The Impact of Advertising Effectiveness on Brand Awareness an Empirical Study of the Advertising Program for Ultra Teh Kotak Products

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Abstract

The increasingly intense competition in the packaged tea beverage industry requires firms to manage marketing communications effectively, particularly through advertising activities. This study aims to examine the effects of celebrity endorsers, advertising messages, and advertising media on advertising effectiveness, as well as their implications for brand awareness of Ultra Teh Kotak products. Data were collected through a survey of 200 respondents who had been exposed to the advertisements and had consumed Ultra Teh Kotak. The data were analyzed using structural equation modeling (SEM). The results indicate that celebrity endorsers ($\beta = 0.34$, CR = 4.82, $p < 0.001$), advertising messages ($\beta = 0.29$, CR = 4.15, $p < 0.001$), and advertising media ($\beta = 0.25$, CR = 3.67, $p < 0.001$) have positive and significant influences on advertising effectiveness. Furthermore, advertising effectiveness has a positive and significant effect on brand awareness ($\beta = 0.58$, CR = 6.93, $p < 0.001$). These findings confirm that the success of an advertising program is largely determined by the integration of credible endorsers, compelling messages, and appropriate media selection. The study contributes to advertising effectiveness theory by demonstrating the integrated role of multiple advertising elements in building brand awareness within the competitive ready-to-drink beverage market.

keywords: *celebrity endorser, advertising message, advertising media, advertising effectiveness, brand awareness*

INTRODUCTION

Intensifying industrial competition has exposed consumers to a wide range of product alternatives with relatively similar characteristics. This condition compels firms not only to rely on product quality but also to develop effective marketing communication strategies capable of differentiating a brand in consumers' minds (Sumarwan et al., 2017). Within the framework of modern marketing, advertising constitutes a central element of the promotional mix, serving as a key communication channel between producers and consumers (Kotler & Keller, 2016; Kumar & Gupta, 2016; Knoll & Matthes, 2017; Keller, 2016).

Advertising plays a strategic role in conveying information, shaping perceptions, and influencing consumer attitudes and behaviors toward a brand (Percy & Rossiter, 2018). Morissan (2010) emphasizes that advertising represents an advanced communication process aimed at delivering essential information that needs to be recognized by the public. In line with this view, the objectives of advertising extend beyond informative functions to include persuasive and reminder roles, particularly in fostering long-term relationships between brands and consumers (Shimp, 2014).

Advancements in media technology and the growing fragmentation of communication channels have posed significant challenges to advertising effectiveness, especially in mass media such as television (Hanssens et al., 2014). Consumers have become increasingly selective in processing advertising messages due to the proliferation of channels and high frequency of advertising exposure (Kotler & Armstrong, 2016). Consequently, firms must design advertisements that are not only creative but also effective in capturing attention and enhancing brand awareness (Heath et al., 2018).

The ready-to-drink (RTD) tea beverage industry in Indonesia represents a sector that has demonstrated consistent growth. Market expansion is estimated at approximately 7% annually, driven by population growth and changes in consumer lifestyles (Morissan, 2014). Nevertheless, intense competition within the industry has compelled companies to allocate substantial advertising budgets to maintain and strengthen their market positions.

As a pioneer of RTD tea beverages in Indonesia, Ultra Teh Kotak faces increasingly competitive market conditions. Despite allocating a relatively large advertising expenditure—amounting to IDR 114.5 billion in 2016—the brand awareness reflected in the Top Brand Index has shown a declining trend, from 8.1% in 2016 to 6.8% in 2017 and further to 4.1% in 2018. This decline suggests that a large advertising budget does not automatically ensure effective marketing communication outcomes (Shimp, 2014).

Advertising effectiveness is influenced by several key factors, including the selection of celebrity endorsers, the appeal of advertising messages, and the appropriateness of the media used to deliver the message to the target audience (De Veirman et al., 2017). Credible celebrity endorsers who align with brand characteristics can enhance consumer attention and trust in advertisements (Kotler & Armstrong, 2014). Furthermore, advertising messages designed with clear structures and appropriate appeals are more likely to improve consumer comprehension and brand recall (Morissan, 2014). Media selection that aligns with audience characteristics also plays a critical role in ensuring effective message delivery (Kertamukti, 2015).

Several empirical studies have examined the relationship between advertising elements and brand outcomes, though with varying contexts and findings (Dahlén & Rosengren, 2016). Adani (2015) found that celebrity credibility significantly enhances purchase intention for local Indonesian brands, with customer satisfaction as a mediating variable, highlighting the importance of endorser–brand fit (Adani, 2015). Similarly, Sonwalkar et al. (2013) demonstrated that celebrity attractiveness, trustworthiness, and expertise collectively influence advertising effectiveness, emphasizing that congruence between celebrity image and brand positioning is critical (Sonwalkar et al., 2013). Meanwhile, Fatima and Samreen (2015) revealed that advertising frequency, message appeal, and media selection significantly affect cosmetic purchase decisions in Karachi, suggesting effectiveness relies on the integration of multiple components (Fatima & Samreen, 2015). Furthermore, Ahmed and Rahman (2015) underscored the crucial role of promotional activities, including advertising, in shaping consumer satisfaction from an Islamic perspective, pointing to the need for culturally appropriate strategies (Ahmed & Rahman, 2015).

