American Journal of Humanities and Social Sciences Research (AJHSSR)

e-ISSN:2378-703X

Volume-6, Issue-5, pp-08-13

www.ajhssr.com

Research Paper

Open Access

# The Effect of Firm Generated Content (FGC) and Micro Celebrity Endorser on Purchase Intention of Guests at Harris Hotels & Conventions Denpasar

Luh Kadek Budi Martini<sup>1</sup>, Ni Putu Widiastuti<sup>2</sup>, I Putu Kempins Arya Darmayuda<sup>3</sup>

1,2,3 STIE Bali International Institute of Tourism Management

ABSTRACT: Business development in the service sector, including the hospitality service industry, continues to grow rapidly. This development raises competition that requires companies to create the right marketing strategy. Marketing strategy aims to attract purchase interest and increase sales. Likewise with HARRIS Hotels & Conventions Denpasarwho are also aware of the importance of marketing strategies in increasing guest buying interest. This study aims to analyze the effect of Firm Generated Content (FGC) (X1) and Micro Celebrity Endorser (X2) on Purchase Intention (Y) of Guests at HARRIS Hotels & Conventions Denpasar. The data collection technique used is by distributing questionnaires and documentation. The analysis technique used is the classical assumption test, multiple linear regression analysis, t test, F test, coefficient of determination and effective contribution. Online questionnaires were distributed to 75 respondents. The characteristics of the respondents in this study were predominantly male, dominant with undergraduate education and dominantly aged 21-30 years. The results of this study indicate that Firm Generated Content has a positive and significant effect on buying interest, this is indicated by the results of the t test, namely t count > t table = (7.824 > 1.993)and p value <(0.000<0.05); Micro Celebrity Endorser also has a positive and significant effect on buying interest, this is indicated by the results of the t test, namely tcount> ttable = (8.671>1.993) and p value<(0.000<0.05); Firm Generated Content and Micro Celebrity Endorser have a positive and significant effect on buying interest, this is indicated by the value of Fcount>Ftable = (12,786>3.12); the results of the analysis of the coefficient of determination indicated by the R2 value of 59% means that the influence of Firm Generated Content and Micro Celebrity Endorser has a moderate level of influence; The results of the effective donation show that Firm Generated Content has an influence of 21.677% on buying interest and Micro Celebrity Endorser has an influence of 37.352% on buying interest.

**KEYWORDS:** Firm Generated Content, Micro Celebrity Endorser, Purchase Intention

## I. INTRODUCTION

The COVID-19 pandemic has had an impact on the world economy, causing it to experience a slump (UNWTO, 2020). The current pandemic condition raises competition that requires companies to create the right marketing strategy. Marketing strategy aims to attract purchase interest and increase sales (Setiawan, 2018). Rapid technological developments affect the current era of marketing. Marketing that initially only used traditional media shifted to digital media or better known as digital marketing. Digital marketing (digital marketing) includes email marketing, online advertising, affiliate marketing, search engine optimization, pay per click, social media, online reputation management, webPR (Stokes, 2013). Currently, social media has grown to become an important marketing medium in guiding the success of a product, service and business (Hawkins & Vel, 2013). Social media is also considered an effective promotion channel, especially in the hospitality business (Kerpen, 2011). According to Siniaalto in Varakas (2017) social media channels can be broadly divided into three types of channels, namely short text communication channels such as; Facebook, Twitter, LinkedIn, long text communication channels such as; Blogs, Slideshare and image communication channels such as; Pinterest and Instagram. According to Vinaika (2017) Instagram has now become a popular social media for companies to do marketing. Social media is also considered an effective promotion channel, especially in the hospitality business (Kerpen, 2011). According to Siniaalto in Varakas (2017) social media channels can be broadly divided into three types of channels, namely short text communication channels such as; Facebook, Twitter, LinkedIn, long text communication channels such as; Blogs, Slideshare and image communication channels such as; Pinterest and Instagram. According to Vinaika (2017) Instagram has now

become a popular social media for companies to do marketing. Social media is also considered an effective promotion channel, especially in the hospitality business (Kerpen, 2011). According to Siniaalto in Varakas (2017) social media channels can be broadly divided into three types of channels, namely short text communication channels such as; Facebook, Twitter, LinkedIn, long text communication channels such as; Blogs, Slideshare and image communication channels such as; Pinterest and Instagram. According to Vinaika (2017) Instagram has now become a popular social media for companies to do marketing. Slideshare and image communication channels such as; Pinterest and Instagram. According to Vinaika (2017) Instagram has now become a popular social media for companies to do marketing. Slideshare and image communication channels such as; Pinterest and Instagram. According to Vinaika (2017) Instagram has now become a popular social media for companies to do marketing.

