Review

Credibility source effect and framing of message on the intuition of consumer risk with consumer product knowledge as a moderating variable

ABDULLAH Abyasa

Bina Bangsa School

Abstract

The purpose of this study is to review the literature in the influence of source credibility and message framing on consumer risk perceptions. Marketers need to consider the importance of the sender/source/endorser used in advertising. Sender/source/endorser will convey information, persuade or remind consumers about a product or service. The researchers developed the influence of message framing and source credibility on consumer risk perceptions. Considering that advertising is very instrumental in the decision making of consumers to choose a university and also the importance of promotion to be undertaken by private universities in particular, the researchers are interested in conducting a research related to advertising by universities. This study attempts to examine differences in perceived risk of consumers in advertising by using high and low source credibility and positive and negative message framing. Some research in the related field of study has been reviewed; and some hypotheses have been developed for further study.

Keywords: Source credibility, message framing, consumer risk perceptions, advertising, promotion.

INTRODUCTION

At this time the world of university competition is very tight. It shows a phenomenon with continues decline in number of applicants or prospective students. The number of applicants and the number of students accepted at private universities from year to year tend to decrease. A similar trend was also experienced by state universities. But the difference, although the number of applicants decreases, the number of new students who are received by state universities continues to grow. Currently 30-40 percent of 2679 private universities in Indonesia have been threatened to close. Besides the growing numbers of private universities are not controlled, another cause of tight competition for by state universities now tends to increase enrollment significantly (Kompas, 2006). When viewed from the number of universities in Central Java and Yogyakarta Special Province, the competition among the existing universities, especially private universities so tight. Rampant

advertising campaigns by universities to influence consumers can be seen in the areas.

National accreditation is one factor to consider in choosing a university by consumers. National Accreditation Board of the Ministry of Education and Culture targets that all study program in universities in Indonesia can be accredited in 2012. According to Director General of Higher Education (Jawa Pos, 2010) quoted that if it does not meet the requirements, then the study program in universities may not issue a diploma. This is in accordance with Act 19/2005 on National Education Standards which requires all study program in universities must obtain accreditation status. Number of study program in Indonesia at this time 15,000 in which 50 percent can't obtain national accreditation (Jawa Pos, 2010).

Like a company, many universities have a special marketing team. Various kinds of promotional activities have been carried out by both private and by state universities. One such tool is the advertising campaign. Advertising is any paid form of non personal presentation and promotion of ideas, goods or services by an

identified sponsor (Kotler and Keller, 2012: 500). Thus, the advertising functions are to inform, persuade, remind or reinforce. In order to achieve these objectives, an advertisement must be packaged well to get consumer's responses as expected. Kotler and Keller (2012: 501) says there are eight kinds of marketing communication mix, *i.e.*: advertising, sales promotion, events and experiences, public relations and publicity, direct marketing, interactive marketing, word-of-mouth marketing, as well as private sales.

Marketing communications are defined as the means done by a company to inform, persuade, and remind consumers either directly or indirectly about the products and brands the company sells (Kotler and Keller, 2012: 498). Marketers need to consider the importance of the sender/ source/endorser used in advertising. Sender/source/endorser will convey information, persuade or remind consumers about a product or service. The decision of consumers to choose higher education institutions requires high involvement. Usually a customer will collect information about a university that will be chosen. In terms of advertising, an endorser as a source that provides information with his/her endorsements holds a very important role those university managers should be able to select. Consumer decision in choosing a university will be dealing with a variety of risks such as financial risk, performance risk, social risk and psychological risk. The higher the price of products and products with higher consumer involvement, the higher the consumer's perceived risks. Mc-Guire (1969) and Mills (1969) as quoted by Friedman and Friedman (1979) mention some of the attributes of sources are convinced that cause change in attitude are trustworthiness, expertise, similarity, attractiveness, and likableness. Use of endorser in advertising with his/her endorsements expected to reduce consumer risk perceptions.

Soliha and Zulfa (2009) showed there were differences in consumer risk perceptions on advertising by using celebrity endorser and expert endorser. Consumers perceive lower risk in a advertisement using expert endorser compared to that using celebrity endorser. This shows that the existence of the use of expert endorser is more effective than a celebrity endorser in advertising. Advertising with an expert endorser give confidence to consumers on the quality of higher education so as to reduce the consumer's perceived risks. This finding is in accordance with the results of previous studies by Biswas *et al.* (2006) indicating that there are differences in perceptions of lower risk with expert endorser in advertising rather than celebrity endorser.

Woodside and Singer (1994) in Buda and Zhang (2000) examined other variables that may moderate the message framing. Smith (1996) in Buda and Zhang (2000) found that educated consumers are more influenced by negatively framed advertising and positively framed advertising has a more favorable impact than negatively framed advertising on purchase-decision judgments for transformational products (products that bring enjoyable and beneficial experiences to the user). The influence of price on consumer's perceptions of performance risk is greater when the message is framed negatively and the effect of price on consumer's perceptions of financial risk is greater when the message is framed positively (Grewal *et al.*, 1994).

In a study using positive message framing did not find significant influence of price in perceived performance risk. Meanwhile, in the research using a negative message framing, the results suggest that there is a negative relationship between price's product and perceived performance risk associated with the purchase of products (Grewal *et al.*, 1994). A research by Grewal *et al.* (1994) showed the influence of message framing on perceived performance risk, so the researchers developed the influence of message framing on consumer risk perceptions.

