

THE EFFECT OF YOUTUBE ADVERTISING ON CONSUMER PURCHASE DECISION OF HAPPY MEAL PRODUCTS (A STUDY USING EPIC MODEL)

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ABSTRACT

The Internet is completely different from other traditional media. Marketing Communication is needed by every business organization because Marketing communications are the means by which firms attempt to inform, persuade, and remind consumers directly or indirectly about the products and brands they sell. One of marketing communication major modes are advertising. YouTube as one of the social media where people or brand can experience varying degrees of engagement with videos, ranging from casual viewing to sharing videos to maintain social relationships. YouTube have a feature that is YouTube ads service. YouTube ads service is a feature of advertising that can advertise directly by businesspeople. Knowing the rapid development of advertising in social media, especially YouTube. This study aims to finding out the effect between YouTube Advertising and Epic Model on Purchase Decision. The Sample size of this research used 150 respondents. This research used primary data collected using a survey technique from people who watch about Happy Meals YouTube advertising and buy the product afterwards. The findings of this study show that empathy, persuasion, impact, communication, and advertising have a significant influence on the purchase decision.

Keywords: Advertising, EPIC model, Youtube,, Purchase Decision

1. Introduction

Social Media is best defined in the context of the previous industrial media paradigm. Traditional media such as television, newspapers, radio and magazines are in one direction static show technologies. New web technology has made it simple for anyone to create and most highly, issue their own content. Along with technology developments, entrepreneurs and brands started to create a way to advertise their product through most used website YouTube. A blog position, tweet or youtube video can be twisted and viewed by millions almost for free. Correspondingly, YouTube is considered effective because at least 36% online consumers trust in video advertisements (Grimes, 2012). The younger generations ranging in age from 18 to 34 years are also over often use YouTube rather than cable television, as well as a frequency biggest user of YouTube (Perrin, 2015).

Measuring the effectiveness of advertising should consider the purpose of the ads. There is a method to measure the effectiveness of a promotional strategy is to use the EPIC Model. EPIC Model developed by AC Nielsen which consists of four dimensions of empathy, persuasion, impact, and communication, (Nasution & Suyanto, 2016). The purpose of using EPIC Model to know the role of each dimension of empathy, persuasion, impact, and communication in knowing the effectiveness of promotion so that obtained information dimensions that have weakness in

achieving the goal, then compiled a new strategy to fix the weakness, (Rahayu, 2012).

In the industrial era 4.0, technology information is increasingly developing which changes many aspects of life. Massive internet usage is supported by Technological developments make it easier for someone to access it information as well as changing the previous traditional advertising perspective. Internet development in Indonesia can be seen from the number of users who have experienced a rapid increase for one time this decade. The growth in the number of internet users in Indonesia can be seen in the image below. Internet users in Indonesia, based on routine APJII surveys, are increasing every year, continuously. The picture is this; in 2014, new internet users in Indonesia reach 88 million people. However, in 2016, the APJII survey stated that there was an increase in the number users to 132.7 million users. Then, in 2017 the number has increased. In that year, there were 143.26 million internet users. This figure continues to increase up to in 2018 it reached 171.17 million users

Today's consumers rely heavily on digital technology in every decision they make take, including purchasing decisions. They are constantly looking for information, evaluate and make purchases. In 2017, approximately one third of advertising spending global predictions on digital channels (Stephen, 2015). Digital marketing is needed by every business organization because

Marketing communications. The use of digital marketing such as YouTube, Twitter and other social media is becoming the right choice for some marketers. Marketers can know the response quickly ad audience and can know the ad audience profile

YouTube is a public video-sharing website where people can experience varying degrees of engagement with videos, ranging from casual viewing to sharing videos in order to maintain social relationships. Originally launched in 2005 with a focus on user-generated content, YouTube has become the dominant platform for online video worldwide, and an important location for some of the most significant trends and controversies in the contemporary new-media environment. More than a billion users—nearly a third of all the people on the internet—are watching more video on YouTube than ever: watch time grew 60% on YouTube between 2014 and 2015.

