

# The Role of Influencer Endorsement Support in Sales Success During The COVID-19 Pandemic

Danang Satrio<sup>1</sup>, Muhammad Milzam<sup>2</sup>, Amelsa Pramesti Rima Putri<sup>3</sup>, Muhammad Nadhief Ardianto<sup>4</sup>

<sup>1</sup> Pekalongan University, danangsatrio3003@yahoo.com, Indonesia

#### ABSTRACT

The COVID-19 pandemic has completely paralyzed all sectors owned by the state, and the business economy sector is the sector that has the worst affected. This phenomenon makes most of entrepreneur rack their brains to continue doing business without any contact with their customers directly or without visiting their own stores. To stay profitable and get people's attention so that their products can be sold by consumers, they use the services of Influencers in marketing their products. Previous researchers stated that influencers have an influence on customers in the buying process and can change or influence customer motivation in the buying process. Thus, it is important that influencers can help develop the potential of the product so that can cover production costs and can even make a significant profit for entrepreneur.

Keywords: Influencer, Endorsement, Covid-19

#### **1. Introduction**

The COVID-19 pandemic has completely paralyzed all sectors owned by the state, and the business economy sector is the sector that has the worst affected. Apart from fighting the corona virus, Indonesia is also on the brink of recession and continuous inflation. This of course makes the country have to find ways to restore the economic conditions to normal. However, this does not rule out the possibility for entrepreneur to continue doing their business in order to meet their daily needs while being hit by the corona virus pandemic.

Doing business during a pandemic and doing business during normal times are two different things. Everything is no longer based on face-to-face contact between entrepreneurs and potential customers but based on intermediaries that separate entrepreneurs from their customers. This pandemic requires every individual to maintain their health by following health protocols that urge not to meet each other between individuals, not to come into contact with other people, and to always maintain cleanliness in order to create a healthy environment free from the corona virus outbreak.

In a relatively short time, the marketing pattern also changed when social distancing and Large-Scale Social Restrictions (*PSBB*) were implemented. People who usually carry out activities directly experience culture shock because they are required to be able to carry out all activities online. The impact is very clear on the chaotic economic activity (Sebayang, 2020).



# International Sustainable Competitiveness Advantage 2020

During the pandemic, people are forced to spend a lot of time indoors so they don't contract the corona virus. And with so many people staying at home, of course they will spend a lot of their time exploring the virtual world when they are feeling bored or need something to complement their needs. During the COVID-19 pandemic, all activities depend on the internet. Starting from teaching and learning activities via the internet, trading via the internet, and meeting social needs also through the internet.

This phenomenon makes most entrepreneur rack their brains to continue doing business without having to meet their customers directly or without visiting their own stores. And to stay profitable and gain people's attention so that their products can be sold by consumers, they use the services of Influencers in marketing their products. This is a mutual activity for entrepreneur and influencers. From the entrepreneur side, the profit they get is the opportunity from selling the products they market through influencers and of course it will be calculated as income from each product sale, the business they are running will be increasingly famous through promotions by influencers.

Previous researchers stated that influencers have an influence on customers in the buying process and can change or influence customer motivation in the buying process (Thant, 2019) which explains that influencers can influence consumer purchasing decisions. Meanwhile, researchers focus on the sales success of entrepreneur. (Hund, 2019) describes the rise of the influencer industry today, while the difference is at the time of his research.

In line with the research studied (Stefan Zak, 2020) which discusses contemporary global marketing using social media, whose role is taken over by influencers who influence consumers with their thoughts, attitudes, and opinions, the survey findings in this journal indicate that the promotion of some products through influencers may be more profitable than others. Influencers will have the greatest influence when it comes to buying clothes, shoes, cosmetics and, surprisingly, services. This research has similarities with research conducted by researchers, namely the popularity of influencers who can influence the demand for certain products. While the difference lies in the time and background.

Meanwhile (Zietek, 2016) conducted research that working with micro influencers is a key component of influencer marketing. These influencers tend to be highly authentic, skilled in certain fields, and are not motivated by monetary reasons. What it has in common is that in contemporary global marketing using social media, this role is being taken over by influencers who influence consumers with their thoughts, attitudes and opinions, and thus, significantly influence demand trends for certain products. The difference is in the focus of the discussion, the research that researchers are working on focuses on social media or the pre-forms used

From this it can be concluded that Influencer is a job that requires these workers to be crazy about people's attention, because the more attention, the greater their chances of getting more profitable at work. Seeing the success of sales of several existing brands due to the presence of influencers is a challenge for researchers to be able to provide education about the current phenomenon to an entrepreneur who find it difficult to promote their merchandise during the COVID-19 pandemic. Thus, it is important that influencers can help develop the potential of a product so that it can cover production costs and can even make a significant profit for entrepreneur. Based on the formulation



of the problem above, there are three main objectives in this study, namely knowing the role of influencers in the successful sales of entrepreneur in the COVID-19 pandemic.

