

## The Impact of L'Oréal Paris Fall Repair's Celebrity Endorsement towards Consumer Purchase Intention with Brand Image as a Mediating Variable

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### ABSTRACT

Hair fall problem had been in the second rank for the most common hair problems faced by women in Indonesia since 2010 to 2014. Hence, L'Oréal Paris Fall Repair that was just launched in 2013 has had potential chance to fulfill market need. However, L'Oréal Paris Fall Repair needs to compete with other famous hair fall brands. Therefore, this research is conducted to help analyzing the current L'Oréal Paris Fall Repair's celebrity endorsement is.

The primary data of this research comes from 117 filled questionnaires. Afterwards, path analysis is used to identify the relationship of independent, mediating, and dependent variable. The result indicates that there is significant positive impact of L'Oréal Paris Fall Repair's celebrity endorsement towards consumer purchase intention with brand image as a mediating variable.

**Keywords:** Celebrity Endorsement, Brand Image, Consumer Purchase Intention, Path Analysis

### ABSTRAK

Permasalahan rambut rontok sudah berada di peringkat dua untuk permasalahan yang paling sering dihadapi oleh wanita Indonesia semenjak 2010 sampai 2014. Oleh karena itu, L'Oréal Paris Fall Repair yang diluncurkan di 2013 mempunyai kesempatan yang potensial untuk mengisi kebutuhan pasar. Namun, L'Oréal Paris Fall Repair harus berkompetisi dengan merek rambut rontok terkenal lainnya. Karena itu, penelitian ini dilakukan untuk menganalisa celebrity endorsement dari L'Oréal Paris Fall Repair sekarang ini.

Data primer dari penelitian ini berasal dari 117 kuesionier yang sudah diisi. Setelah itu, Analisa Jalur dilakukan untuk mengidentifikasi hubungan antara variabel independen, variabel mediasi, dan variabel dependen. Hasil menunjukkan bahwa terdapat dampak yang signifikan dan positif dari celebrity endorsement terhadap niat beli konsumen dengan citra merek sebagai variabel mediasi

**Kata Kunci:** Celebrity Endorsement, Citra Merek, Niat Beli Konsumen, Analisa Jalur

### INTRODUCTION

Firstly, beauty and personal care industry in Indonesia was seen from the perspective of company market shares. The top three companies that had the majority of company market shares from 2010 – 2013 were Unilever Indonesia Tbk., PT Procter & Gamble Home Products Indonesia, and PT L'Oréal Indonesia. These three multinationals were able to increase their company market shares year by year. Whereas, the minority of company market shares was hold mostly by locals. The locals had slightly different market shares among them. In other words, the top three multinational companies still continued to lead in spite of tough competition among the locals in this industry.

Besides, beauty and personal care industry was observed from the perspective of brand market shares as well. 2010 - 2013 top three brands had been occupied only

by PT Unilever Indonesia and PT Procter & Gamble Home Products Indonesia. Nevertheless, some brands of locals were able to be in top 30 brand market shares. These interesting facts had shown that having high company market shares did not guarantee to have high brand market shares. This reality represented how competitive the beauty and personal care industry was. Due to deal with competitiveness, companies under beauty and personal care industry in Indonesia had done marketing campaigns to make their brands outstanding compared to other brands (Euromonitor International, 2014). The most used marketing campaign was celebrity endorsement (Euromonitor International, 2014).

The situations happened in the beauty and personal care industry have attracted writer to do research related to PT. L'Oréal Indonesia. PT. L'Oréal Indonesia was established in 1979. It is a multinational company that its

headquarter is in France. PT. L'Oréal Indonesia's company market share had maintained to be in the top three in 2010 – 2013. However, PT. L'Oréal Indonesia's brand market share could be only in the top 30 in 2010 - 2013. Nevertheless, it was only applied for its two cosmetic brands named Maybelline and L'Oréal Dermo Expertise which were in 27th and 28th rank respectively. Looking at the background, this research is conducted to help one of PT. L'Oréal Indonesia's brands named L'Oréal Paris Fall Repair that was launched in the beginning of 2013. The launching of this brand aimed to strengthen PT. L'Oréal Indonesia's position and fulfill market need (Silalahi, 2013). As it looks from the brand name, it specializes in overcoming hair fall for women. The competitive advantage of this brand is its ingredient named Arginine, which can reduce hair fall and make hair stronger in the same time (L'Oréal, n.d.)