HARRIS Hotels & Conventions Denpasar is a four-star hotel located in the Denpasar area. HARRIS Hotels & Conventions Denpasar uses digital marketing (digital marketing) through websites, e-magazines, e-mail marketing and social media to reach consumers and increase buying interest. One of the promotional efforts carried out on social media is by implementing FGC on social media Facebook and Instagram and using storyoki promotion services as a micro celebrity endorser.

However, with the digital marketing activities that have been carried out, buying interest on Instagram HARRIS Hotels & Conventions Denpasar as measured by Likes in 2018-2020 has decreased. This is not in accordance with the number of FGC uploads on the Instagram of HARRIS Hotels & Conventions Denpasar, which actually increased during that period. In addition, the high level of engagement of OKI as a micro celebrity endorser with followers is not followed by high buying interest as measured by views on OKI's reuploads through insta stories related to the promotion of HARRIS Hotels & Conventions Denpasar with views on video uploads from HARRIS Hotels & Conventions Denpasar . The use of FGC and micro celebrity endorser is a marketing strategy carried out by HARRIS Hotels & Denpasar Conventions to attract consumer buying interest with the aim of increasing sales. Therefore, if these problems are not handled, it will indirectly have an impact on not achieving the company's sales and revenue targets. Based on this background, it is necessary to conduct research related to "The influence of firm generated content (FGC) and micro celebrity endorser on the purchase intention (purchase intention) of guests at HARRIS Hotels & Conventions Denpasar".

## II. LITERATURE REVIEW

# 1. Definition of Firm Generated Content (FGC)

According to Poulis, et al. (2019) firm generated content can be interpreted as communication of information, in any form, created by the company to be shared directly through the company's official social media pages. Firm generated content helps companies to create, maintain, and strengthen relationships with target consumers. At the same time, firm generated content has a strong positive effect on sales (Poulis et al. 2019).

# a. Firm Generated Content (FGC) Indicator

The firm generated content indicator in this study refers to Siniaalto's theory in Varakas (2016). The following are indicators from Siniaalto in Varakas (2017).

- 1) Idea and Inspiration
  - Providing ideas and inspiration through pictures and stories on social media and sharing platforms. The ideas presented on social media and sharing platforms can inspire guests to stay overnight.
- 2) Offer Reasons
  - Offer reasons why customers should choose the product.
- 3) Confidence
  - Increase confidence in the product.
- 4) Orders and Purchases (Reservation and Purchase)
- 5) Generate orders or purchases through online channels that are not dependent on a particular device.

This studyalsoadaptsindicators from the research of Schivinski and Dabrowski (2016). The following are indicators from the research of Schivinski and Dabrowski (2016):

- 1) Satisfaction
  - Satisfaction related to the content presented by the company on the official social media pages.
- 2) Hope (Expectation)
  - Expectations related to the content presented by the company on the official social media pages.
- 3) Attractiveness
  - Attractiveness is related to the attractiveness of the content presented by the company on the official social media pages.
- 4) Performance (Performance)
  - Performance related to the performance of the content presented by the company compared to competitors on official social media pages.

# 2. Definition of Micro Celebrity Endorser

According to Clarewells in Kolarova (2018) a micro celebrity is defined as an individual who becomes famous by building and presenting to the public a carefully crafted character using videos, images, blogs, and audio to increase social presence and popularity among the audience. According to Senft (2008:25) micro celebrity is defined as a performative practice of self-presentation, in which people use digital technology to increase popularity among fans, followers, and audiences. Micro celebrity describes behavioral styles that apply both online and offline, associated with increasing popularity (self-branding) and self-presentation strategies (Hearn, 2008; Lair, et al. 2005).

