN
3303013006

INTERNATIONAL BUSINESS MANAGEMENT
FACULTY OF BUSINESS
WIDYA MANDALA CATHOLIC UNIVERSITY SURABAYA
2018
AUTHENTICITY STATEMENT OF SCIENTIFIC PAPER AND PUBLICATION APPROVAL OF SCIENTIFIC PAPER

For the sake of knowledge development, I as a student of Widya Mandala Catholic University Surabaya:
I, the undersigned below:
Name : Ie Yonathan Setyawan
NRP : 3303013006
Title : The effect of Endorser Credibility (Agnes Monica) on VIVO’s Brand Equity and Self-Brand Connection

Acknowledge that this final assignment report is authentically written by me. If it is proved that this paper is a plagiarism, I am ready to receive any sanctions from Business Faculty of Widya Mandala Catholic University Surabaya. I also approve that these papers to be published/shown on the internet or other medias (The digital library of Widya Mandala Catholic University Surabaya) for academic importance to the extent of copyright law.

Thereby the authenticity statement and the publication approval that I made sincerely.

Surabaya, 27 July 2018

Stated by,

[Signature]

(Ie Yonathan Setyawan)
APPROVAL PAGE

THESIS

THE EFFECT OF ENDORSER CREDIBILITY (AGNES MONICA) ON VIVO’S BRAND EQUITY AND SELF-BRAND CONNECTION

By:
Ie Yonathan Setyawan
3303013006

Approved and Accepted to be Submitted to the Panel Team

Advisor I,
Marliana Junaedi, S.E., M.Si.
Date: 30-8-2018

Advisor II,
Dominicus Wahyu Pradana, SE., MM.
Date: 30-8-2018
RATIFICATION PAGE

Thesis written by: Ie Yonathan Setyawan NRP: 3303013006
Has been examined on 27 August, 2018 and is accepted to pass by Panel Team.

Panel Leader:

Dr. Ay. Yan Wellyan T.P., S.E., M.Si

Confirmed by:

Dean,

Head of Program,

Dr. Lodovicus Lasdi, MM., Ak., CA
Robertus Sigit H.L., SE., M.Sc

NIK 321.99.0370
NIK 311.11.0678
FOREWORDS

First of all the author would like to praise and thank God for all of His grace, help, love, and guidance during the final task, so the author can finish her thesis with the title “The effect of Endorser Credibility (Agnes Monica) Towards VIVO’s Brand Equity and Self-Brand Connection” and can obtain a degree in Management at the Faculty of Business Management Department of Widya Mandala Catholic University in Surabaya. The final report will not work accordingly without any help, guidance, and support from many parties that involved in this thesis. Therefore, the author would like to thank:

1. Mr Dr. Lodovicus Lasdi, M.M., as Dean of the Faculty of Business Widya Mandala Catholic University Surabaya.
2. Mr Robertus Sigit H.L., SE., M.Sc., as Head of the Management Program in Faculty of Business Widya Mandala Catholic University Surabaya.
3. Marliana Junaedi, SE., M.Si. As Advisor I, who has taken the time, effort, and contributes in giving ideas, advice, and motivation to guide author in completing this thesis.
4. Dominicus Wahyu Pradana, SE., MM. as Advisor II, who has taken the time, effort, and contributes in giving ideas, advice, and motivation to guide author in completing this thesis.
5. Mr. Rey Antonio L. Taganas, Ph.D., as an ex-IBM coordinator, who has take the time, effort, mind, and gives a lot of advice to guide author since the beginning of entering university.
6. Families who continously support the author in finishing the final task and always give unlimited support and their love to the author, either in the form of moral and material in completing this final task.
7. CHILISIS (Jessica Nathania Handaya, SM., Karina Raka Putri, SM., Joan Marcelina, SM., Valensia Fanny Ludyia Liap, SM., Felicia Dewi, SM., Claudia Amanda, SM., and Vensca Veronica Tanus, SM.) who have become best friends, give their unlimited support, incredible love and directly-indirectly help sincerely since the beginning of entering university until the author has finished his thesis.

8. The rest of IBM student batch 2 and all of people who cannot be named one by one and always give support and love to author. Thank you so much.

The author realizes that this thesis still has many shortcomings, therefore criticism and constructive suggestions for improvements are expected this thesis. Hopefully this paper can provide benefits and add insight to readers.