Seeing that the ad was very instrumental in the decision making of consumers to choose a university and also see the importance of promotion to be undertaken by private universities in particular, the researchers are interested in conducting a research in advertising by universities. This study attempted to examine differences in perceived risk perceptions of consumers in advertising by using high and low source credibility and positive and negative message framing. The purpose of writing this article is to review of literature in the influence of source credibility and message framing on consumer risk perceptions.

Literature review in the effect of source credibility and message framing on consumer risk perceptions

Advertising

Advertising is any paid form of non personal presentation and promotion of ideas, goods or services by an identified sponsor (Kotler and Keller, 2009: 512). Thus, the advertising is meant to inform, persuade, remind or reinforce audience to do something. In order to achieve these objectives, the advertising must be packaged well for the consumer to respond as expected by the advertiser. Advertising is an important thing to be done by a company. The important thing is how to advertise a product or service in an interesting and unique way. A unique advertisement with different message would attract consumers and make it easy for them to catch the message about the advertised product/ service or brand.

Advertising is a direct communication from producers to consumers. Effective communication involves: (1) sender, (2) encoding, (3) message, (4) media, (5) decoding, (6) receiver, (7) response, (8) feedback, and (9) noise (Kotler and Keller, 2012: 502). The sender is centralto identifyinggoals anddeveloping

communication objectives. Encoding is the process of translation of information or communication goals into a message that will be delivered to the recipient of the message. Messages are messages to be delivered. Media involves the selection of media that will be used to convey messages. Decoding is the process of understanding or the process of translation back messages received through the media to the destination of communication and stored in the memory of the receiver. The receiver is a receiver who the message. Response is the response from the receiver. Feed back is the evaluation of the effectiveness of communication.

Advertising Response Model Approach

The purpose of advertising can be divided into three functions namely cognitive, affective, and conative (Lavidge and Steiner, 1961 as quoted by Enis *et al.*, 1995). The proposed model is a hierarchical model of the influence of advertising which consists of three main parts as seen in Figure 1.

A cognitive function of advertising provides information and facts with the aim of making consumers aware and has knowledge about a brand being advertised. The function of affective advertising creates a more favorable attitude. Therefore, the function of affective advertising is intended to persuade consumers. Conative advertising is used to stimulate the desire and create a strong argument to buy the advertised product.

Consumer Risk Perceptions

The concept of risk perceptions associated with some risk of buying a product or service (Cox and Rich, 1964; Dowling and Staelin, 1994). Therefore, the higher the price of products and products with higher consumer involvement, the higher the consumer's perceived risks. Jacoby and Kaplan (1972) in Friedman and Friedman (1979) say there are five types of perceived risk: financial risk, performance risk, physical risk, psychological risk and social risk. Performance risk is a risk associated with uncertainty about product performance which is not as expected. Financial risk is a risk associated with all costs and expenses to obtain a product and uncertainty about the product. Financial risk is assessed with a sum of money (Grewal *et al.*, 1994).

Social risk is the possible use of the product which will affect the way people think about her. Psychological risk is likely the product not in accordance with consumers' self-image. Physical risk is likely the product which will be harmful to the user (Jacoby and Kaplan, 1972 as quoted by Friedman and Friedman, 1979).

The Relationship between Source Credibility and Consumer Risk Perceptions

This research is based on two theories: the theory of source credibility and source attractiveness theory (Horai and Fatoullah, 1974 as quoted by Biswas *et al.*, 2006). Source Model Theory (SMT) is a combination of these two theories. In accordance with the SMT, effective endorsements are usually due to a source's credibility and attractiveness (Sternthal and Craig, 1973 as quoted by Biswas *et al.*, 2006).

The credibility of the source consists of three dimensions: expertise, trustworthiness, and physical attractiveness (Ohanian, 1990). Source attractiveness is seen as three interrelated aspects of familiarity, similarity, and liking (McGuire, 1969 as quoted by Biswas *et al.*, 2006). Familiarity is defined as knowledge of a particular endorser because it is often displayed. Similarity is similar perceptions by the message sender and the recipient. Likability is feeling like the endorser because of physical attraction, behavior, or belief. Credibility theory (Hovland and Weiss, 1955 as quoted by Mittelstaedt *et al.*, 2000) states that the sender of the message is "credible" if he or she is an expert, or someone who can

be trusted. A celebtity endorser can be defined as any individual publicly known and use the factors as a part of a product in advertising (McCracken, 1989, p.310 as quoted by Biswas *et al.*, 2006). Friedman and Friedman (1979) mention the definition of celebrity endorser as an individual known to the public (actors, athletes, entertainers, and others) for his achievements in the field. Celebrity endorser in general is attractive or likable (Friedman and Friedman, 1979).

The influence of celebrity endorsements described using Associative Learning Theory (ALT). Associative Learning is based on the concept of memory as a network which comprises a variety of concepts associated with associative links (Collins and Loftus, 1975 as quoted by Biswas *et al.*, 2006). Associative Learning Theory is a working framework that is used to understand the match-up effects (Till and Busler, 2000). Source Model Theory (SMT) and Associative Learning Theory (ALT) are estimated to affect the celebrity endorser.