# 2. Literature Review

### 2.1 Influencer

According to (Dr. Hj. Dewi Indriyani Jusuf, 2018), an influencer is someone who is famous for their ability to attract attention and also develop their level of fame via the internet and the emergence of the internet makes it easier for them to reach audiences from various regions and around the world. Influencers themselves are "digital influencers" who keep themselves busy in the trendmode industry such as bloggers, Instagrammers, YouTubers, and other social media users (Andrian, 2018). They upload their photos or videos using a product to viewers or followers on social media. They earn income by collaborating with local or international brands.

Discussing the potential given, Influencers can provide enormous potential to entrepreneur, because Influencers can easily introduce products offered by entrepreneur to Influencer Viewers. This is quite satisfying for entrepreneur if they get great attention from the public regarding their products. However, this has limitations in the process of getting that attention. To get great attention, of course, costs that are balanced with the potential for future success.

#### 2.2 Influencer Endorsement

Influencer Endorsement is an activity to promote a product to be offered to potential customers in order for potential customers to buy and use the product. The use of influencer services by entrepreneur is so that the products they immediately create can be used by a wider audience and also to get income from every sale of the products they have (Ridha, 2018).

Influencer services are used as a "booster" of one's business success. Often we see lots of artists or other famous people sharing tips on beauty, the secrets of having an ideal body, or things that are consumed by them. All that is done in order to carry out a promotion for each product that supports the promotion. The use of influencer services by entrepreneur is so that the products they immediately create can be used by a wide audience and also to get income from every sale of the products they have.

### **3. Research Methodology**

The type of research method chosen is descriptive analysis, in this research it will take problems or focus on problems as they are when the research is carried out, the results of the research are then processed and analyzed to draw conclusions. The research instrument in a qualitative approach is the researcher himself is assisted by several tools to collect useful data or information to answer problems. This instrument makes it easier for researchers to make observations, interviews, and documentation in the form of guides.

The research subject is the main source of data as informants to describe the benchmarks for the success of sales of entrepreneur 4.0 during the Covid 19 pandemic with the power of influencer



endorsement. The determination of the research subject considers its relationship with the formulation of the problem in this study. The following is a list of research subjects:

No.	Type of business	Trademark
1	Fashion	May Wear
2	Culinary	Hoongry by Fannifan
3	Cosmetics	Gbee Glow Beauty
4	Services	Vini Makeup
5	Fashion	XUMY
6	Fashion	Nagisshop
7	Fashion	Loyal
8	Cosmetics	Kei Skincare
9	Services	Spatoo Laundry
10	Trade	Minigold Pekalongan

#### Table 1. Research Subject.

#### 4. Results

Discussing the potential given, Influencers can provide enormous potential to entrepreneur, because Influencers can easily introduce products offered by entrepreneur to Influencer Viewers. This is quite satisfying for entrepreneur if they get great attention from the public regarding their products. However, this has limitations in the process of getting that attention. To get great attention, of course, costs that are balanced with the potential for future success. Based on the data obtained, it can be seen that entrepreneurs feel that their condition is normal or there is no significant development in their financial condition. This is because the community is being hit by a pandemic which makes people less productive so that their income is reduced.

Figure 1. Financial Condition







Based on the data obtained, it can be seen that the influence of using influencer endorsement services is very helpful, namely 40% or 4 companies out of 10 companies we studied. This company consists of companies in the trading sector, namely 2 cosmetic companies and 2 homedress companies. This is triggered by the community's need for habits at home. They are mostly more concerned with appearance even at home. This appearance includes healthy skin, facial beauty and home clothes that remain attractive at home. In the table, there is also 1 company that stated that this influencer endorsement service did not help at all, this was conveyed by a company in the field of beauty services / makeup artist. This is of course in line with government regulations (Telaumbanua, Urgensi Pembentukan Aturan Terkait Pencegahan Covid-19 di Indonesia, 2020)





Source: Authors research

Regarding previous data about influencer endorsements that have an influence on people's



# International Sustainable Competitiveness Advantage 2020

attention to a product, we can also see that in the data above, there are 2 companies that feel that influencer endorsement has no effect on the success of selling a product. This was conveyed by a company engaged in the beauty sector. The two companies said that during the Covid-19 pandemic, cosmetic companies did not get too many repeat orders. People tend to use simple facial treatments because they are not used outside the home. It is inversely proportional to the opinion of a trading company in the field of homedresses.