# a. Micro Celebrity Endorser Indicator

The micro celebrity endorser indicator in this study refers to research conducted by Djafarova, et al. (2019) which adopts Ohanian's (1990) theory. The following are indicators of the dimensions of attractiveness (attractiveness), trust (trustworthiness) and expertise (expertise):

- 1) Attractiveness
  - a) attractive
  - b) Classy
  - c) beautiful
  - d) Elegant
  - e) Sexy
- 2) Trust (Trustworthiness)
  - a) Dependable
  - b) Trustworthy
  - c) Reliable Sincere
  - d) Honest
- 3) Expertise
  - a) Expert
  - b) Experienced
  - c) Knowledgeable
  - d) Qualified
  - e) Skilled

## 3. Definition of Purchase Intention (Purchase Intention)

According to Kinnear in Nazirah (2017), purchase intention is the stage of the respondent's tendency to act before the buying decision is actually implemented. Schiffman and Kanuk in Wang et al. (2012) define buying interest as transaction behavior that consumers tend to show after evaluating a product. Meanwhile, according to Yan in Poulis, et al. (2018), buying interest can be defined as the moment when consumers reach the conclusion that they will buy a certain product.

# a. Indicator of Purchase Intention (Purchase Intention)

The indicator of purchase intention in this study refers to Ferdinand in Hanjani and Widodo (2019). The following are indicators of buying interest.

- 1) Transactional Interest
  - Consumers intend to make a purchase on a product.
- 2) Referral Interest
  - Consumers tend to want to provide references or recommend a product to other consumers.
- 3) Preferential Interest
  - Consumers intend to make a product as the first choice in doing shopping activities.
- 4) Explorative Interests.
  - Consumers intend to find out more about a product to be purchased

## Hypothesis

- Ha1: Firm generated content(FGC) has a significant influence on purchase intention at HARRIS Hotels & Conventions Denpasar.
- Ha2: *Micro celebrity endorser*has a significant influence on purchase intention at HARRIS Hotels & Conventions Denpasar.
- Ha3: Firm generated content(FGC) and micro celebrity endorser have a significant influence on purchase intention (purchase intention) at HARRIS Hotels & Conventions Denpasar.

# III. RESEARCH METHODS

The location of this research was conducted at HARRIS Hotels & Conventions Denpasar which is located on Jl. Cokroaminoto No. 23-25, Pemecutan Kaja, Kec. North Denpasar, Denpasar City, Bali, 80118. This study has 2 independent variables, namely Firm Generated Content and Micro Celebrity Endorser and 1

dependent variable, namely buying interest. The types of data in this study are quantitative and descriptive data. The sample in this study were 75 respondents.

Data collection methods were obtained by online questionnaires and documentation studies. The feasibility test of the research instrument in the form of a questionnaire was carried out with validity and reliability tests. The data analysis technique used in this research is the classical assumption test, multiple linear regression test, t test, F test, analysis of the coefficient of determination and effective contribution.

#### **RESULTS**

#### a. t test

Table 1 t test results

Variable	t-count	Sig	Information					
Firm Generated Content	7,824	0.000	Positive and significant					
Micro Celebrity Endorser	8,671	0.000	Positive and significant					
Alpha								
(a) = 0.05								

Source: Data Analysis, 2021

The results of the t-test indicate that the value of tcount > ttable = (7.824>1.993) and p value < (0.000 < 0.05), then H01 is rejected and Ha1 is accepted. This means that statistically at the confidence level (a) 0.05 Firm Generated Content has a positive and significant effect on buying interest.

The results of the t-test indicate that the value of tcount > ttable = (8.671>1.993) and p value < (0.000 < 0.05), then H02 is rejected and Ha2 is accepted. This means that statistically at the confidence level (a) 0.05 micro celebrity endorser has a positive and significant effect on purchase intention.

## b. F Uji test

Table 2 F . Test Results

1 . 1 050 11050115									
ANOVAa									
	Model	Sum of Squares	df	Mean Square	F	Sig.			
1	Regression	129,747	2	74.873	12,786	,000b			
	Residual	94.007	72	1.516					
	Total	223,754	74						
a. Dependent Variable: Purchase Intention									
b. Predictors: (Constant), Micro Celebrity Endorser, Firm Generated Content									

Source: Data Analysis, 2021

Based on the Fcount obtained by using the SPSS 22.0 for Windows program, the result is 12,786. It can be explained that if the value of Fcount = 12.786 is greater than Ftable = 3.12, then Fcount is in the rejection area of H03, thus H03 is rejected and Ha3 is accepted. This means that statistically the joint test of firm generated content (X1) and micro celebrity endorser (X2) with a one-sided test and confidence level ( $\alpha$ ) = 5%, has a positive effect on purchase intention at HARRIS Denpasar Hotel. & Convention Center.

