

Study of Impact of Celebrity Endorsements on Consumer Buying Behaviour

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ABSTRACT

The term Celebrity refers to an individual who is known as the public (actor, sports figure, entertainer, etc.) for his or her achievements in areas other than that of the product class endorsed (Friedman and Friedman, 1979). The objective of this research paper was to examine the impact of celebrity endorsements on companies and consumer buying behaviour. In order to achieve objective of the present research an empirical study was designed. A large sample on convenient basis of customer was selected. A questionnaire was circulated among the rural and urban respondents and total 50 valid responses were collected. Questionnaire was classified into four sections. The test the significant difference between overall opinions of respondents Z-test was applied and further analysis percentage, average and standard deviation was also applied. It was found that if celebrity entered into marketing it influence purchasing decision of buyers, improve social status of campiness, increase profit of companies, increase sales of companies, increase market addition of companies, increase in computation power of companies, increase brand image of companies, increase in viewer's attention of companies, and it can change human behaviour.

KEYWORDS: Celebrity, consumer behaviour, endorsement, brand image

INTRODUCTION

Marketing is a very important weapon to cover market in this time. Advertisement is "the art of persuasion" that is mainly concerned to create awareness about what is being offered with ultimate objective to persuade towards buying. It adopted various strategies to fight competition with others. Today one of the most prevalent forms of advertising is through the use of celebrity endorsement. In fact celebrity endorsers are being used extensively in almost all television advertisements for the marketing of different brands. The term celebrity refers to an individual who is known to the public (actor, sports figure, entertainer, etc.) for his or her achievements in areas other than that of the product class endorsed (Friedman and Friedman, 1979). Celebrity endorsement has been defined as: "Any individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement" (McCracken, 1989). Celebrities are well recognized personalities having a strong attractive and impressive power to pursue the audience either by their likeliness, attractiveness, trust or by their congruency with brand which leads in creation of strong brand image and value in viewers' minds. (Pornpitakpan, 2004). The general belief among advertisers is that advertising messages delivered by celebrities provide a higher degree of attention. Marketers invest huge amounts in contracts with celebrity endorsers,

since they believe that celebrities affect the process of selling of their brands or products positively. Marketers also claim that celebrities increase the memorability of the message, and may provide a positive effect. Indian marketplace has undergone significant changes in the recent past. Consumers have come into contact with new advertising and sales promotion practices. To grab attention of Indian consumers marketers are increasingly using celebrity endorsements. Celebrity endorsement is a way to get the brand noticed amidst the clutter that is there in the market place. Celebrity endorsement has the power to initiate and arouse, inform and infuriate, entertain and educate the consumer.