As stated by Euromonitor International (2014) and *Harian Kompas | Kompas TV* (2014), the hair fall problem had maintained to be in the second rank for the most common hair problems faced by women in Indonesia since 2010 to 2014. Thus, it represents that L'Oréal Paris Fall repair has had a potential chance to fulfill market need. However, L'Oréal Paris Fall repair is a new hair fall brand. Hence, this brand needs to compete tightly with other famous hair fall brands such as Pantene Hair Fall Control, Sunsilk Hair Fall Solution, and Clear Women Anti Hair Fall. Whereas, all these famous hair fall brands also do celebrity endorsement and have already been in the top 30 brand market shares from 2010 - 2013. Hereinafter, this current research wants to help L'Oréal Paris Fall repair by analyzing how effective its celebrity endorsement gives impact to consumer purchase intention with brand image as a mediating variable .

## LITERATURE REVIEW

### Celebrity Endorsement (CE)

Celebrity endorsement is an action done by transferring celebrity value to the brand (Hawkins & Mothersbaugh, 2013). Celebrity alone is interpreted for person who enjoys public recognition (Schlecht, 2003). The subject of doing endorsement is named celebrity endorser. Thus, celebrity endorser can be identified as a person who utilizes his/her public recognition to give value to the brand.

Celebrity endorsement is effective to promote product and service because consumers have tendency to acknowledge celebrity as a credible source. In which, celebrity inspires consumers to choose endorsed brand of product and service more. Celebrity endorsement has ability to make the endorsed brand stand out because of its stopping power. Stopping power is the ability to make consumers notice the message given by celebrity endorser among other available messages (Belch & Belch, 2004).

Besides the gained advantages, there are risks of using celebrity endorsement. The biggest risk is about negative publicity as every movement of celebrity is noticed by society. Thus, if negative publicity happens, both the

celebrity endorser and endorsed brand may receive negative reputations. Moreover, there is possibility where the magnitude of negative reputation is bigger than the built positive reputation before (Muda, Rosidah, & Lennora, 2012).

The attributes of celebrity endorsement are framed through The TEARS Model. The TEARS Model consists of five attributes, which are trustworthiness, expertise, physical attractiveness, respect, and similarity.

Trustworthiness is defined as how celebrity endorser is reliable to be trusted based on his/her degree of believability and integrity. In other words, it is about how celebrity endorser is regarded as an objective source in the eyes of consumers. Whereas, expertise is defined as how celebrity endorser is perceived by consumers about having specific skills and knowledge related to the endorsed brand.

For physical attractiveness, it is defined as how celebrity endorser is pleasant to look. Meanwhile, respect is defined as how celebrity endorser is admired and appreciated because of his/her quality, work, and accomplishment. In which, respected celebrity endorser is commonly liked by consumers. The last one is similarity. It is defined as how celebrity endorser is compatible with the target consumers' characteristics and backgrounds (s, 2010).

### Brand Image (BI)

Brand image depicts the consumers' interpretation towards the attributes of products or services while hearing and seeing the brand name (Hawkins & Mothersbaugh, 2013). It is similarly explained by Keller (2013) that defines brand image as an impression in consumer's memory towards a brand. According Keller (2013), there are three attributes to measure brand image, which are strength association, favorability association, and uniqueness association. These are the definitions for each association.

Strength association is defined as how deep the brand message is received by consumers. As the received brand message gets deeper, it can develop an influential brand image on consumer's mind. The depth of brand message is measured through consistency and personal relevancy. In other words, the consumers can associate the brand with an influential image, if the brand message is consistent and related to consumers' previous brand knowledge.

Favorability association is defined as how positive the brand attitude is after informing the brand's relevant attributes and satisfying benefits. In which, favorability association is measured through desirability and deliverability. Desirability is about how far the brand can fulfill targeted consumers' expectation. Whereas deliverability is about how successful information about the brand is delivered to targeted consumers.

Uniqueness association is defined as how sustainable the brand's advantages are. The targeted consumers are attracted to use the brand if brand has point of parity and point of difference. Point of parity is about the credibility of brand that is acknowledged in the homogeneous brand category. Point of difference is about the elements of brand, which are not found in other brands.