With the existence of YouTube, big brands like McDonald will at least be interested in trying to use this advertising method. According to Abouleel (2016) One of the effective forms of video marketing available to any internet marketer is YouTube advertising. Is a massive platform and provides incredible reach to a vast range of different users across the world. The only downside is that it is also difficult to get noticed through YouTube. As with running a blog, creating a YouTube channel means competing with millions of other contents creator's saturation in almost every niche imaginable. This is where YouTube Advertising comes in. Using a YouTube advertising campaign, it can ensure that millions of people see your video instantly.

However, although previous studies emphasized on social media marketing in influencing consumer behavior, only few scholars examined their effects on purchase decision in retail industry settings, particularly in Indonesia. In other words, there still limited studies have explored the role of YouTube advertising and EPIC Model in forming purchase decision and the reason why the researcher interested in this topic. Thus, this paper is designed to examine the effects of YouTube Advertising, social media marketing, Empathy, Persuasion, Impact and Communication on consumers' purchase decision with empirical data from people who watch the McDonald YouTube video. As for the purpose of this research that is :

1. To find out whether YouTube Advertising has a significant influence on purchase decision.
2. To find out whether Empathy has a significant influence on purchase decision.
3. To find out whether Persuasion has a

significant influence on purchase decision.

4. To find out whether Impact has a significant influence on purchase decision.
5. To find out whether Communication has a significant influence on purchase decision.

2. Literature review

2.1 Digital Marketing

The term “digital marketing” has evolved over time from a specific term describing the marketing of products and services using digital channels -- to an umbrella term describing the process of using digital technologies to acquire customers and build customer preferences, promote brands, retain customers and increase sales (Financial Times, lexicon.ft.com). Following the American Marketing Association's firm centric definition digital marketing may be seen as activities, institutions, and processes facilitated by digital technologies for creating, communicating and delivering value for customers and other stake-holders. We adopt a more inclusive perspective and define digital marketing as “an adaptive, technology-enabled process by which firms collaborate with customers and partners to jointly create, communicate, deliver, and sustain value for all stakeholders”.

According to Susan Bogle (2020) from southern New Hampshire University Digital marketing can be broadly broken into 7 main categories including: Search Engine Optimization, Pay-per-Click, Social Media Marketing, Content Marketing, Email Marketing, Mobile Marketing, Marketing Analytics. A big business like McDonald can afford the traditional methods of advertising, so those types of marketing strategies can sometimes work well for them. A big business likely already knows their target audience, has built up an engaged following already, and could benefit a lot from more exposure.

2.2 Advertising

The role of advertising in marketing a product is to develop awareness of the existence of the products offered, add to it consumer knowledge about the products offered, persuading candidates consumers to buy and use these products and to differentiate yourself from one company to another so that each companies have their own characteristics and are well known by society or consumers. According to Kotler and Keller (2016: 631).

2.3 YouTube

YouTube is an online video and the main use of this site is as a medium for searching, viewing and sharing original videos to and from all corners of the world through a website (Budiargo, 2015: 47). An analysis website the Socialbakers (2016) shows

that Indonesia is ranked 4th as a YouTube user country in the world. According to APJII, the use of YouTube enters ranked 3rd compared to Facebook and Instagram which is 11% or 14, 5 million inhabitants. YouTube has more than one billion users, almost one third of all Internet users watch videos on YouTube and generate billions of views.

2.4 Social Media Marketing

Social media is an important marketing communication tool to reach and interact with customers at minimal cost and at different times of the day. Effective management and implementation of social media marketing is one of the key objectives and interests of several brands (Hanaysha, 2016).

2.5 Purchasing Decision

Purchasing decision is an individual activity that is directly involved in decision making to make a purchase of a product offered by the seller. Nugroho Juli Setiadi cited by Ryan (2018) stated that decision-making is an integration process that combines knowledge to evaluate two or more alternative behaviors and choose one of them. Lisdayanti (2019), state that purchasing decisions are a process carried out by consumers to buy a product afterward having information and comparing it with other brand products.

