

The Influence of Price Perception, Brand Image, and Celebrity Endorsement on Purchase Intention: The Mediating Role of Online Promotion and e-WOM



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KEY WORDS

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A B S T R A C T

This study aims to examine the influence of price perception, brand image, and celebrity endorsement on purchase intention, with a focus on the mediating roles of online promotion and electronic word-of-mouth (e-WOM). Utilizing a qualitative research approach, the study employs a comprehensive literature review and library research methodology to analyze existing academic insights related to these factors. The findings suggest that price perception significantly impacts consumer behavior, particularly when consumers perceive the price as fair and reflective of product quality. Brand image is another key determinant, shaping consumer trust, loyalty, and emotional connection with the brand, all of which enhance purchase intention. Celebrity endorsements also play a crucial role by boosting product visibility, credibility, and appeal, especially when the celebrity is perceived as authentic and relevant to the product. Furthermore, the study highlights the important mediating roles of online promotion and e-WOM. Online promotions amplify the visibility and accessibility of brands, while positive e-WOM builds social proof and trust among consumers, ultimately influencing their purchase decisions. This research provides a deeper understanding of the interconnected relationships between these variables and offers valuable insights for businesses seeking to optimize their digital marketing strategies to increase purchase intention.

1. Introduction

In today's highly competitive marketplace, understanding the factors that influence consumer purchase intention is critical for businesses to succeed. Three primary factors—price perception, brand image, and celebrity endorsement—have been recognized as key determinants in shaping consumer decisions (Aaker, 1996; Ali & Raza, 2017). Price perception refers to the way consumers interpret the value of a product relative to its cost, and this often dictates their willingness to make a purchase (Biswas & Blair, 1991). Brand image, on the other hand, significantly impacts trust and loyalty, which are essential for cultivating long-term relationships with consumers (Keller, 1993; Park et al., 1986). Additionally, celebrity endorsements have emerged as a powerful tool in influencing purchase intention by enhancing the credibility and attractiveness of products (Spry et al., 2011; Choi et al., 2014).

Despite the extensive research on these factors, a research gap exists in understanding how online promotion and electronic word-of-mouth (e-WOM) mediate these relationships. Previous studies have explored the direct effects of price perception, brand image, and celebrity endorsement on consumer behavior, but few have investigated how digital marketing efforts and consumer-generated content like e-WOM interact with these variables (Chu & Kim, 2011; Erkan & Evans, 2016). As more purchasing decisions are made in digital environments, it is increasingly important to understand these mediating mechanisms (Eren-Erdogmus & Ergun, 2017).

The urgency of this research lies in the evolving landscape of digital marketing, where online promotion and e-WOM are becoming crucial channels for influencing consumer behavior (Cheung et al., 2020; Goh et al., 2013). These digital tools not only enhance visibility but also foster trust through consumer reviews and social proof, both of which are increasingly significant in the purchase decision process (Hennig-Thurau et al., 2004; Wang & Yang, 2010).

Several previous studies have examined related variables, such as the impact of social media marketing on brand loyalty (Eren-Erdogmus & Ergun, 2017), the role of celebrity endorsements in building brand credibility (Spry et al., 2011), and the influence of e-WOM on consumer decision-making (Chu & Kim, 2011; Erkan & Evans, 2016). However, these studies have not comprehensively explored how these variables interact with online promotion and e-WOM, particularly in digital contexts where these factors are increasingly important (Cheung et al., 2020).

Price perception refers to how consumers interpret and evaluate the price of a product or service in relation to its perceived value. It plays a crucial role in shaping purchasing decisions, as consumers often assess whether the price they are paying is fair and reasonable. This perception is influenced by several factors, including the quality of the product, comparison with competitors' prices, and promotional offers. When consumers perceive the price as justifiable relative to the product's benefits, they are more likely to proceed with a purchase. On the other hand, if the price is seen as too high or unfair, it can lead to negative perceptions and decrease purchase intention (Ali & Raza, 2017).