An expert is defined as a source with the valid assertions. Friedman and Friedman (1979) mention the definition of an expert endorser is an individual or group who has a deep knowledge of the advertising of products. Expert endorsements are effective because of the nature of communication produced an expert endorser be approved rather than the nature of communication more in common with the non-expert (Tedeschi, 1972 as quoted by Biswas *et al.*, 2006). An expert endorser must
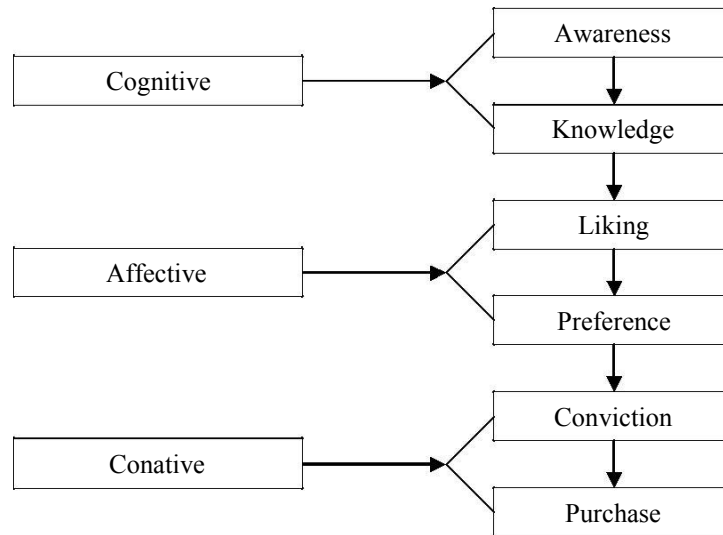
Figure 1.Hierarchy of Effects Model by Lavidge and Steiner

have a particular expertise (Friedman and Friedman, 1979).

A communication process with celebrity and expert endorsements can influence consumer attitudes, while beliefs change may be different (Freiden, 1984 as quoted by Biswas *et al.*, 2006). According to Kelman (1961) as quoted by Biswas *et al.* (2006) when the source model of communication is a celebrity, consumer attitude changes occur through the process of identification. Identification occurs when individuals try to prove the identity associated with a celebrity endorser. When the endorser is an expert however the effect occurs through a process of internalization. Internalization occurs when individuals accept the influence of the congruent to the value or belief system. Individuals will be affected by an expert endorser when opinions/views appears useful as a solution to existing problems. Effectively, an expert endorser may have more influence than the celebrity endorser. Soliha and Zulfa (2009) showed there were differences in risk perceptions of consumers in advertising by using celebrity endorser and expert endorser. Consumers perceive lower risk in an advertisement using expert endorser compared to that using celebrity endorser This shows that the existence of the use of expert endorser is more effective than a celebrity endorser in advertising. The advertising with expert endorser convince consumers about the quality of the advertised university and thus lower perceived risk. Consumer risk perceptions in a research by Soliha and Zulfa (2009) includes the perceptions of performance risk, financial risk, social risk, and psychological risk (see Figure 3). This finding is in accordance with the results of previous studies by Biswas *et al.* (2006) which indicates that there are differences in perceptions of lower risk with expert endorser in advertising rather than celebrity

endorser. Consumer risk perceptions in a study by Biswas *et al.* (2006) include the perceptions of performance risk and financial risk (see Figure 2).

When source credibility is low, attribution theory suggests that consumers will ignore the arguments in the message (Eagly and Chaiken, 1975 in Grewal *et al.*, 1994). By contrast, consumers are more likely to accept arguments in a message when the source credibility is high (Mizerski *et al.*, 1979 in Grewal *et al.*, 1994).

Based on the description and picture above the researchers develop the first hypothesis as follows: H1: There are differences in risk perceptions of consumers in the advertising using high and low source credibility.

The Relationship between Message Framing and Consumer Risk Perceptions

Smith (1996) in Buda and Zhang (2000) found that educated consumers are more influenced by negatively framed advertising while positively framed advertising has a more favorable impact than negatively framed advertising in purchase-decision judgments for transformational products (products that brings enjoyable and beneficial experiences to the user). The influence of price on consumer perceptions of performance risk is greater when the message is framed negatively and the effect of price on consumer perceptions of financial risk is greater when the message is framed positively (Grewal *et al.*, 1994).

When people expect a negative message framing, the message will be received more carefully because the positive message framing will conflict with the expectations of the individual. Expecting message
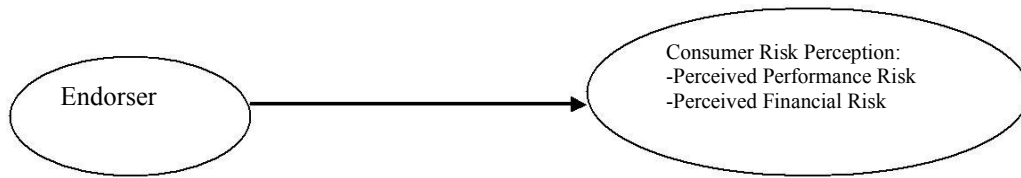
.