Figure 3. Product Sales Success

Source: Authors research

### 5. Discussion

Covid-19 is an infectious disease that has the potential to cause a public health emergency. Therefore, preventive measures against this type of infectious disease must be taken as soon as possible. Indonesia as a rule of law, therefore prevention of this type of infectious disease must be stipulated in a statutory regulation. The urgency for the formation of regulations related to the prevention of Covid-19 must be regulated in a Government Regulation and a Minister of Health Regulation because these two regulations are implementing regulations for Law Number 6 of 2018 concerning Health Quarantine. (Telaumbanua, 2020). The call to stay at home is also a renewal in itself for Indonesians who are accustomed to high social culture and consumptive habits.

In times of the COVID-19 pandemic like this, business people still benefit from business people who take advantage of opportunities through existing technology. Technology is sufficient to help business people in the era of COVID-19. All sales, promotion and innovation activities must be done touchless. This is what makes sales in the COVID-19 era need technology as a supporting element in order to achieve profits that continue to flow to business people. With the help of influencers, potential consumers will be more interested and buy the products offered. Business players can continue to maintain good cash flow through Influencer endorsement-based promotional media. Influencer services are used as a "booster" of one's business success. All that is done in order to carry out a promotion for each product that supports the promotion. To assess

each endorsement's success, it can be seen from how much income the businessman receives after the endorsement conducted by the influencer.

Based on the data presented, it appears that entrepreneurs use the services of the Influencer Endorsement to help promote their products during the Covid-19 pandemic. This is because everyone is required to stay at home by the government. Influencers can provide enormous potential to business people, because influencers can easily introduce products offered by business people to Influencer Viewers. This is quite satisfying for business people if they get great attention from the public regarding their products. This makes people's lifestyle more renewed. People prefer to open their smartphones to find out various information. One of the facilities of today's smart phones is that people can shop at will more easily without having to go to the location. The role of influencer endorsement is one of the drivers of public knowledge of a product (Andrian, 2018).

# 6. Conclusion

Entrepreneurs think that their business is fine at the time of the COVID-19 pandemic, conditions are not experiencing a rapid decline and increase. This is of course due to the influence of influencer endorsements who help their efforts to keep the attention of the public. The Influencer Endorsement is very influential on the successful sales of products of entrepreneur during the COVID-19 pandemic. The business actors studied felt the significant influence of influencer endorsement on the businesses they were in during the COVID-19 Pandemic. Future research should examine the influence of the influencer endorsement, it is necessary to conduct a more complete data study and calculation. Researchers suggest participating in advancing the country's economy by strengthening the company's economy, one of which is by branding as often as possible through influencer endorsement services.

### References

- Andrian, D. (2018, 1 4). *Pengertian dan Jenis Influencer Marketing*. Retrieved from whello.id: https://whello.id/tips-digital-marketing/pengertian-dan-jenis-jenis-influencer-marketing/
- Dr. Hj. Dewi Indriyani Jusuf, S. M. (2018). *Perilaku Konsumen di Masa Bisnis Online* . Yogyakarta: Penerbit Andi.
- Hund, E. D. (2019). The Influencer Industry. Constructing And Commodifying Authenticity, 2.
- Ridha, A. (2018). Celebrity Endorser Pada Jejaring SosialInstagram Untuk Menarik Minat Pembelian Calon Konsumen. *Journal Economic Resources*.
- Sebayang, R. (2020, April 17). CNBC Indonesia. Retrieved from Dampak Corona ke Ekonomi sampai akhir 2021: https://www.cnbcindonesia.com/news/20200417124854-4-152677/imf-dampakcorona-ke-ekonomi-sampai-akhir-2021
- Stefan Zak, M. H. (2020). The Role of Influencers in the Consumer Decision-making process. SHS Web of Conferences 74,03014 (2020) (p. 1). Bratislava: Globalization and its Socio-Economic Consequences 2019.



Telaumbanua, D. (2020, March 21). *Qalamuna Jurnal Pendidikan*, *Sosial, dan Agama*. Retrieved from Urgensi Pembentukan Aturan Terkait Pencegahan Covid-19 di Indonesia : https://ejournal.insuriponorogo.ac.id/index.php/qalamuna/article/view/290

Telaumbanua, D. (2020). Urgensi Pembentukan Aturan Terkait Pencegahan Covid-19 di Indonesia.

- Thant, M. P. (2019). Impact of Influencer Marketing and its e-WOM in Digital Marketing on Consumers' Motivation and Purchasing Process. 3.
- Zietek, N. (2016). Influencer Marketing (Characteristics and components of fashion Influencer Marketing). 2.