Brand image is the overall impression that consumers form about a brand based on their experiences, perceptions, and interactions. It reflects the reputation and identity of the brand, influencing how consumers view its quality, reliability, and value. A positive brand image fosters trust and loyalty, making consumers more inclined to purchase products from that brand. Consumers often associate strong brand images with specific attributes such as status, innovation, or ethical standards. Brands that successfully communicate their values and create an emotional connection with their audience tend to enjoy higher levels of customer loyalty and stronger purchase intentions (Keller, 1993).



Celebrity endorsement involves using well-known public figures to promote products and brands. This strategy leverages the popularity, credibility, and influence of celebrities to enhance the appeal of the product. Consumers tend to associate endorsed products with the qualities of the celebrity, such as trustworthiness or expertise. When a celebrity is perceived as relevant and credible, their endorsement can significantly boost brand visibility and consumer trust, ultimately increasing purchase intention. However, the success of celebrity endorsements depends on the alignment between the celebrity's image and the brand's identity, as a mismatch can lead to ineffective marketing outcomes (Spry et al., 2011)

The novelty of this research lies in its focus on the mediating roles of online promotion and e-WOM in the relationships between price perception, brand image, and celebrity endorsement, and how these digital factors influence purchase intention. This study aims to fill the existing research gap by providing new insights into the digital marketing strategies that can amplify the effects of traditional marketing elements.

The objectives of this study are to examine (1) the influence of price perception, brand image, and celebrity endorsement on purchase intention, and (2) the mediating roles of online promotion and e-WOM in these relationships. The findings will provide practical benefits for businesses looking to optimize their digital marketing strategies, increase consumer engagement, and ultimately drive purchase decisions.

2. Methodology

This study utilizes a qualitative research approach to explore the influence of price perception, brand image, and celebrity endorsement on purchase intention, with a specific focus on the mediating roles of online promotion and electronic word-of-mouth (e-WOM). The research adopts the literature review method, also known as library research, which involves systematically collecting, analyzing, and synthesizing previous academic works and theoretical frameworks related to the variables

under investigation. This method is ideal for gaining a comprehensive understanding of the existing body of knowledge, identifying gaps, and drawing insights from previous empirical and theoretical studies (Snyder, 2019).

Data sources for this research are drawn from secondary data, which includes peer-reviewed journal articles, academic books, reports, and other scholarly publications relevant to price perception, brand image, celebrity endorsement, online promotion, e-WOM, and purchase intention. Databases such as Scopus, Google Scholar, and Web of Science were used to access high-quality sources. The inclusion criteria for these sources focus on recent studies published within the last ten years to ensure the relevance of the data in the context of modern digital marketing.

The data collection technique involves an extensive literature search using keywords related to the study's key variables. Relevant studies were then critically reviewed and organized according to their thematic relevance to the research objectives. This process ensures a comprehensive review of both foundational theories and recent empirical findings, which allows for an in-depth understanding of the relationships among price perception, brand image, celebrity endorsement, and their mediators (Snyder, 2019).

For data analysis, the study employs thematic analysis, a qualitative method that involves identifying, analyzing, and reporting patterns or themes within the collected data. Thematic analysis is well-suited for literature-based research as it allows for the systematic categorization of data based on recurring themes related to the study's variables. These themes are then synthesized to provide insights into how price perception, brand image, and celebrity endorsement influence purchase intention, with particular attention to the mediating roles of online promotion and e-WOM. The analysis also involves triangulation to compare and validate findings from multiple sources, ensuring the robustness and credibility of the conclusions (Braun & Clarke, 2006).



3. Result and Discussion

The table below presents data from 10 selected articles, which have been filtered from a larger pool of relevant academic literature. These articles were chosen based on their alignment with the research

variables: price perception, brand image, celebrity endorsement, purchase intention, and the mediating roles of online promotion and electronic word-of-mouth (e-WOM). The studies highlighted in this table contribute to the understanding of how these variables interact within a modern digital marketing context.