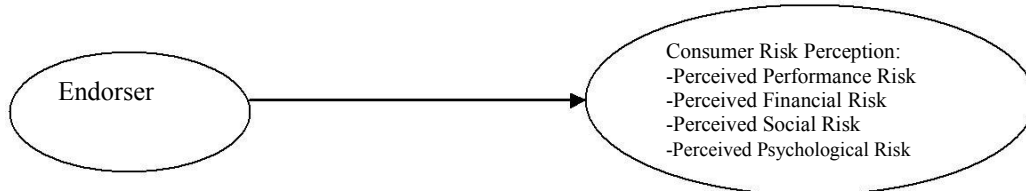
Figure 2.Research Model by Biswas *et al.* (2006)

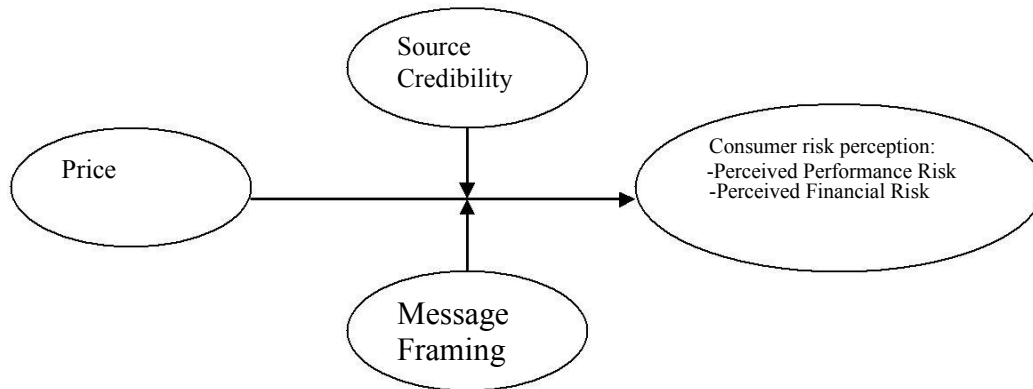**Figure 3**. Research Model by Soliha and Zulfa (2009)

Figure 4. Research Model by Grewal *et al.* (1994)

framing in advertiising is generally positive but it will be negative in a known certain case like health advertising.

The positive message framing is defined as a message that emphasizes the benefits of the brand communication or potential benefit of consumers in a given situation. While the negative framing is defined as messages that indicate communication brand disadvantage or potentially harm consumers in a situation (Grewal *et al.*, 1994). A research using positive message framing did not find a significant influence of price on the performance risk. Meanwhile, in the research using a negative message framing, the results suggest that there is a negative relationship between product price and performance risk associated with the purchase of products (Grewal *et al.*, 1994). The relatuionship of those variables can be seen in Figure 4.

Based on the research by Buda and Zhang (2000) there are significant differences in the message framing; the subjects who received positive messages framing

have stronger product attitudes than the subjects who received negative messages framing.

Based on the previous elaboration and Figure 4, the researchers develop the second hypothesis as follows: H2: There are differences in the perceived consumer risk in advertising between using the positive message framing and negative message framing.

Consumer Knowledge

Consumer knowledge consists of two components: familiarity and expertise (Jacoby, 1986 as quoted by Biswas *et al.*, 2006). Familiarity is defined as the number of products related to consumer experience accumulates; and expertise can be defined as the ability of product performance associated with job success. The relationship established between a product and experience at many levels include open advertising,

information search, interactions with salespersons, choice and decision-making, purchase and use of products in a variety of situations. Similarly, consumer expertise include cognitive structure (such as confidence in the product attribute) and cognitive process (the decision to act according to his conviction) necessary to link performance with the success of its products (Alba and Hutchinson, 1987). Consumer knowledge is associated with the ins and outs of a particular product.

In a product introduction to consumers to be familiar, it may result to provide the consumers an efficient process of the information. Increasing level of consumer knowledge indicates a tendency to learn in detail of the message, especially for products with high technology (Roehm and Sternthal, 2001 as quoted by Biswas *et al.*, 2006).

Based on the internalization process it is proposed that consumers who have a high level of knowledge about a product or service will have higher confidence when it delivers expertise information about products rather than celebrity. Consumers with a high level of knowledge have a knowledge base that helps to provide information linking them to use their knowledge for decision-making (Cowley and Mitchell, 2003; Roehm and Sternthal, 2001 as quoted by Biswas *et al.*, 2006). In the other hand, consumers with low knowledge level have greater trust in the use of peripheral cues as diagnostic cues to analyze the risks associated with the purchase of the product (Rao and Monroe, 1988 as quoted by Biswas *et al.*, 2006). Consumers with low knowledge level have a lower confidence level of the product than consumers with high knowledge level. Therefore, the level of the higher education of consumers will affect the firm conviction of some type of endorser.

Biswas *et al.* (2006) showed some differences in the perceptions of lower risk with expert endorser in advertising rather than celebrity endorser who is strengthened by the knowledge level of consumers. Furthermore Biswas *et al.* (2006) found that consumer risk perceptions comprise perceived financial risk and perceived performance risk. Consumer product knowledge is positioned as a moderating variable (see Figure 5).

Based on the Biswal *et al.*'s study, the researchers formulate the third hypothesis as follows: H3: There are differences in consumer risk perceptions in advertising using high and low credibility sources which are increasingly strengthened by consumer product knowledge.

A research using positive message framing did not find significant influence on the risk of price performance. Meanwhile, in the research using a negative message framing, the results suggested that there was a negative relationship between product price and performance risk perceptions associated with the purchase of products (Grewal *et al.*, 1994).