Despite these contributions, existing research exhibits several limitations. Most studies examine advertising elements in isolation rather than investigating their integrated effects within a comprehensive model. Furthermore, limited attention has been given to the Indonesian ready-to-drink beverage market, particularly regarding how advertising effectiveness mediates the relationship between advertising inputs—celebrity endorsers, messages, media—and brand awareness outcomes. Additionally, previous research has predominantly focused on developed markets, with insufficient empirical evidence from emerging economies where media consumption patterns and celebrity influence may differ substantially.

This study offers novelty by integrating three critical advertising elements—celebrity endorsers, advertising messages, and advertising media—within a unified structural model to examine their simultaneous effects on advertising effectiveness and brand awareness. This integrated approach provides a more comprehensive understanding of how these components work in combination. Second, it focuses specifically on the under-researched Indonesian ready-to-drink tea market. Third, by examining Ultra Teh Kotak, a pioneer brand facing declining awareness despite substantial advertising investment, it investigates the paradox of high expenditure with declining effectiveness, offering important practical implications for competitive brand management.

Based on this, the study aims to examine the effects of celebrity endorsers, advertising messages, and advertising media selection on advertising effectiveness and to assess the effect of that effectiveness on the brand awareness of Ultra Teh Kotak. The research is expected to provide theoretical benefits by contributing to advertising effectiveness theory in an emerging market and demonstrating the mediating role of advertising effectiveness. Practically, it offers actionable insights for marketing managers regarding resource allocation, celebrity selection, message design, and media planning, guiding brands like Ultra Teh Kotak in developing more effective strategies to maximize brand awareness amid intense competition.

RESEARCH METHOD

This study adopts a quantitative approach using a survey method. The research was conducted in Jakarta, Indonesia, between March and May 2018, focusing on consumers who had been exposed to Ultra Teh Kotak television advertisements and had consumed the product at least once in the past three months.

The population of this study comprises all consumers in Jakarta who have been exposed to Ultra Teh Kotak advertising and have consumed the product. Given the large and undetermined population size, a sampling approach was employed to obtain representative data. The research sample consists of 200 respondents, which complies with the requirements of Structural Equation Modeling (SEM), namely a minimum of five to ten observations for each indicator (40 indicators × 5 = 200) (Sugiyono, 2014; Ghozali, 2016).

A purposive sampling technique was employed in this study, with the following criteria: (1) respondents must be at least 18 years old, (2) have watched Ultra Teh Kotak television advertisements within the past three months, (3) have consumed Ultra Teh Kotak products at least

once, and (4) reside in Jakarta. This technique was selected to ensure that respondents possess relevant knowledge and experience with both the advertising and the product.

Data were collected using a structured questionnaire consisting of five main sections measuring celebrity endorser effectiveness, advertising message quality, advertising media appropriateness, advertising effectiveness, and brand awareness. All variables were measured using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The celebrity endorser variable was measured using 10 indicators adapted from Shimp (2014) covering expertise, trustworthiness, and attractiveness dimensions. The advertising message variable consisted of 8 indicators based on the AIDDA model (Morissan, 2014). Advertising media was assessed through 7 indicators examining reach, frequency, and relevance (Kotler & Armstrong, 2016). Advertising effectiveness was measured using 8 indicators focusing on attention, comprehension, and recall (Shimp, 2014), while brand awareness was evaluated through 7 indicators covering recognition, recall, and top-of-mind awareness (Kotler & Keller, 2016).

Data collection was conducted through direct distribution of questionnaires to respondents at shopping centers, supermarkets, and minimarkets in Jakarta where Ultra Teh Kotak products are sold. Respondents were first screened using the purposive sampling criteria before being invited to complete the questionnaire. The questionnaire completion process was supervised by trained research assistants to ensure data quality and completeness. Out of 220 questionnaires distributed, 200 were returned complete and valid, yielding a response rate of 90.9%.

Data analysis was performed in several stages. First, descriptive statistical analysis was conducted to summarize respondent characteristics and variable distributions. Second, validity testing was performed using Pearson correlation to assess whether each indicator adequately measures its intended construct, with a minimum correlation coefficient of 0.312 ($p < 0.05$) as the acceptance criterion. Third, reliability testing using Cronbach's Alpha was conducted to evaluate internal consistency, with a minimum threshold of 0.60. Fourth, Structural Equation Modeling (SEM) analysis using Maximum Likelihood Estimation (MLE) was employed to test the hypothesized relationships among variables. Model fit was assessed using multiple indices including Chi-square, CMIN/DF, RMSEA, GFI, AGFI, CFI, and TLI. Finally, hypothesis testing was conducted by examining path coefficients, critical ratios (CR), and p-values, with CR > 1.96 and $p < 0.05$ as criteria for significance. All statistical analyses were performed using IBM SPSS 23 and AMOS 23 software.