### Consumer Purchase intention (CPI)

According to Peter and Olson (2010), consumer purchase intention is a decision plan to buy certain product or service. It is added by Spears and Singh (2004) that defines consumer purchase intention as an individual consciousness to put efforts in buying a brand in the future. Moreover, it is explained that this consumer purchase intention determines the consumer purchase decision. It is in line with the theory of Kotler and Armstrong (2012) that says, consumer purchase intention is commonly utilized to analyze the purchase decision. In other words, consumer purchase intention has an important role to decide whether the action of purchasing should be done or not.

### Relationship between Concepts

Celebrity endorsement is analyzed to have impact to brand image (Royan, 2005). It is explained by Muda, Rosidah, and Lennora (2012), celebrity endorser has power to create immediate effect by giving specific charm and identity to the endorsed brand. These charm and identity are attached to the brand as an image. In other words, celebrity endorsement is able to enhance the brand image.

Based on Chi, Yeh, and Tsai (2007), brand image is capable to create consumer's confidence in purchasing product or service. According to Hawkins and Mothersbaugh (2013), this is because brand image contains intangible values such as imagery and feeling, which are the result of consumer's associations over time. By nature, consumer purchase intention is affected by both rationality and conscious efforts. Whereas, the built imagery and feeling work very well to affect consumers' emotions that lead consumers to have conscious efforts. In consequence, built imagery and feeling are able to boost the purchase intention powerfully. Looking at these two theories, it is concluded that brand image has impact on purchase intention.

Furthermore, according to Daneshvary and Schwer (2000) celebrity endorsement enables consumer to have purchase intention towards endorsed brand. It is because according to Choi and Rifon (2012), celebrity endorser has become the ideal image for consumers. As a result, consumers perceive of having the endorsed product may lead consumers to get closer to their ideal image (Chi, Yeh, & Tsai, 2007). These theories have implicated that there is relationship between celebrity endorsement and purchase intention as well.

After understanding relationships between variables, Figure below represents the proposed model where celebrity endorsement becomes independent variable, brand image becomes mediating variable, and consumer purchase intention becomes dependent variable.

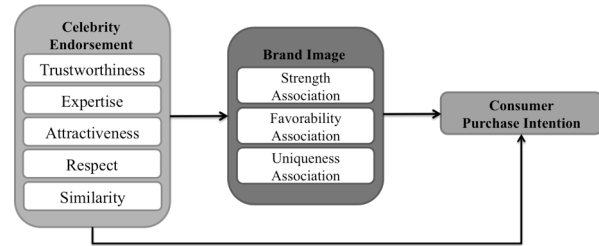


Figure 1. Relationship between Concepts

Furthermore, the writer also has developed four hypotheses due to predict the outcome of research objectives.

H1: L'Oréal Paris Fall Repair's celebrity endorsement has impact towards brand image.

H2: L'Oréal Paris Fall Repair's brand image has impact towards consumer purchase intention.

H3: L'Oréal Paris Fall Repair's celebrity endorsement has impact towards consumer purchase intention.

H4: L'Oréal Paris Fall Repair's celebrity endorsement has impact to consumer purchase intention with brand image as a mediating variable.

### RESEARCH METHOD

The type of current research is explanatory study which utilizes primary and secondary sources. The secondary sources come from library research. Whereas, the primary sources are applied through online questionnaires by using simple random sampling. According to the formula of Tabachnick and Fidell (2001), the minimum sample size is 58.

There are three criterias required to be respondents of this current research. Firstly, they should be 25 to 45 years old females. This is because it is aligned with the actual target market of L'Oréal Paris Fall Repair (BestMediaInfo Bureau, 2012). Secondly, they should ever see L'Oréal Paris Fall Repair's advertisement Maudy Koesnaedi version minimum three times. It is confirmed by (Azwar, 2005) that explains about an optimal repetition of seeing advertisement should be minimum three times. The meaning of optimal repetition is that the repetition has led for consumers to fully grab the message delivered in the advertisement. Thirdly, they should have hair fall problem and ever buy L'Oréal Paris Fall Repair's products.

The content of questionnaire is designed to identify the respondent's profile (age, occupation, and monthly expenditure) and respondent's rating towards each variable. The questions related to respondent's profile use nominal and ordinal scale. Whereas, the questions related to respondent's rating uses interval scale (5 points Likert Scale).