The higher level of education of consumers is expected to strongly affect belief of the form of message framing. Woodside and Singer (1994) in Buda and Zhang (2000) examined other variables that may moderate the message framing. Smith (1996) in Buda and Zhang (2000) found that educated consumers were more influenced by negatively framed advertising and positively framed advertising has a more favorable impact than negatively framed advertising on purchase-decision judgments for transformational products (products that bring enjoyable and beneficial experiences to the user). The research model by Buda and Zhang can be seen in Figure 6.

Based on the previous research it can be developed a model as seen in Figure 7. In the model consumer risk perception is influenced by message framing which is moderated by consumer knowledge. The researchers develop the fourth hypothesis as follows.

H4: There are differences in consumer risk perceptions in advertising by using positive and negative message framing which are increasingly strengthened by a consumer product knowledge.

The results of research by Biswas *et al.* (2006) showed differences in perceptions of lower risk with expert endorser in advertising rather than celebrity endorser which is strengthened by the level of consumer knowledge; also the results of a study by Smith (1996) in Buda and Zhang (2000) found that the higher the education level of the consumer, the stronger the influence of negative message framing. Grewal *et al.* (1994) showed that the positive message framing did not affect significantly the price on performance risk. Meanwhile, in the research using a negative message framing, the results suggest that there is a negative relationship between product price and performance risk perceptions associated with the purchase of the product.

Previous Studies

Various research on message framing, source credibility and consumer risk perceptions have been discussed in the previous section. Some important point of those research especially variables examined, research methods and analysis tools can be identified and summarized in Table 1.

In this study, the researchers use a research model based on the framework of research the influence of source credibility and message framing on consumer risk perceptions, developed from the previous research by Soliha and Zulfa (2009), Soliha (2007), Biswas *et al.* (2006), Buda and Zhang (2000), Zhang and Buda (1999), Grewal *et al.* (1994), Shimp and Bearden (1982). All these previous studies used experiments as the research design. The researchers have identified some gaps related to advertising campaigns by universities, *i.e.*: the unclear influence of message framing on consumers' perceived risk and the influence of consumer product
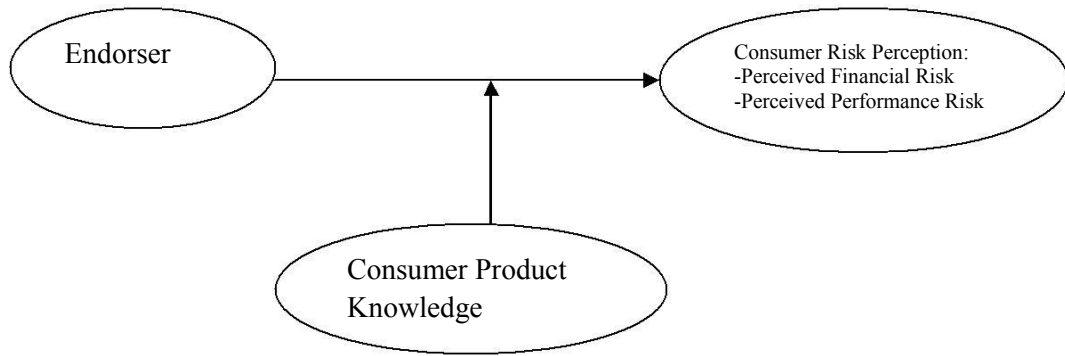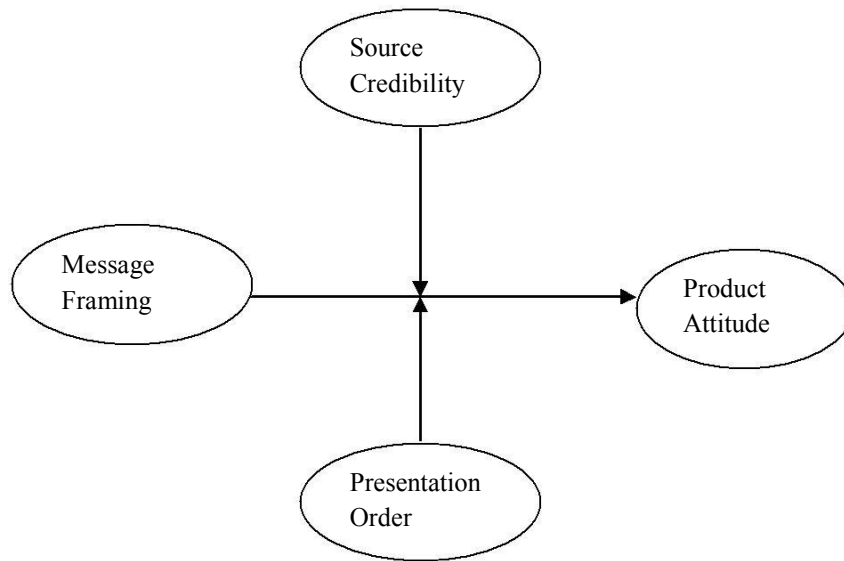
Figure 5. Research Model by Biswas *et al.* (2006)