## HYPOTHESIS TESTING RESULT

# 1. The Influence of Firm Generated Content on Buying Interest

This hypothesis testing result is supported on research conducted byPoulis and Rizomyliotis (2018) who show that corporate communication through Facebook and Instagram has a positive effect on consumer purchase intentions. The findings also show that with regard to eWOM and purchase intention, FGCs uploaded on Instagram have a greater impact than those uploaded on Facebook. Another study conducted by Colicev and Kumar (2017) shows that the user generated content (UGC) dimension has a stronger relationship with brand awareness and satisfaction, while the firm generated content (FGC) dimension is more effective in consideration and purchase intention (purchase intention). The results of this study also show that brands with higher corporate reputations have a stronger relationship between the FGC dimensions and the stages of the marketing funnel.

## 2. Influence of Micro Celebrity Endorser on Buying Interest

This hypothesis testing result is supported on Vionasafira and Sjabadhyni (2017) which shows online consumer reviews, micro celebrity endorsers and micro celebrity reviews have a positive influence on purchase intention. However, purchase intentions based on consumer online reviews are higher than micro celebrity endorsers. Meanwhile, purchase intentions based on micro celebrity reviews are not higher than micro celebrity

endorsements and online consumer reviews on Instagram. Another study conducted by Kolarova (2018) shows that micro celebrities are more effective in influencing than traditional celebrities. In addition, the combination of micro celebrities with known brands and no disclosure of sponsors proved to be more influential than the combination with traditional celebrities.

## 3. Influence of Firm Generated Content and Micro Celebrity Endorser on Buying Interest

This hypothesis testing result is supported on previous research conducted by Vionasafira and Sjabadhyni (2017), that there is an influence between types of digital marketing on consumer buying interest. Digital marketing can be in the form of online customer reviews, micro celebrity endorsements, micro celebrity reviews, user generated content and firm generated content.

#### IV. CONCLUSIONS AND SUGGESTIONS

#### Conclusion

Based on the results of the analysis and discussion in the previous chapter, the conclusions of this study are as follows:

- 1. *Firm Generated Content*has a positive and significant effect on Purchase Intention at HARRIS Denpasar Hotel & Convention Center. This shows that if firm generated content increases, it will also increase purchase intention at HARRIS Denpasar Hotel & Convention Center.
- 2. *Micro Celebrity Endorser*has a positive and significant effect on Purchase Intention at HARRIS Denpasar Hotel & Convention Center. This shows that if the micro celebrity endorser is increasing, it will also increase the purchase intention at HARRIS Denpasar Hotel & Convention Center.
- 3. Firm Generated Contentand Micro Celebrity Endorser give a positive and significant influence simultaneously on Purchase Intention at HARRIS Denpasar Hotel & Convention Center. This shows that if firm generated content and micro celebrity endorsers are increasing, the purchase intention will also increase at HARRIS Denpasar Hotel & Convention Center.
- 4. Based on the analysis of the coefficient of determination, the contribution of firm generated content (X1) and micro celebrity endorser (X2) variables to purchase intention is 59%, the remaining 41% is influenced by other variables not examined in this study. The effective contribution of the firm generated content (X1) variable on purchase intention (Y) at HARRIS Denpasar Hotel & Convention Center partially is 21.677%. Meanwhile, the effective contribution of the micro celebrity endorser variable (X2) on purchase intention (Y) at HARRIS Denpasar Hotel & Convention Center is partially 37.352%.

#### Suggestion

Based on the results of the analysis in this study, the authors can provide the following suggestions:

- 1. The management of HARRIS Denpasar Hotel & Convention Center must improve firm generated content, especially the quality of content that will be uploaded on social media Instagram. The quality of the content in question is by uploading photos and videos that are more interesting and creative so that the uploaded content can perform well and attract followers to see.
- 2. The management of HARRIS Denpasar Hotel & Convention Center must pay attention to the selected micro celebrity endorser, especially based on the gender of the Instagram social media follower. Based on the data, the dominant Instagram followers of HARRIS Denpasar Hotel & Conventions Center are men. Based on this, it is recommended to use a female micro celebrity endorser to attract more Instagram followers.
- 3. The management of HARRIS Denpasar Hotel & Convention Center must strive to increase the interest of Instagram social media followers to recommend HARRIS Denpasar Hotel & Convention Center to others. Efforts that can be made are to create interesting online events for followers such as hotel coupon give away events with one of the conditions in the form of placing a tag on follower relations.
- 4. This study only examines firm generated content and micro celebrity endorsers on Instagram social media. It is hoped that further researchers will examine firm generated content and micro celebrity endorsers on social media such as Facebook and Twitter.