LITERATURE REVIEW

1. Choudhury A. H. & Mukherjee K. (2014) found that Celebrity endorsement creates a favourable and positive impact on recall and thereby consumers purchase decision. They indicated that both the male and female are highly positive towards celebrity perception and sensitive to the celebrity advertisements.
2. Malik, G. & Guptha, A. (2014) described that marketers believe that celebrity and brand mascot endorsements provide a higher degree of appeal, attention, and customer recall ability compared with when this technique is not used. Marketers also claim that a celebrity affects the credibility of claims about a product and increases the memorabilia factor of the message, which may provide a positive effect that could be generalized to the brand. They found that insights for marketing and brand managers to design and market their campaigns effectively.
3. Oyeniyi O. (2014) found that trust, level of expertise and the fit between the celebrity and the product have positive impact on product performance. However, it was discovered that attractiveness of the celebrity and the similarities between the celebrity and the receiver has little effect on product performance. Therefore, organizations desirous of making use of celebrity in promoting their products should evaluate the attributes of the celebrities that will enhance product performance.
4. Parmar B. J. & Patel R.P. (2014) assessed consumer's perception regarding to use celebrity and non celebrity endorsement in advertisements. They found that there is a significant difference for all FMCG categories between advertisements for celebrity and non celebrity.
5. Sertoglu, A.E., Catli, O. & Korkmaz, S. (2014) described that all of the three credibility dimensions (attractiveness, trustworthiness and expertise) for both celebrity endorser and created spokesperson have a positive relationship with purchase intention. Created spokesperson is perceived to be more trustworthy and competent whereas the celebrity endorser is found to be more attractive by the respondents.
6. Boopathy N. & Chaudhuri M. (2013) tried to integrate the buying pattern influenced due to the brand endorsement by celebrity. They used an exploratory approach to predict the prominent factors. The scope of the paper extends to giving insights for developing better means to impact the younger generation through their advertisements.
7. Francis D. & Yazdanifard R. (2013) explained that customer perception and attitude towards the celebrities also has an influence in whether the brand is truly to be followed by consumers for brand recall, or just another ploy to gain more sales. Be it to restore a failing brand, increase sales, or to further boost the image, celebrity endorsement can bring more glitz towards the retail brand's marketing strategy.
8. Georgiadis M.(2013) analysed the print and TV PSAs from the Let's Move! campaign, they found that health messages were strategically communicated with a series of separate but cohesive PSA ads that displayed consistency in messages, logos and themes, ultimately creating a brand for the campaign that was easily recognizable to publics. Furthermore,

messages were tactically targeted to parents and kids of different ethnic backgrounds for appeal across a broader audience. PSAs used techniques like social cognitive theory and health belief model to increase self efficacy by showing rather than telling target audiences how to make the requested action, influencing attitudes towards childhood obesity, and ultimately motivating behaviour change.

9. Goel P. (2013) found that majority of the respondents are aware of celebrity endorsements and their buying decisions are influenced by factors like value for money, quality and price of the product. Also a major chunk of respondents do buy celebrities endorsed brands or products because they think that endorsed products, services or brands carry high image and are of good quality. Majority of the respondents think that celebrity endorsement helps in brand promotion and help companies to increase their total revenue. At the same time most of respondents reported that celebrities do not use products endorsed by themselves and it is the sports celebrities who are most influential.

10. Goutam, D. (2013) found that the reasons and influence of the brand ambassadors and their impact on consumers buying behaviour.

11. Manjusha T.V. & Segar V. (2013) focused on impact of celebrity endorsements on consumers purchase intentions and overall brand. They disclosed impressive insights into the topic which examines differences between endorsements with celebrities. The extent to which the media recognizes the risks encountered by celebrity advertising has been discussed. It is quite fascinating to see how viewers relate themselves to these popular celebrities and how this new technique creates desire for the product in the minds of the consumers.

RESEARCH METHODOLOGY

Objective of Study

1. To explore awareness about celebrity endorsements
2. To examine celebrity endorsements impact on companies and buying behaviour of customer.

Hypothesis

H₀: There is no significant impact of celebrity endorsement on companies and buying behaviour of customer.

H_a: There is significant impact of celebrity endorsement on companies and buying behaviour of customer.

Data Collection Methods

Data was collected from the primary and secondary sources. Primary data was collected through the questionnaire. 50 valid responses were considered for further analysis. Secondary data was collected from research studies, books, journals, newspapers and ongoing academic working papers.

Sampling

Using the systematic convenient sampling technique, a total of 50 respondents were selected as a sample of the study. All respondents completed the questionnaire.

Data Analysis Procedure

The present study used Percentage, Average, Z-test and standard deviation for analyzing the data.

Questionnaire and Measurement Method

Questionnaire was classified into three sections. Section first has described demographic profile of respondents. Section second relates with respondents agreement regarding impact of celebrity endorsement in marketing. It is based on five point scale (1 is strongly agree, 2 is agree, 3 is neutral, 4 is disagree and 5 is strongly disagree). Section third related with

respondents preference regarding “Who is the most popular male actor, which highly influences the behaviour of buyer?” Section fourth related with respondents preference regarding “Who is the most popular cricketer, which highly influences the behaviour of buyer?” Section fifth related with respondents preference regarding “Who is the most popular male actress, which highly influences the behaviour of buyer?”