No	Author & Year	Title	Findings
1	Ali & Raza (2017)	<i>Price fairness perception, brand image, and purchase intention</i>	Price perception and brand image strongly affect purchase intention.
2	Erkan & Evans (2016)	<i>The influence of e-WOM in social media on consumers' purchase intentions</i>	e-WOM is a powerful mediator in influencing consumer purchase decisions.
3	Chu & Kim (2011)	<i>Determinants of consumer engagement in electronic word-of-mouth in social networking sites</i>	Social media e-WOM strongly affects brand trust and purchase intention.
4	Eren-Erdogmus & Ergun (2017)	<i>Influences of social media marketing on brand loyalty and purchase intention</i>	Social media promotions significantly enhance brand loyalty and purchase intention.
5	Spry, Pappu, & Cornwell (2011)	<i>Celebrity endorsement, brand credibility, and brand equity</i>	Credible celebrity endorsements directly impact brand credibility and purchase intention.
6	Goh, Heng, & Lin (2013)	<i>Social media brand community and consumer behavior</i>	Online brand communities and promotions increase consumer engagement and purchase intention
7	Hennig-Thurau et al. (2004)	<i>Electronic word-of-mouth via consumer-opinion platforms: What motivates consumers to articulate themselves on the Internet</i>	e-WOM provides social proof and enhances purchase intention.
8	Goldsmith et al. (2000)	<i>The impact of corporate credibility and celebrity credibility on consumer reaction to advertisements and brands</i>	Celebrity credibility improves consumer attitudes and increases the likelihood of purchase.
9	Wang & Yang (2010)	<i>The effect of brand credibility on consumers' brand purchase intention in emerging economies</i>	Strong brand credibility positively impacts brand image and consumer purchase decisions.
10	Cheung et al. (2020)	<i>Consumer perception of online purchase intention</i>	Online promotions and e-WOM mediate consumer decisions and improve purchase intentions.

The findings from the table above provide a comprehensive understanding of how price perception, brand image, and celebrity endorsement interact with consumer purchase intention, while online promotion and e-WOM serve as crucial mediators. Firstly, price perception plays a fundamental role in shaping consumer behavior, as

noted in studies such as Ali & Raza (2017), where fair pricing and perceived value lead to higher purchase intentions. Consumers are increasingly price-sensitive, especially in a digital marketplace where comparison shopping is prevalent, thus making price perception a key factor in purchasing decisions.



Secondly, brand image emerges as a powerful driver of purchase intention. Several studies, including Wang & Yang (2010) and Chu & Kim (2011), demonstrate that a positive brand image enhances consumer trust and loyalty, ultimately increasing the likelihood of purchase. A strong brand image not only reflects the quality of the product but also connects emotionally with consumers, making it an essential element of modern marketing strategies.

Thirdly, the influence of celebrity endorsements on purchase intention is evident from studies such as Spry et al. (2011) and Goldsmith et al. (2000), which highlight that credible endorsements from well-known personalities can significantly enhance brand credibility. Celebrities act as trusted figures who can amplify a brand's appeal and trustworthiness, leading to a higher propensity for consumers to purchase products associated with their favorite celebrities.

Fourthly, online promotion has been shown to mediate the relationship between price perception, brand image, and purchase intention. Research from Goh et al. (2013) and Eren-Erdogmus & Ergun (2017) underscores the importance of social media and online promotional strategies in enhancing visibility, increasing consumer engagement, and driving purchase decisions. In the digital age, consumers are more likely to interact with brands that actively promote their products online through personalized offers and targeted campaigns.

Fifthly, e-WOM serves as a powerful form of social proof that heavily influences consumer behavior. Studies by Erkan & Evans (2016) and Hennig-Thurau et al. (2004) illustrate that positive e-WOM, whether in the form of reviews, recommendations, or social media comments, reinforces brand credibility and increases purchase intentions. Consumers tend to trust peer reviews more than direct marketing messages, making e-WOM a critical factor in shaping their purchasing decisions.

Lastly, the combination of these variables—price perception, brand image, celebrity endorsement, online promotion, and e-WOM—works

synergistically to influence consumer purchase intention. Studies such as Cheung et al. (2020) confirm that when these factors are effectively integrated, they create a compelling marketing mix that significantly boosts consumer confidence and motivates them to make purchases.