2.6 Purchasing decision process

It is vital to know the consumer buying decision process. The consumer buying decision process are the decision-making processes begin by the consumer to buy the goods or services in exchange of money in the market before, during and after the purchase of goods or services (Lumen, n.d.). It shows that how a consumer start thinks before to buy a product. The buyer can use all five stages during decision making process towards a product. Perhaps, the buyer can also skip the one or more stages, it's all depends on consumer mind (Kotler et al. 2017, p. 155.).

2.7 Epic Model

One method to measure the effectiveness of a promotional strategy is to use the EPIC Model. EPIC Model developed by AC Nielsen which consists of four dimensions of empathy, persuasion, impact and communication, (Nasution & Suyanto, 2016). These four dimensions will then be analyzed to see the effectiveness of each of these dimensions separately so that it can be seen in which dimensions an advertisement has weaknesses in achieving its objectives and then designing new strategies to correct these weaknesses.

2.8 Emphaty

In a recent study, Force (2018) shows that interacting with brands on social media lowered people's empathy. For brands, empathy can be used to create customer personas, which can help to inform more effective targeting. In terms of marketing however, it means asking what customers truly value rather than what will sell. And by creating content that evokes empathy, consumers are more likely to take action – sharing, responding, and even prompting change within their own communities.

2.9 Persuasion

The persuasion dimension provides information that can be provided from a form of marketing communication to strengthen the brand so that the ads displayed get an understanding of the impact of advertising on consumers' desire to buy. The need for ads that are easily understood and interesting can increase consumer interest in the product being shipped. The dimension of persuasion informs what a promotion can provide for the enhancement or strengthening of a brand's character, so that marketers can gain an understanding of the impact of promotion on consumers' desire to buy a product offered, (Susilawati, 2016).

2.10 Impact

The impact dimension shows how far the product looks different from other products this is as a result of the ability of a promotion able to deliver the message delivered. Bestriandita and Widodo (2017) explained that the impact dimension consists of two indicators, namely, the level of product knowledge (level of product knowledge) consumers know about the product and the level of creativity of a product ad compared to similar product ads.

2.11 Communication

The dimensions of Communication Dimension focus on the understanding of the audience and the strength of the impression left behind from the information provided on the promotion, (Nasution & Suyanto, 2016)..

3. Methodology

3.1 Type of Research

The type of this research was quantitative research method. tries to find answers to concrete questions by generating numbers and facts. "The goal is to establish a 'representation' of what consumers do or what consumers think." (Barnham, 2015) Surveys are good example for quantitative research. Associative research According to

Muhammad Fauzi (2009: 155) associative is the relationship between two variables that are not binding, but rather lead to the form of cooperation., in this case empathy variables (X1), persuasion (X2), impact (X3), communication (X4) on purchasing decisions (Y) of McDonald Product..

3.2 Population and sample

According to Sugiyono (2011: 94) the population is the area of generalization which consists of objects / subjects that have the quality of the characteristics certain set by researchers to be studied and then withdrawn the conclusion and because this study includes two groups or categories the number of sample members in each category is at least 30 and in this study, the number of samples is 33 (Sugiyono, 2013).

According to Sugiyono (2011: 81), the sample is part of the number and characteristics possessed by this population the sample in this study was active people who watch McDonald's advertising in YouTube and buy the product afterwards could be a boy and a girl with a productive age of 20-60 years. The sampling method uses a non-probability sampling method with a purposive sampling technique that is based on the form of sampling anyone who happens to meet with the author and is considered suitable to be data sources that will be the sample of this research.