ANALYSIS OF DATA & INTERPRETATION

30/327

Table 1: Demographic Profile

Gender			
Male		Female	
34 (74%)		12(26%)	
Income Level			
Below 10000	10000-30000		More than 30000
6 (13%)	27(59%)		13 (28%)
Occupation			
Students	Businessman	Serviceman	Self employed
10(22%)	7 (15%)	11(24%)	18 (39%)
Education Level			
Below 10	12	Undergraduate	Post-graduate
6 (13%)	10 (22%)	16 (35%)	14 (30%)

In above table 1 describe demographic profile of respondents. It has further classified into 4 sections.

Section A describes gender of respondents. 74% respondents has male and 26% respondents has female.

Section B describes income level of respondents. It is further divided into 3 parts. 13% respondents income has below 10000/- per month, 59% respondents income has 10000/- to 30000/- per month, and 28% respondents income has more than 30000/- per month income.

Section C describes occupation of respondents. It has further divided into four parts. 22% respondents has farmer, 15% respondents has businessman, 24% respondents has serviceman and 39% respondents has daily workers.

Section D describes education level of respondents. It is further divided into 4 parts. 13% respondents was secondary pass, 22% respondents was senior secondary pass, 35% respondents were graduate and 30% respondents were post-graduate.

Table 2: Overall Opinions of Respondents

S. No.	Statements	Z Values	Average	STDVE	C.V.
1	Influence purchasing decision	-4.81	2.55	1.138	45%
2	improve social status	-9.76	2.23	0.97	43%
3	Increase profit of companies	7.00	1.36	0.61	44%
4	Increase Sales of Companies	2.62	1.26	0.72	57%
5	Increase market addition of companies	-15.58	1.82	0.927	51%
6	Improve the brand's image of companies	9.49	3.77	0.998	26%
7	Increase in Computation Power of companies	0.92	3.09	1.152	37%
8	Increase in viewer's attention of companies	6.12	3.51	1.028	29%
9	conveys all the features of the product	1.23	3.12	1.198	38%
10	it can change human behaviour	-8.44	2.37	0.909	38%

The result of the statement "Influence purchasing decision" shows significant difference between overall opinions of respondents. Opinion shows that if respondents get their desired celebrities, then they Influence purchasing decision of buyer. The average value of 2.55 suggests that the respondents agree with statement.

The result of the statement "improve social status" shows significant difference between overall opinions of respondents. Opinion shows that if celebrities enter into marketing than it improves social status of companies. The average value is 2.23 suggests that the respondents agree with statement.

The result of the statement "Increase profit of companies" shows significant difference between overall opinions of respondents. The average value of 1.36 suggests that the respondents agree with statement. If celebrity entered into marketing it can Increase profit of companies.

The result of the statement "Increase Sales of Companies" shows significant difference between overall opinions of respondents. The average value of 1.26 suggests that the respondents agree with statement. If celebrity entered into marketing it can Increase Sales of companies.

The result of the statement "Increase market addition of companies" shows significant difference between overall opinions of respondents. The average value of 1.82 suggests that the respondents agree with statement. If celebrity entered into marketing it can Increase market addition of companies.

The result of the statement "Improve the brand's image of companies" shows significant difference between overall opinions of respondents. The average value of 3.77 suggests that the respondents disagree with statement. If celebrity entered into marketing it cannot improve the brand's image of companies.

The result of the statement "Increase in Computation Power of companies" shows no significant difference between overall opinions of respondents. The average value of 3.09 suggests that the respondents disagree with statement. If celebrity entered into marketing it cannot Increase in Computation Power of companies.

The result of the statement "Increase in viewer's attention of companies" shows significant difference between overall opinions of respondents. The average value of 3.51 suggests that the respondents disagree with statement. If celebrity entered into marketing it cannot Increase in viewer's attention of companies.