Discussion and Analysis

Based on the data presented above, it is evident that price perception, brand image, and celebrity endorsements are crucial in shaping consumer purchase intention, with online promotion and e-WOM acting as vital mediating factors. In today's highly digitalized consumer landscape, where purchasing decisions are influenced by online interactions, it becomes imperative for brands to focus on these elements to remain competitive. For instance, the increasing reliance on online shopping platforms has made price perception more transparent and comparative. Studies by Ali & Raza (2017) show that consumers are quick to shift their loyalty to brands offering perceived fair prices, especially when online promotions further amplify these offers.

Moreover, brand image continues to be a dominant force in influencing purchase intention. With the rise of social media, consumers have access to extensive information about brands, making brand reputation even more critical (Wang & Yang, 2010). The emotional connection consumers develop with brands, as illustrated by Chu & Kim (2011), enhances not only brand loyalty but also purchase intention. In today's era of brand storytelling, consumers are drawn to brands that resonate with their values and aspirations.

Celebrity endorsements have long been recognized as a potent marketing tool, and this remains true today. However, the findings from Spry et al. (2011) indicate that the effectiveness of celebrity endorsements is heavily dependent on the credibility and alignment of the celebrity with the brand's identity. In recent years, consumers have become more skeptical of celebrity endorsements, especially when they appear disingenuous. Thus, the selection of the right



celebrity figure remains crucial in maintaining brand credibility.

Online promotion and e-WOM have gained unprecedented importance in mediating consumer decisions. With the dominance of social media platforms like Instagram, Facebook, and YouTube, brands have more opportunities to directly engage with consumers (Goh et al., 2013). Online promotions not only enhance visibility but also provide immediate opportunities for consumers to act upon their purchase intentions. The role of e-WOM, as discussed by Hennig-Thurau et al. (2004), has become a powerful form of digital word-of-mouth that can sway consumer opinions quickly.

In today's consumer landscape, where social proof is increasingly valued, positive e-WOM acts as a catalyst for driving purchase decisions. Consumers are more likely to trust the opinions and reviews of their peers than traditional advertising. This reliance on e-WOM reflects a shift toward community-driven marketing, where trust is built through collective consumer experiences (Erkan & Evans, 2016).

The synthesis of findings from the selected articles suggests that businesses must develop integrated marketing strategies that align price perception, brand image, celebrity endorsements, online promotions, and e-WOM to maximize consumer engagement and purchase intention. These findings are especially relevant in the current digital age, where consumer decision-making processes are deeply influenced by online interactions and social validation.

By effectively leveraging these variables, brands can create a holistic marketing approach that not only drives immediate sales but also builds long-term consumer trust and loyalty. Therefore, future marketing strategies should prioritize the alignment of traditional marketing efforts with emerging digital trends to stay relevant in a highly competitive market.

4. Conclusion

Based on the findings from the selected literature, it is evident that price perception, brand image, and celebrity endorsement significantly influence consumer purchase intention. Fair and transparent pricing positively affects how consumers perceive value, which in turn encourages them to make purchase decisions. Similarly, a strong and favorable brand image builds consumer trust and loyalty, making it easier for brands to convert consumer interest into actual purchases. Celebrity endorsements further enhance this process by leveraging the credibility and influence of public figures to add appeal and trust to the endorsed products.

The mediating roles of online promotion and e-WOM are particularly crucial in the digital marketplace. Online promotions increase visibility and provide consumers with the opportunity to engage with brands in real-time, enhancing the overall purchase experience. Meanwhile, positive e-WOM acts as a powerful form of social proof, reinforcing consumer confidence in purchasing products based on peer recommendations and reviews. Together, these digital factors amplify the effects of price perception, brand image, and celebrity endorsement, making them indispensable tools for modern marketing strategies.

For future research, it would be beneficial to explore how emerging technologies such as artificial intelligence (AI) and machine learning can further enhance the effectiveness of online promotions and e-WOM in influencing purchase intention. Additionally, researchers could investigate the role of micro-influencers, as opposed to traditional celebrity endorsements, in niche markets to understand how different types of influencers impact consumer behavior. Lastly, longitudinal studies could be conducted to analyze the long-term effects of consistent online promotions and e-WOM on brand loyalty and sustained consumer engagement. This would offer deeper insights into how these factors influence not only initial purchase decisions but also customer retention over time.



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