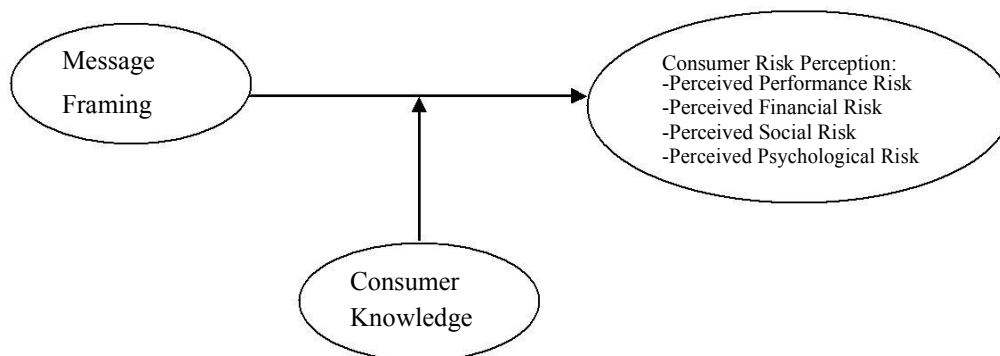**Figure 6.** Research Model by Buda and Zhang (2000)

Figure 7.Research Model Developed from Grewal *et al.* (1994), Buda and Zhang (2000), and Biswas *et al.* (2006)

Table 1. Previous Research Studies

| No	Research	Variable Studied	Research Methods and Analysis Tool
1.	Shimp and Bearden (1982)	Warranty Quality, Price, Warrantor Reputation, Financial Risk, Performance Risk, Innovative Product	Experiment; ANCOVA and MANOVA
2.	Grewal *et al.* (1994)	Messages Framing, Source Credibility, Price-Perceived Risk	Experiment; MANOVA and ANOVA
3.	Zhang and Buda (1999)	Need for Cognition, Source Credibility, Messages Framing	Experiment; MANOVA and ANOVA
4.	Buda and Zhang (2000)	Message Presentation Order, Source Credibility, Message Framing, Product Attitude	Experiment and ANOVA
5.	Biswas *et al.* (2006)	Tipe Endorser, Perceived Performance Risk, Perceived Financial Risk, Consumer Product Knowledge	Experiment and ANOVA
6.	Soliha (2007)	Tipe Endorser, Perceived Performance Risk. Perceived Financial Risk, Perceived Social Risk, Perceived Psychological Risk, Consumer Product Knowledge	Experiment and ANOVA
7.	Soliha and Zulfa (2009)	Tipe Endorser, Perceived Performance Risk. Perceived Financial Risk, Perceived Social Risk, Perceived Psychological Risk, Consumer Product Knowledge	Experiment and ANOVA
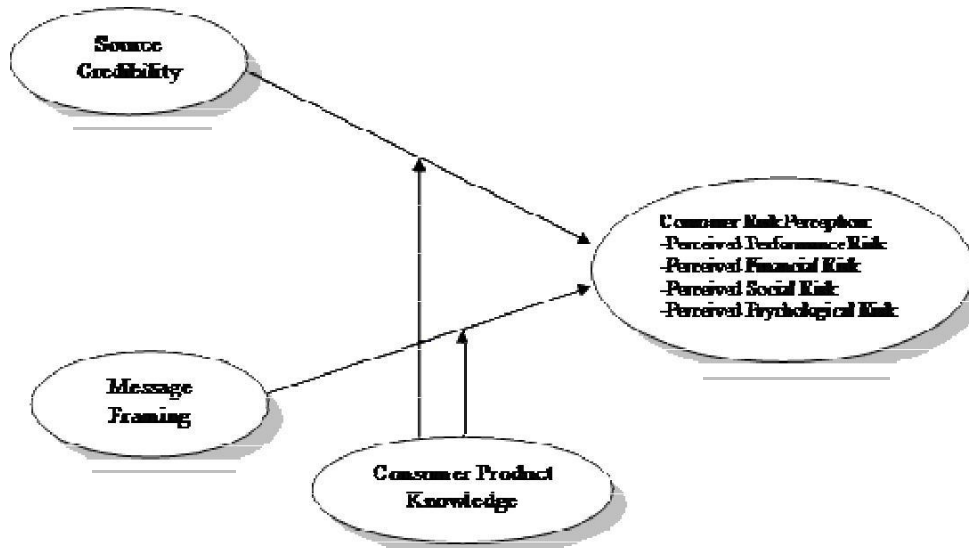
Figure 8.Research Model, Source: Based on Grewal *et al.* (1994), Buda and Zhang (2000), Biswas *et al.* (2006), and Soliha and Zulfa (2009).

knowledge as the moderator on the relationship between source credibility and message framing in one side and consumer perceived risk in the other side. The researchers chose chose a study of university advertising because of the high involvement consumer decision in choosing a university. Usually a customer will seek information about some universities before making purchase decision. Consumer decision in choosing a university will also be associated with a variety of risks such as financial risk, performance risk, social risk and psychological risk. Products with a higher price combined with higher consumer involvement can impact on the higher perceived risk of the consumer.