**Table 1. The Questions of Celebrity Endorsement**

The questions of celebrity endorsement:	
1	Maudy Koesnaedi is a figure who can be trusted to give a reference for hair care products.
2	I trust on the message that is delivered by Maudy Koesnaedi in the advertisement of L'Oréal Paris Fall Repair.
3	Maudy Koesnaedi has a thick and strong hair, which makes it successfully to communicate the message of L'Oréal Paris Fall Repair about overcoming hair fall.
4	Maudy Koesnaedi is good looking and attractive physically.
5	Maudy Koesnaedi is appropriate to be a celebrity endorser because of her achievements (such as None Ibu Kota Jakarta, Indonesia's representative for Festival Film Cannes, and Goodwill Ambassador for women empowerment).
6	Maudy Koesnaedi represents Indonesian hair beauty which is thick and strong.
7	Maudy Koesnaedi represents Indonesian women's strength in character and beauty.

**Table 2. The Questions of Brand Image**

The questions of brand image:	
1	I can absorb the message of L'Oréal Paris Fall Repair's advertisement about overcoming hair fall problem. It is because I already have knowledge related to L'Oréal Paris Fall Repair before.
2	In every way of its advertisements, L'Oréal Paris Fall Repair consistently states that L'Oréal Paris Fall Repair can overcome hair fall problem.
3	L'Oréal Paris Fall Repair is associated to be able to fulfill consumers' expectation related to hair fall problem.
4	I can know easily that L'Oréal Paris Fall Repair can overcome hair fall from the advertisement.
5	Compared to other hair fall products, L'Oréal Paris Fall Repair is credible to overcome hair fall problem.
6	Compared to other hair fall products, L'Oréal Paris Fall Repair has superior content that is Arginine which not only reduce hair fall but also make your hair stronger.

**Table 3. The Questions of Consumer Purchase Intention**

The questions of consumer purchase intention:	
1	I am interested to buy L'Oréal Paris Fall Repair
2	I think of L'Oréal Paris Fall Repair as a choice while buying hair care products.
3	I will give efforts to buy L'Oréal Paris Fall Repair
4	I have the intention to buy L'Oréal Paris Fall Repair in the future.

After spreading questionnaires, the data gotten is analyzed further through reliability test, validity test, classic

assumption tests (multicollinearity test, autocorrelation test, heteroscedasticity test, and normality test) and path analysis.

Ghozali (2013) stated that reliability test measures whether the respondents' answers are consistent as time by or not. The measurement of reliability test is based on the value of Cronbach's Alpha. All indicators for each variable are categorized reliable when the Cronbach's Alpha is higher than 0.7. In addition, it is also seen from the value of Cronbach's Alpha if Item Deleted. The indicators of each variable are categorized as reliable if the values of Cronbach's Alpha if Item Deleted are less than the value of Cronbach's Alpha (Ghozali, 2013).

In term of validity test, this test is specialized in measuring questionnaire's legitimacy (Ghozali, 2013). It is added by Cooper and Schindler (2014), which have a saying that "validity test is the extent to which a test measures what we actually wish to measure". The measurement of validity test is based on the comparison between the r-table and r-value. Each variable is regarded valid when the r-value is higher than the r-table. The r-table used in this current research is 0.1816 while the r-value is seen from Corrected Item-Total Correlation (Ghozali, 2013).

Multicollinearity test is used to test whether there is correlation between independent variables. A good regression model should not have relation between its independent variables as it implicates that the regression coefficient does not vary that much. Multicollinearity test is seen from the value of Coefficient Correlation, Tolerance, and VIF. This test is passed if the value of Coefficient Correlation is less than 0.90, Tolerance is greater than 0.10, and VIF is less than 10 (Ghozali, 2013).

Autocorrelation test aims to test the linear regression model whether there is correlation between residuals from different observations or not. A good regression model should not have autocorrelation. Autocorrelation test is seen from the value of Durbin-Watson. Autocorrelation test is passed if  $dU < \text{the value of Durbin Watson} < 4 - dU$ . In this research,  $dU$  for one independent variable is 1.71168 and  $dU$  for two independent variables is 1.7303. Both values are counted by interpolating first (Ghozali, 2013).

Heteroscedasticity test aims to measure the difference of variance error at different time frames of observations. A good regression model should have homoscedasticity instead of heteroscedasticity. Heteroscedasticity test is conducted through glejser test. The significance value of glejser test should be above 0.05 (Ghozali, 2013).