Surabaya, 27 July 2017
Researcher,

(Ie Yonathan Setyawan)
# TABLE OF CONTENTS

COVER PAGE ........................................................................................................... i  
AUTHENTICITY STATEMENT OF SCIENTIFIC PAPER AND PUBLICATION APPROVAL OF SCIENTIFIC PAPER ................................................................. iii  
APPROVAL PAGE ................................................................................................... iv  
RATIFICATION PAGE .............................................................................................. v  
FOREWORDS ........................................................................................................... vi  
TABLE OF CONTENTS ........................................................................................... viii  
LIST OF TABLES .................................................................................................... xi  
LIST OF FIGURES .................................................................................................. xii  
LIST OF APPENDIX ............................................................................................... xiii  
ABSTRACT .............................................................................................................. xiv  

## CHAPTER 1: INTRODUCTION .............................................................................. 1  

1.1. Background .................................................................................................... 1  
1.2. Research Question ...................................................................................... 5  
1.3. Purpose of the Study ................................................................................... 6  
1.4. Scope of the Study ...................................................................................... 6  
1.5. Research Benefit ......................................................................................... 6  
1.5.1. Theoretical Aspect .................................................................................. 6  
1.5.2. Practical Aspect ...................................................................................... 6  
1.6. Organization of Writing .............................................................................. 7  

## CHAPTER 2: LITERATURE REVIEW ................................................................. 9  

2.1. Previous Study .............................................................................................. 9  
2.2. Theoretical Bases ....................................................................................... 11  
2.2.1. Brand .................................................................................................. 11
4.1.3. Reliability Test ................................................................. 38
4.1.4. Structural Model Test .................................................... 38
  4.1.4.1 Coefficient Determination ......................................... 38
  4.1.4.2 Hypotesis Test ......................................................... 39
4.2. Discussion .............................................................................. 40

CHAPTER 5: CONCLUSION AND SUGGESTION ......................... 43
  5.1. Conclusion ......................................................................... 43
  5.2. Suggestion ......................................................................... 43
  5.3. Limitation .......................................................................... 44
  5.4. Future Study ...................................................................... 44

REFERENCES
APPENDIX
# LIST OF TABLES

<table>
<thead>
<tr>
<th>Table</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 Differences between Previous Study and Current Research</td>
<td>7</td>
</tr>
<tr>
<td>3.1 Operational Definition</td>
<td>24</td>
</tr>
<tr>
<td>4.1 Respondent Rate</td>
<td>31</td>
</tr>
<tr>
<td>4.2 Respondent Description</td>
<td>32</td>
</tr>
<tr>
<td>4.3 Descriptive Statistic Result</td>
<td>34</td>
</tr>
<tr>
<td>4.4 Validity Test Result</td>
<td>37</td>
</tr>
<tr>
<td>4.5 Reliability Test Result</td>
<td>38</td>
</tr>
<tr>
<td>4.6 R-Square Value</td>
<td>39</td>
</tr>
<tr>
<td>4.7 Result for Inner Weight</td>
<td>40</td>
</tr>
</tbody>
</table>
## LIST OF FIGURES

<table>
<thead>
<tr>
<th>Figure</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 Research Framework</td>
<td>19</td>
</tr>
<tr>
<td>2.2 Full Model Analysis PLS</td>
<td>36</td>
</tr>
<tr>
<td>2.3 Full PLS Analysis Model</td>
<td>39</td>
</tr>
</tbody>
</table>
LIST OF APPENDIX

Appendix 1. Tabulation
Appendix 2. SPSS Output
Appendix 3. PLS Algorithm/Validity
Appendix 4. Reliability
Appendix 5. Adjusted R Square
Appendix 3. Bootstrap/Hypothesis Test
THE EFFECT OF ENDORSER CREDIBILITY (AGNES MONICA) ON VIVO’S BRAND EQUITY AND SELF-BRAND CONNECTION

ABSTRACT

One of the most effective ways to do advertising that is often pursued by many companies is through brand ambassadors or celebrity endorsers. Therefore, the selection of brand ambassador is very important to because the use of brand ambassador is expected to influence Self-Brand Connection, and Brand Equity. Rossiter & Percy (1987) develop a model to measure the effectiveness of Brand Ambassador/Celebrity Endorser namely VisCAP. One of it and probably the most important is Endorser Credibility. Public figure with good credibility ultimately will brings good affect on endorsed brand especially its Brand equity and Self-Brand Connection.

This research is Quantitative research where author spread Questionnaire to collect some random data in Surabaya that know about VIVO and at least aged 15. There will be 98 selected population, that called sample. These sample will be processed by SEM-PLS to determine the relationship between variables. Implication for research and practice are discussed.

Keywords: Endorser Credibility, Brand Equity, Self-Brand Connection