Research Model Development

A research model used by the researchers can be seen

in Figure 8. The model shows that consumer perception is positioned as a dependent variable. Consumer risk perception includes perceived performance risk, perceived financial risk, perceived social risk, and perceived psychological risk. Meanwhile, as the independent variable the source credibility is manipulated into high and low. Another independent variable is message framing. This variable is also manipulated into positive and negative. Consumer product knowledge is positioned as the moderating variable. This variable is measured in high and low levels the level of product knowledge. The model proposed by the researchers has a difference from that in the previous studies. In this study, consumer risk perception includes perceived performance risk, perceived financial risk, perceived social risk, and perceived psychological risk. In the previous studies, risk perception includes only perceived financial risk and perceived performance risk. Based on the research model in Figure 8 it can be developed the fifth hypoyhesis:

H5: There is an influence of the source credibility and message framing on consumer risk perception which is increasingly strengthened by consumer product knowledge.

DISCUSSION

As mentioned in the previous section marketing communications are defined as the means done by a company to inform, persuade, and remind consumers either directly or indirectly about the products and brands they sell (Kotler and Keller, 2012: 498). To communicate effectively, marketers need to understand the nine fundamental elements of communication, *i.e.*: (1) sender, (2) encoding, (3) message, (4) media, (5) decoding, (6) receiver , (7) response, (8) feedback, and (9) noise (Kotler and Keller, 2012: 502). There two main parties in communication called sender and receiver. Two main communication tools are the message and the media. The four main communication functions are encoding, decoding, response, and feedback. The last element in a communication system is noise. One mode of communication is advertising. Marketers need to consider the importance of an endorser as a sender used in advertising. The endorser will convey information, persuade or remind consumers about a product or service.

The decision made by consumers to choose higher education institutions requires high involvement. Usually a customer will collect information about a university that will be chosen. In terms of advertising, an endorser as a source of message provides information about the products. The endorser plays a very important role that university managers should be able to select. If an endorser has low credibility, attribution theory suggests that consumers will ignore the arguments in the message

(Eagly and Chaiken, 1975 in Grewal *et al.*, 1994). By contrast, consumers are more likely to accept arguments in a message when the indorser's credibility is high (Mizerski *et al.*, 1979 in Grewal *et a.l*, 1994).

Consumer decision in choosing a university will be dealing with a variety of risks such as financial risk, performance risk, social risk and psychological risk. The higher the price of product and the higher the consumer involved in a product purchase, the higher the risk perceptions of the consumers.

The iinfluence of message framing can be understood from the perspective offered by researchers in the process of information. The existing lliterature focuses on the cognitive processes of information where consumers bring together various types of information. In marketing and advertising we often face difficult situations where a message is disclosed in positive terms or negative terms (for example, 85 percent level of satisfaction or dissatisfaction level of 15 percent). Research also indicates that the message does not have the same effect on all conditions and can be moderated by other factors.

Another theory called Elaboration Likelihood Model (ELM) suggests that some variables can influence persuasion in a number of ways. They can be as peripheral cues, persuasive argument or to influence or direct the message to expand elaboration (Petty and Cacioppo, 1986 in Buda and Zhang, 2000). ELM model shows the way how consumers process information under conditions of high involvement and low involvement. This model gives a continuum ranging from a detailed information processing (central) to the information processing that is additional/complementary or peripherals. Things that are detailed in terms of Petty and Cacioppo are the elaboration and the things that are extra/not a principal referred to as non-elaboration. Consumers who have high involvement of a product purchase will focus on the essencial and detail information processing of advertising. While consumers who have low involvement would give more attention to information of advertising on the elements that are not the core of the advertising.

Positive message framing is defined as a positive message that emphasizes the benefits of the brand communication or potential benefit of consumers in a given situation. While the framing is defined as negative messages that indicate to communicate brand disadvantage or potentially harm consumers in a situation (Grewal *et a.l*, 1994). In a study using positive message framing did not find significant influence of price on perceived performance risk. Meanwhile, in the research using negative message framing, the results suggest that there is a negative relationship between product price and perceived performance risk associated with the purchase of the product (Grewal *et al.*, 1994). Based on the research by Grewal *et al.* (1994) there was an influence of message framing on perceived performance

risk, so the researchers developed the influence of message framing on consumer risk perceptions.

Seeing that the ad was very instrumental in the decision making of consumers to choose a university and also see the importance of promotion to be undertaken by state universities in particular, the researchers are interested in conducting a research in university advertising. This study attempts to examine differences in perceived risk perceptions of consumers in advertising by using high and low source credibility and positive and negative message framing.

CONCLUSION

Marketers need to consider the importance of the endorser used in advertising. The endorser will convey information, persuade or remind consumers about a product or service. Soliha and Zulfa (2009) showed there were differences in consumer risk perceptions in advertising by using celebrity endorser and expert endorser. Consumers perceive lower risk in an advertisement using expert endorser compared to that using celebrity. This shows that the existence of the use of expert endorser is more effective than a celebrity endorser in advertising. The effect of message framing can be identified from the perspective offered by the researchers in the process of information. The previous research also indicates that the message does not have the same effect on all conditions and this can be moderated by other factors. Since advertising was very instrumental in consumer purchase decision related to choosing higher education institutions and also heavy promotional campaigns are usually undertaken by private universities in particular, the researchers are interested in conducting a research in advertising by universities. This study attempts to examine differences in perceived risk of consumers in advertising by using high and low source credibility and positive and negative message framing. To conduct this kind of research, an experiment would be more appropriate as the research design.

REFERENCE

Aaker DA, Kumar V, Day GS (2004). *Marketing Research*, 8th ed. New York: John Wiley and Sons, Inc.