Normality test is conducted to test whether the residuals follow normal distribution or not. This test is conducted through the skewness ratio and kurtosis ratio. The skewness ratio and kurtosis ratio should be in the range of -2 to 2 to be identified as having normal distribution (Ghozali, 2013).

The path analysis mainly aims to identify the effects of mediating variable and determine the pattern of relationship among minimum three variables. Due to measure whether there are significant positive direct and indirect effects or not, t-test is conducted. t-test is seen from the significance

value and unstandardized  $\beta$  coefficients. If the significance value is less than 0.05, there is significant direct effect in the regression model. Identifying significance value is only done for direct effects as indirect effect uses Sobel Test to identify it.

Meanwhile, a positive unstandardized  $\beta$  coefficients indicates that there is positive direct or indirect effect and other way around. Identifying unstandardized  $\beta$  coefficients is done for both direct and indirect effects. However for indirect effects, the unstandardized  $\beta$  coefficients is gotten by multiplying the unstandardized  $\beta$  coefficients for direct effect of X to M and unstandardized  $\beta$  coefficients for direct effect of M to Y. (Ghozali, 2013).

Afterwards, it is the turn to conduct Sobel Test. The usage of Sobel Test is for identifying the significance of indirect effect of independent variable and dependent variable with the existence of mediating variable. In order to measure the significance, it is seen from the Z-value. Here are the formulas used to get standard error of indirect effect's unstandardized  $\beta$  coefficients ( $Sp^2p^3$ ) and Z-value (Z):

$$Sp^2p^3 = \sqrt{p3^2 \cdot Sp2^2 + p2^2 \cdot Sp3^2 + Sp2^2 \cdot Sp3^2}$$

$$z = \frac{p2p3}{Sp2p3}$$

Where:

$p2$  = unstandardized  $\beta$  coefficients of a

$p3$  = unstandardized  $\beta$  coefficients of b

$Sp2$  = standard error of a

$Sp3$  = standard error of b

As this current research still applies the significance level of 5% (0.05), the z-table used is 1.96. If the z-value is greater than 1.96, it has indicated that there is significant indirect impact of independent variable to dependent variable with the existence of mediating variable (Ghozali, 2013).

Furthermore, it needs to see the significance values of a, b, c and c' due to identify whether the mediation happened is partial or full. If the significance values of a, b, c, and c' are below 0.05, it indicates that there is partial mediation. However if the significance values of a, b, and c are below 0.05 while the significance value of c' is above 0.05, it indicates that there is full mediation (Ghozali, 2013).

## RESULTS AND DISCUSSION

According to 117 filled questionnaires, the respondents' profile is identified mostly in 31 – 35 years old. The majority of occupation goes to employees and entrepreneurs. Looking that most of the respondents have worked, it makes sense that the monthly expenditure goes mostly in the range of Rp. 3,000,001 to Rp. 5,000,000 and 5,000,001 to Rp. 10,000,000. This finding can represent that the background of respondents is mostly in the productive age. Hence, respondents have spent their

time to work. As a result, they have purchasing power as the monthly expenditures go to middle – up level.

According to table 4 and table 5, indicators of each variable are reliable and valid which means it can be used for further analysis.

**Table 4. Reliability Test**

	Cronbach's Alpha > 0.7	Cronbach's Alpha if Item Deleted < Cronbach's Alpha
CE	0.762	0.713, 0.716, 0.747, 0.745, 0.757, 0.722, 0.727
BI	0.734	0.710, 0.668, 0.716, 0.708, 0.695, 0.682
CPI	0.751	0.739, 0.708, 0.678, 0.639

**Table 5. Validity Test**

	Corrected Item Total Correlation > 0.1816
CE	0.575, 0.558, 0.412, 0.422, 0.357, 0.532, 0.508
BI	0.425, 0.567, 0.400, 0.430, 0.477, 0.519
CPI	0.459, 0.520, 0.575, 0.638

There are actually three relationships that need to be analyzed through classical assumption tests. The first relationship is celebrity endorsement towards brand image. The second one is celebrity endorsement towards consumer purchase intention. The third one is celebrity endorsement and brand image towards consumer purchase intention

For multicollinearity test, it is only applied for the third relationship which is the relationship of celebrity endorsement and brand image towards consumer purchase intention. As stated in table 6, it can be summed up that multicollinearity does not exist between the independent variables.