# **REFERENCES**

- [1]. Colicev, et al. (2017). Modeling the relationship between firm and user generated content and the stages of the marketing funnel. International Journal of Research in Marketing, 17. doi: 10.1016/j.ijresmar. 2018.09.005.
- [2]. Djafarova, E., & Oxana T. (2019). Instafamous credibility and self-presentation of micro-celebrities on social media. Information Communication and Society, 22(10), 1432–46. doi:10.1080/1369118X.2018.1438491
- [3]. Hawkins, K. (2013). Attitudinal loyalty, behavioral loyalty and social media: An Instrospection. The Marketing Review, 13(2), 125-141. doi:10.1362/146934713X13699019904605.

- [4]. Hanjani, GA, & Arry W. (2019). Consumer purchase intention: The effect of green brand and green knowledge on Indonesian Nestle Company. Journal of Secretary & Business Administration, 3(1), 39–50.
- [5]. Hearn, A. (2008). Meat, mask, burden: Probing the contours of the branded self. Journal of Consumer Culture, 8 (2), 197–217.
- [6]. Kolarova, M. (2018). The effects of influencer type, brand familiarity, and sponsorship disclosure on purchase intention and brand trust on Instagram. (Master thesis, University Of Twente, 2018). Accessed from essay.utwente.nl
- [7]. Kerpen, D. (2011). Likeable social media: How to delight your customers, create an irresistible brand, and be generally amazing on facebook (and other social networks). United States: McGraw-Hill.
- [8]. Kolarova, M. (2018). The effects of influencer type, brand familiarity, and sponsorship disclosure on purchase intention and brand trust on Instagram. (Master thesis, University Of Twente, 2018). Accessed from essay.utwente.nl
- [9]. Lair, D., Sullivan, K., & Cheney, G. (2005). Marketization and the casting of the professional self. Management Communications Quarterly, 18(3), 307–43.
- [10]. Nazirah, U., & Utami S. (2017). The influence of website design quality on purchase intention is mediated by perceived product quality on Lazada.co.id. Scientific Journal of Management Economics Students, 2(3), 55-69.
- [11]. Poulis, A, Ioannis R., & Kleopatra K. (2019). Do firms still need to be social? Firm generated content in Social Media. Information Technology and People, 32(2), 387–404.
- [12]. Schivinski, B., & Dariusz, D. (2016). The effect of social media communication on consumer perceptions of brands. Journal of Marketing Communications, 22(2), 189–214. doi:10.1080/13527266.2013.871323
- [13]. Senft, TM (2008). Camgirls: Celebrity & community in the age of social networks. New York: Peter Lang.
- [14]. Setiawan, Livya. (2018). "The Influence of Celebrity Endorsements on Purchase Intentions with Brand Awareness as a Mediation Variable in Esprecielo Allure Green Tea Products." Journal of Marketing Management 12.1 (2018): 53-60.
- [15]. Stokes, R. (2013). eMarketing: The essential guide to digital marketing. Cape Town: Quirk Education Pty.
- [16]. UNWTO. (2020). UNWTO world tourism barometer (Vol. 18, Issue 2, May 2020).
- [17]. Varakas, E. (2017). Social media marketing strategy for Warere Hotels. (Bachelor's Thesis, Haaga-Helia, 2017) Accessed from www.theseus.fi.
- [18]. Vionasafira, V., & Bertina S. (2018). Choose celebrity or common people? The influence of endorser type on Instagram user's purchase intention. Advances in Social Science, 139, 182–89.
- [19]. Wang, J. S, et al. (2012). Effect of celebrity endorsements on consumer purchase intentions: Advertising effect and advertising appeal as mediators. Human Factors and Ergonomics in Manufacturing & Service Industries, 00(0), 1–11.