In this study, the researcher used purposive sampling to obtain the Sample. According to Sugiyono (2010), According to Suharsimi Arikunto (2010: 95), if the researcher has several hundred subjects in the population, they can determine less 25-30% more than the total number of subjects. If the number of members is subject in the population only includes between 100 and 150 people, and in Researchers collecting data using a questionnaire, preferably a subject that amount was taken entirely.

3.3 Statistical Tools and Analysis

The researcher analyses the validity of the research instrument by entering the items of respondents per each variable to put into the calculation of the validity analysis program named SPSS 13 for Windows.

3.4. Measurement

In this research, the researcher used a survey method using a questionnaire that contained statements, so in the data measurement technique, the researcher used a Likert Scale. Data will collect using the questionnaire that use Likert scale (1 to 5) to know the opinion of the consumers. The method used to test the reliability of questionnaires in this research is the coefficient Alpha Cronbach was used in order to validate the reliability of the questionnaire.

4. Result

4.1 Respondent Characteristic

can be concluded of the 150 people who were sampled in this study, the McDonald's consumers were female 54% as for male were 46%.

Gender	Frequency (n)	Presentage (%)
Male	79	46,0
Female	81	54,0
Total	150	100,0

Table 4.1 Characteristic respondent based on Gender

Based on the author's observations, women tend to consider buying something and compare with its competitors. In terms of empathy on watching Happy Meals advertisements, female consumers have more interest after watching advertisements so that the decision to make purchases of these products is dominated by women. This seems to indicate that women have more higher activity and culinary desires than men. So, it can be concluded that women are potential consumers in purchasing McDonald's products

The greatest number of respondents based on age was 24-30 years old, namely 30.6% as for 17 - 23 years old 26.1%, 31 – 37 years old 18%, 38 – 45 years old 15.3% and >45 years old 10%.

Age	Frequency (n)	Percentage (%)
17- 23 years old	39	26,1
24 -30 years old	46	30,6
31 – 37 years old	27	18,0
38 – 45 years old	23	15,3
>45 years old	15	10,0
Total	150	100,0

Table 4.2 Characteristic respondent based on Age

This proportion indicates a striking age distribution, which is the age with a high level of productivity. Based on researcher observation, at that age prospective consumers tend to search for information more often and more easily receive recommendations for purchasing or using a brand's product, because the higher the age, the more logical their pattern of thinking is to make a purchase or use of the product because they will think about various considerations. This is because at that age someone usually has a lot of fun and active compared to old age. This shows that the 24-30 year age group is a potential consumer in purchasing McDonald's

products.

As for the majority of McDonald's consumers have an educational background were 41.3% of the respondent are diploma, 30% are Highschool, 13.3% were Middle school and 11,3% are elementary.

Education	Frequency (n)	Percentage (%)
Elementary	17	11,3
Middle School	26	18.3
Highschool	45	30
Diploma	62	41,3
Total	150	100,0

Table 4.3 Characteristic respondent based on Education

indicate they will tend to be more selective in choosing the food to consume because Happy Meals are products from McDonalds that is maintained and guaranteed from quality and hygiene. This also shows that education in a person also affects internet use and is sensitive to the latest information obtained, including watching McDonald's advertisements which are broadcast through the YouTube media.

For the number of respondents based on occupation, majority of respondents are housewives with 26% others such as Student 6%, College Student 11.4%, Entrepreneur 14%, Private Employees 21,3% and lastly Professional 21,3%.

Occupation	Frequency (n)	Percentage (%)
Student	9	6
College Student	17	11,4
Entrepreneur	21	14
Private Employees	32	21,3
Housewife	39	26
Profesional	32	21,3
Total	150	100,0

Table 4.4 Characteristic respondent based on Occupation

From these data, it can be concluded that most McDonalds consumers are housewives. Other reason because they usually buy the product for their children

4.2 Empathy

variable Empathy (X1) has 3 question items with the largest average value of 4.35 obtained from the two question items in the questionnaire that used. On average of 4.35, which means that consumer perceptions of the content of advertisements displayed by McDonald's on YouTube have their own assessment of their interest in the products offered and most respondents agree and strongly agree with the content of these advertisements starting from the appearance of colors, concepts, image taking and editing thus the results displayed in the ad video have a continuous effect on the product success to attract buyers

4.3 Persuasion

Persuasion variable (X2) can be seen has an average of 4,06 from 150 respondent. In terms of this case average of 4,06 means that the respondent's perception of the invitation to buy and McDonald's product offers related to Happy Meals the respondent agrees to purchase the same product after seeing the ad.