**Table 6. Multicollinearity Test**

	Coefficient Correlations < 0.90	Tolerance $\geq$ 0.10	VIF $\leq$ 10
CE and BI to CPI	-0.875	0.234, 0.234	4.267, 4.267

For autocorrelation test, it is explained through table 7. This table has confirmed that there is no autocorrelation in three relationships.

**Table 7. Autocorrelation Test**

	dU < Value of Durbin Watson < 4 - dU
CE to BI	1.71168 < 1.996 < 2.28832

CE to CPI	1.71168 < 2.104 < 2.28832
CE and BI to CPI	1.7303 < 2.131 < 2.2697

In addition, table 8 shows heteroscedasticity test of three relationships. It means, the three relationships are homoscedastic instead of heterocedastic.

**Table 8. Heteroscedasticity Test**

	Sig. of Glejser Test > 0.05
CE to BI	0.927
CE to CPI	0.264
CE and BI to CPI	0.254, 0.432

As stated in table 9 for normality test, the residuals of three relationships follow normal distribution as well. Overall, the three relationships have passed the classical assumption tests and can be used for further analysis.

**Table 9. Normality Test**

	-2 < Skewness Ratio < 2	-2 < Kurtosis Ratio < 2
CE to BI	-1.799107143	1.288288288
CE to CPI	0.53125	-1.051801802
CE and BI to CPI	-1.785714286	-1.173423423

Since this research mainly aims to identify the effect of celebrity endorsement to purchase intention with brand image as a mediating variable, this current research needs to conduct path analysis in order to identify the direct, indirect, and total effects among the variables.

The first alternate hypothesis is that L'Oréal Paris Fall Repair's celebrity endorsement has impact towards brand image. Statistically, the significance value is 0.0000 and unstandardized  $\beta$  coefficients is 0.8877. This decision gives a picture that there is significant positive impact of celebrity endorsement to brand image.

The second alternate hypothesis is that L'Oréal Paris Fall Repair's brand image has impact towards consumer purchase intention. The significance value is 0.0047 and unstandardized  $\beta$  coefficients is 0.4179. It has affirmed that there is significant positive impact of brand image to consumer purchase intention.

Whereas, the third alternate hypothesis is that L'Oréal Paris Fall Repair's celebrity endorsement has impact to consumer purchase intention. For this hypothesis, there are two versions of t-test result. Both results have shown that the significance value is less than 0.05 and the unstandardized  $\beta$  coefficients are in positive values. The first result has 0.0014 for significance value and 0.4819 for unstandardized  $\beta$  coefficients. It implies that celebrity endorsement has significant positive direct impact to consumer purchase intention while there is brand image in the model. Whereas, the second result has 0.000 for

significance value and 0.8529 for unstandardized  $\beta$  coefficients. It implies that celebrity endorsement has significant positive total impact to consumer purchase intention.

The fourth alternate hypothesis is that L'Oréal Paris Fall Repair's celebrity endorsement has impact to consumer purchase intention with brand image as a mediating variable. After calculating manually through the given formulas, Z value is 2.84894. In addition, the unstandardized  $\beta$  coefficients is 0.37097. It enhances that there is significant positive impact of celebrity endorsement to consumer purchase intention with brand image as a mediating variable. Furthermore, the mediation happened here is partial as the significance value of a, b, c, and c' are below 0.05. The meaning of partial mediation here is celebrity endorsement still has significant positive impact to consumer purchase intention with and without the existence of brand image as a mediating variable in the model.

For business implication, it means that consumers also takes care of L'Oréal Paris Fall Repair's image and the celebrity endorsement while considering L'Oréal Paris Fall Repair's product to be bought. Thus, it is necessary for the celebrity endorsement is inline with the brand image in order to increase the consumer purchase intention. Statistically, L'Oréal Paris Fall Repair has successfully utilized celebrity endorsement while still taking care of brand image to increase the consumer purchase intention. From the mean of each variable, it is counted to be around 4. Precisely, the mean for celebrity endorsement is 4.0476, the mean for brand image is 4.0869, and the mean for consumer purchase intention is 4.0556. It means the consumers have good impressions towards celebrity endorsement and brand image of L'Oréal Paris Fall Repair. Furthermore, consumers have the intention to buy L'Oréal Paris Fall Repair in the future. This statistical result has given insights for L'Oréal Paris Fall Repair to utilize Maudy Koesnaedi as celebrity endorser of L'Oréal Paris Fall Repair more.