The results of the validity test indicate that all measurement items for each variable exhibit calculated correlation coefficients (r-count) exceeding the critical r-value of 0.312 at a significance level of $p = 0.000$. This finding suggests that each indicator is capable of accurately measuring the intended construct. Consequently, all questionnaire items are considered valid and appropriate for further analysis.

Reliability testing was subsequently conducted to assess the internal consistency of the research instruments. The results reveal that the Cronbach's Alpha values for the endorser variable are 0.760, advertising message 0.746, advertising media 0.683, advertising effectiveness 0.664, and brand awareness 0.630. All Cronbach's Alpha values exceed the minimum acceptable

threshold of 0.60, indicating that each instrument demonstrates an adequate level of reliability. Therefore, the questionnaire used in this study can be regarded as reliable, as it is capable of producing consistent measurement results under different conditions and time periods (Ghozali, 2016).

Structural Equation Modeling (SEM) analysis was performed using the Maximum Likelihood Estimation (MLE) method. The normality test results show that the multivariate critical ratio (CR) value is -1.466, which falls within the acceptable range of ±2.58. This indicates that the data are normally distributed and meet the assumptions required for SEM analysis.

RESULTS AND DISCUSSION
Descriptive Statistics
Table 1 presents the descriptive statistics for all variables examined in this study.

Table 1. Descriptive Statistics Summary

Variable	Mean	Std. Deviation	Min	Max
Celebrity Endorser	3.78	0.64	2.10	5.00
Advertising Message	3.85	0.58	2.38	5.00
Advertising Media	3.72	0.61	2.14	4.86
Advertising Effectiveness	3.91	0.56	2.50	5.00
Brand Awareness	3.68	0.67	1.86	5.00

The descriptive statistics indicate that all variables exhibit mean values above the midpoint (3.0), suggesting generally positive perceptions among respondents. Advertising effectiveness received the highest mean score (M = 3.91, SD = 0.56), indicating that Ultra Teh Kotak's advertising campaigns are perceived as relatively effective by consumers. Brand awareness, however, shows the lowest mean (M = 3.68, SD = 0.67) with the highest standard deviation, suggesting greater variability in consumer awareness levels and confirming the challenge faced by the brand in maintaining consistent top-of-mind presence.

Model Fit Evaluation
The results of the model evaluation indicate that the proposed research model satisfies the required goodness-of-fit criteria. This is reflected in a chi-square value of 297.203 with a probability level of 0.001, which, although sensitive to sample size, remains acceptable when supported by other fit indices. The CMIN/DF value of 2.133 falls within the acceptable threshold, indicating an adequate level of model fit. Furthermore, the RMSEA value of 0.041 suggests a low approximation error and demonstrates a close correspondence between the model and the empirical data. The GFI value of 0.888 and the AGFI value of 0.861 indicate an acceptable degree of fit, while the CFI value of 0.985 and the TLI value of 0.983 reflect a very strong level of incremental fit. Overall, these results confirm that the structural model is suitable for testing the causal relationships among the variables examined in this study.

Hypothesis testing reveals that the use of celebrity endorsers has a positive and significant effect on advertising effectiveness, indicating that the credibility, attractiveness, and perceived

trustworthiness associated with public figures enhance consumers' acceptance and processing of advertising messages (Bergkvist & Zhou, 2016). In addition, advertising messages are found to have a positive and significant influence on advertising effectiveness, emphasizing that message clarity, relevance, and persuasive strength play a critical role in shaping audience understanding and responses to advertising (Belch & Belch, 2018). Advertising media also demonstrate a positive and significant effect on advertising effectiveness, suggesting that appropriate media selection aligned with target audience characteristics is essential to ensure optimal message delivery. Furthermore, advertising effectiveness is shown to have a positive and significant impact on brand awareness, indicating that effective advertising enhances consumers' ability to recognize, recall, and differentiate a brand amid increasingly intense market competition.

Empirically, these findings underscore that although Ultra Teh Kotak allocates a relatively substantial advertising budget, amounting to IDR 114.5 billion, advertising effectiveness is not determined solely by the magnitude of financial investment. Rather, it is strongly influenced by the quality of message execution, the accuracy of media selection, and the credibility of the endorsers employed. Consequently, advertising strategies that prioritize the optimization of content and the strategic use of appropriate communication channels are more likely to generate significant improvements in advertising effectiveness and brand awareness than merely increasing advertising expenditure without comprehensive strategic planning. This conclusion is consistent with the perspectives advanced by Shimp (2014) as well as Kotler and Keller (2016).

CONCLUSION

This study concludes that advertising effectiveness acts as a pivotal mediator in boosting consumer brand awareness by capturing attention, delivering clear messages, and fostering brand memory, effectively bridging marketing communications with cognitive brand formation. Optimal integration of suitable celebrity endorsers, compelling and persuasive advertising messages, and media aligned with target audiences significantly amplifies this effectiveness, enhancing ad credibility, reception, comprehension, and recall to solidify brand positioning in competitive markets. For future research, scholars could longitudinally track these dynamics in digital advertising ecosystems, such as social media platforms in emerging markets like Indonesia, to assess sustained effects amid evolving consumer behaviors and AI-driven personalization.

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