The result of the statement "conveys all the features of the product" shows no significant difference between overall opinions of respondents. The average value of 3.12 suggests that the respondents disagree with statement. If celebrity entered into marketing it cannot convey all the features of the product.

The result of the statement "it can change human behaviour" shows significant difference between overall opinions of respondents. The average value of 2.37 suggests that the respondents agree with statement. If celebrity entered into marketing it can change human behaviour.

Q1.	Who is the most popular male actor, which highly influences the behaviour of buyer?	Average	Preference
Actors			
1	Amitabh Bachchan	1.49	I
2	Shahrukh Khan	1.75	IV
3	Saif Ali Khan	1.97	VI



4	Aamir Khan	1.88	V
5	Ajay Devgan	2.00	VI
6	Salman Khan	1.32/327	III
7	Akshay Kumar	1.60	IV

Table shows opinion of respondents regarding "Who is the most popular male actor, which can highly influence the behaviour of buyer?" Respondents gave first preference to Amitabh Bachchan, second preference to Salman Khan, third preference to Akshay Kumar, fourth preference to Shahrukh Khan, fifth preference to Aamir Khan, sixth preference to Shahrukh Khan and last preference to Ajay Devgan.

Q2.	Who is the most popular Cricketer, which can highly influence the behaviour of buyer?	Average	Preference
1	Sachin Tendulkar	1.38	I
2	Virendra Sehwag	1.80	V
3	Mahendra Singh Dhoni	1.50	II
4	Virat Kohli	1.60	III
5	Yuvraj Singh	1.76	IV

Table shows opinion of respondents regarding "Who is the most popular Cricketer, who can highly influence the behaviour of buyer?" Respondents gave first preference to Sachin Tendulkar, second preference to Mahendra Singh Dhoni, third preference to Virat Kohli, fourth preference to Yuvraj Singh and last preference to VirendraSehwag.

Q3.	Who is the most popular female celebrity, which highly influences the behaviour of youth?	Average	Preference
1	Aishwarya Rai	1.74	III
2	Rani Mukherjee	2.45	IX
3	Preety Zinta	2.18	X
4	Kajol	1.84	VI
5	Madhuri Dixit	1.76	IV
6	VidyaBalan	2.03	VIII
7	Deepika Padukone	1.69	II
8	Katrina Kaif	1.63	I
9	Hema Malini	1.92	VII
10	Kareena Kapoor	1.77	V

Table shows opinion of respondents regarding "Who is the most popular female actress, which can highly influence the behaviour of buyer?" Respondents gave first preference to Katrina Kaif, second preference to Deepika Padukon, third preference to Aishwarya Rai, fourth preference to Madhuri Dixit, fifth preference to Kareena Kapoor, sixth preference to Kajol, seventh preference to Hema Malini, eighth preference to Vidya Balan, ninth preference to Rani Mukherjee and last preference to Preety Zinta.

CONCLUSION

Based on the findings of the data collected from the respondents, it is concluded that celebrity

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Based on the findings of the data collected from the respondents, it is concluded that celebrity endorsement has a potential of being noticed and liked by the viewers. The study that celebrity does catch the attention of consumers. It was also found that if celebrity entered into marketing it has influence purchasing decision of buyers, improve social status of companies; increase profit of companies, increase sales of companies, increase market addition of companies and it can change human behaviour. It was also found that if celebrity entered into marketing it has not improve the brand's image of companies, increase in computation power of companies, increase in viewer's attention of companies and conveys all the features of the product. It was further found that Amitabh Bachchan, Salman Khan and Akshay Kumar is the most popular male actor, which can highly influence the behaviour of buyer, Sachin Tendulkar, Mahendra Singh Dhoni and Virat Kohli, is the most popular cricketers which can highly influence the behaviour of buyer and Katrina Kaif, Deepika Padukone, and Aishwarya Rai is the most popular female actress, which can highly influence the behaviour of buyer.

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