**Table 10. Path Analysis**

	Unstandardized $\beta$ Coefficients	Significance Value
H1	0.8877	0.0000
H2	0.4179	0.0047
H3	0.4819, 0.8529	0.0014, 0.000
H4	0.3710	-

**Table 11. Sobel Test**

	Z Value > 1.96
H4	2.848942631

## CONCLUSION

Beauty and personal care industry in Indonesia has utilized celebrity endorsement as the most used marketing

campaign (Euromonitor International, 2014). In fact, the usage of celebrity endorsement gives positive impact to the sale growth in beauty and personal care industry (Euromonitor International, 2013). Theoretically, consumers intend to buy product that does celebrity endorsement rather than product that does not do celebrity endorsement. The reason is, it makes them to have a feeling of getting closer to their ideal images who are celebrity endorsers (Chi, Yeh, & Tsai, 2007). Moreover, celebrity endorsement also becomes the representative of brand in the eyes of consumer. Besides, brand image contains built imagery and feeling as a result of consumers' associations over time (Hawkins & Mothersbaugh, 2013). Therefore, celebrity endorsement is impactful to consumer purchase intention and brand image.

After understanding the current condition and relevant theories, writer develops four hypotheses to be tested further in this current research. As a result, all the four alternate hypotheses are accepted. In other words, there are significant positive impacts of L'Oréal Paris Fall Repair's celebrity endorsement to brand image. There are also significant positive impacts of L'Oréal Paris Fall Repair's brand image to consumer purchase intention. In addition, there are significant positive impacts of L'Oréal Paris Fall Repair's celebrity endorsement to consumer purchase intention. Moreover, there are significant positive impacts of L'Oréal Paris Fall Repair's celebrity endorsement to consumer purchase intention with brand image as a mediating variable. Furthermore, this current research has identified the type of mediation here is partial. It is represented from the unstandardized  $\beta$  coefficients for a, b, c, and c' are below 0.05.

In order to enhance the celebrity endorsement, brand image and consumer purchase intention of L'Oréal Paris Fall Repair, there are two recommendations proposed by writer. The first recommendation is to organize a beauty workshop. In this beauty workshop, there will be the presence of Maudy Koesnaedi as a celebrity endorser. Consumers will have more chances to know better about hair and Maudy Koesnaedi through fun and educative ways. There will be mini talk show, free hair consultations, free saloon services, samples, discount coupons and merchandises in this beauty workshop. The workshop is free and conducted on the weekend in the venue that can be seen and visited easily by people. This event can make consumers to have better impression towards L'Oréal Paris Fall Repair's celebrity endorsement and brand image. In addition, it can lead for consumer to have higher intention to buy L'Oréal Paris Fall Repair as well.

The second recommendation is to create tips and tricks video related to hair fall. The reason of creating tips and tricks video related to hair fall is to help reducing people's hair fall problem. In the same time, this video can be a tool to show that L'Oréal Paris Fall Repair is the solution for hair fall problem. The content of video is expected to give some interesting tips and tricks but there are still applicable and useful. For example, the video can be about tips and tricks how to treat hair fall correctly in terms

of washing, combing and tying. In the middle of video, it can be the place to promote L'Oréal Paris Fall Repair's products as well. The persons who demonstrate the tips and tricks video are ordinary people who have hair fall problem for real. In the video, there is still Maudy Koesnaedi who acts as a helper that represent on the behalf of L'Oréal Paris Fall Repair. The length of video does not need to be really quick, as it is uploaded to the social medias such as YouTube and Facebook. This recommendation is not only saving cost but also enhancing Maudy Koesnaedi as a celebrity endorser, promoting the brand image of L'Oréal Paris Fall Repair, and smoothly increasing the consumer purchase intention.

After achieving its objectives, this current research still has two limitations, which are limited object of research and lack of identification for city of living. Hence, it is suggested to do some improvements. First one is to broaden object of research. It is because there are still a lot of brands under PT. L'Oréal Indonesia that also do celebrity endorsement. By broadening the object of research, it may help PT. L'Oréal Indonesia to get deeper insights related to the improvement of celebrity endorsement's direct and indirect impact towards consumer purchase intention with brand image as a mediating variable. The second one is to ask respondent's city of living in the questionnaire as the current research forgot to ask this in questionnaire. By doing so, further research with identified city of living may point out better analysis.

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