Alba Joseph W, Hutchinson JW (1987). "Dimensions of Consumer Expertise," *J. Consumer Res.* 13(3):411-454.

Allyn and Bacon, Inc.

Assael H (2001). *Consumer Behavior and Marketing Action*, 7th ed.

Atkin Charles, Block M (1983). "Effectiveness of Celebrity Endorsers," *J. Advert. Res.*23 (February/March): pp.57-61.

Biswas Dipayan Biswas A, Das N (2006). "The Differential Effects of Celebrity and Expert Endorsements on Consumer Risk Perceptions," J. Advertising, 35:17-31.

Buda Richard, Zhang Y (2000). "Consumer Product Evaluation: The Interactive Effect of Message Framing, Presentation Order, and Source Credibility," *J. Product and Brand Manage.* 9 (4): 229-242.

Christensen B Larry (1988). *Experimental Methodology*, 4th ed. Boston:

Cox Donald F, Rich SJ (1964). "Perceived Risk and Consumer Decision Making," J.Market. Res.1(11):32-39.

Crask M, Fox RJ, RG Stout (1995). Marketing Research: Principles and Applications, Englewood Cliffs, NJ: Prentice-Hall.

Dharmmesta Basu S (1997). Segi-segi Penulisan Karya Ilmiah, Magister Manajemen, UGM, Yogyakarta.

Dowling Grahame R, Staelin R (1994). "A Model of Perceived Risk and Intended Risk-Handling Activity," J. Consumer Res. 21(6):119-134.

Friedman Hershey H, Friedman L (1979). "Endorser Effectiveness by Product Type," J. Advert. Res. 19 (10): 63-71.

Gioia Dennis A, Pitre E (1990). "Multiparadigm Perspectives on Theory Building," Acad.Manage.t Rev. 15 (4): 584-602.

Grewal Dhruv, Gotlieb J, Marmorstein H (1994). "The Moderating Effects of Message Framing and Source Credibility on the Price-Perceived Risk Relationship," J. Consumer Res. 21 (6): 145-153.

Hunt Shelby D (1991). "Positivism and Paradigm Dominance in Consumer Research: Toward Critical Pluralism and Rapprochement, J. Consumer Res. 18 (6): 32-44.

Jawa Pos (2010). January 5.

Kompas (2006). October 14.

Kotler P, Keller KL (2012). Marketing Management, 14th ed. Upper Saddle River, NJ: Pearson Education, Inc.

Lavidge Robert J, Steiner GA (Provide yeaar) "A Model for Predictive Measurements of Advertising Effectiveness" in B.M. Enis; K.K. Cox; and M.P. Mokwa, Marketing Classic: A Selection of Influential Articles, 8th ed. London, Allyn and Bacon, pp. 523-527.

Marsden David, Littler D (1996). "Evaluating Alternative Research Paradigms: A Market-Oriented Framework," J. Market. Manage.12: 645-655.

Mittelstaedt John D, Riesz PC, Burns WJ (2000). "Why are Endorsements Effective? Sorting Among Theories of Product and Endorser Effects," J. Current Issues and Res. Advert. 22:1.

Neuman W Lawrence (2003). Social Research Methods: Qualitative and Quantitative Approaches, 5th ed. London: Allyn and Bacon.

Ohanian Roobina (1990). "Construction and Validation of a Scale to Measure Celebrity Endorsers' Perceived Expertise, Trustworthiness, and Attractiveness," J. Advert.19 (3): 39-52.

Park C Whan, Mothersbaugh DL, Feick L (1994). "Consumer Knowledge Assessment," J. Consumer Res. 21 (6): 71-82.

Shimp Terence A, Bearden WO (1982). "Warranty and Other Extrinsic Cue Effects on Consumers' Risk Perceptions," J. Consumer Res. 9 (6): 38-46.

Soliha Euis (2007). *Perbedaan Persepsi Risiko Konsumen antara Iklan dengan Menggunakan Celebrity Endorser dan Expert Endorser*, Unpublished Thesis of Master of Science in Management Program, Faculty of Economics and Business, Universitas Gadjah Mada, Yogyakarta.

Soliha Euis, Zulfa N (2009). "The Difference in Consumer Risk Perception between Celebrity Endorser and Expert Endorser in College Advertisements," J. Indonesian Econ. Bus.24 (1) 100-114.

Stone Robert N, Gronhaug K (1993). "Perceived Risk: Further Considerations for the Marketing Discipline," Euro. J. Market. 27 (3): 39-50.

Sutisna (2003). Perilaku Konsumen dan Komunikasi Pemasaran, PT Remaja Rosdakarya Offset, Bandung.

Till Brian D, Busler M (2000). "The Match-Up Hypothesis: Physical Attractiveness, Expertise, and the Role of Fit on Brand Attitude, Purchase Intent and Brand Beliefs," J. Advert.29 (3): 1-13.

Triyuwono Iwan (2006). "Paradigma Ilmu Pengetahuan dan Metodologi Penelitian" dalam Multiparadigm Accounting: Broadening Our Vision, Workshop Handout, The Second Post Graduate Consortium on Accounting, Malang pp.14-15.

Zhang Yong, Buda R (1999). "Moderating Effects of Need for Cognition on Responses to Positively versus Negatively Framed Advertising Messages," J. Advert. XXVIII (2):1-15