4.4 Impact

variable impact (X3) 2 question items with an average value of 3.86 gpa from 150 respondents. In this case the average of 3.86 has the meaning that the perception of respondents towards the impact of advertising Happy Meals that aired on YouTube is still not too agree that the impact of advertising product Happy Meal have a good concept. Most of the respondents answered agree on all items questions asked.

4.5 Communication

variables of the Communication has an average of 3,89 than 150 respondents. In this case the average of 3.89 meaning that the assessment of the respondents on the variable of communication advertising Happy Meals are still not fully agreed that the ads made for the product Happy Meals this can convey information to the respondent in detail of the product, the taste of the product and the price offered to get the product Happy Meals.

4.6 Purchase Decision

Variable Purchase Decision have on average amounted to 3.68 from 150 respondents, that is the perception of the consumer or the respondent against the decision of product purchase Happy Meals based on the ads displayed on youtube is still not enough to influence the consumer in choosing a product from Happy Meals to be consumed in a sustainable manner.

5. Conclusion & Suggestion

Based on the results of this study are interpreted and analyzed, in this chapter the authors can draw conclusions that are at the core of the research that has been carried out, as follows:

- 1) Empathy in Happy Meals advertisements on Youtube has a significant effect on purchasing decisions. So partially the empathy variable has a significant positive effect on purchasing decisions for Happy Meals products that are broadcast via YouTube if the other independent variables remain in value.
- 2) Persuasion in Happy Meals advertisements on Youtube has a significant effect on purchasing decisions. So partially the persuasion variable has a significant positive effect on the decision to purchase Happy Meals products broadcast on YouTube if the other independent variables remain in value.
- 3) The impact in Happy Meals advertisements on Youtube has a significant effect on purchasing decisions. So partially the impact variable has a significant positive effect on purchasing decisions for Happy Meals products that are broadcast on YouTube if the other independent variables remain in value.
- 4) Communication in Happy Meals advertisements on Youtube has a significant effect on purchasing decisions. So partially the communication variable has a significant positive effect on purchasing decisions for Happy Meals products that are broadcast via YouTube if the other independent variables remain in value

After conducting research, discussing, and formulating conclusions from the results of the research, the authors provide several suggestions related to the research that has been carried out to be used as input and useful consideration for interested parties, namely as follows :

- 1) The effectiveness of advertising today is of course very growing in the internet world, including the development of ad serving via YouTube. We recommend that the company conduct a more detailed marketing strategy to enter all layers of target consumers. So that the increase in sales is not only represented by the role of advertising through YouTube. Product success is also supported by other marketing activities such as promotion activities, prices, product attributes, and changes in situations and conditions or consumer behavior. This

results in a more targeted consumer focus. Of course, with the increasing focus on certain segments, it is hoped that Happy Meals products will have more place in consumers' minds.

- 2) In order for the appearance of advertisements to be more attractive, you can use a story board with the concept of collaboration with artists who have a big impact so that it attracts consumers more than the artist used and when using animation should use more characters that consumers have remembered so that the visual and verbal relationship which are interrelated. It is intended that the audience is more interested in the ads served on youtube and they did skip the ad.
- 3) To make subsequent ads, we recommend McDonald's as the manufacturer of Happy Meals have to create ads that are more creative and more interesting especially in Indonesia with the addition of special advertising use language. This is because many advertisements from old and new competitors are more creative and attractive and are competing to influence consumers to buy their products, including the use of language that is understood by target consumers according to their respective countries

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