

**AN EMPIRICAL STUDY OF THE INFLUENCE OF CELEBRITY
ENDORSEMENTS ON BUYING BEHAVIOR ATTITUDE & PURCHASE
INTENTIONS OF THE CONSUMERS**

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ABSTRACT

The study is about investigating the influence of celebrity endorsements on buying behavior of consumers. The objective of the study is to find out the impact of various dimensions of celebrity endorsement on consumer buying behavior. The study was conducted in Pune city during 01.05.2014 to 15.06.2014. Exploratory Research Design is adopted for the purpose of the study. The sample size is 153 respondents. The sampling unit is consumers buying branded products. The findings of the study are: 1) Customer attention to the advertisements featuring celebrities results in recall and recognition of brands advertised by the celebrities 2) Buying decision of the customer is made easier by the credibility of the celebrity endorsing the product.3) Credibility of the celebrity influences the lifestyle of the customers 4) Change in life style due to usage of celebrity endorsed products enhances customers self esteem 5) Brand awareness created by advertisements featuring celebrities result in instant recall and recognition of brands advertised by celebrities. The suggestions are 1) The marketers need to try to rope in celebrities having a fit between the brand and celebrities' characteristics so as to make the communication appealing one leading to a strong reminder to the customers. 2) Marketers to rope in celebrities having a emotional connect with the customers at large which shall ultimately lead to consistent and regular patronizing of the products by the customers. 3) Marketers need to look at the strategic fit between the brand and the celebrity- leading to creating a much stronger emotional bond with the brand on one hand and consumer.4) Focus on effective celebrity endorsement management

Keywords: Celebrity Endorsement, brand recognition, lifestyle, and customer self esteem

1. Introduction

Marketing is a dynamic function. Compared to the past, today, the marketing environment is evolving at mind boggling speed. Responding to these changes marketers are devising and implementing innovative strategies to simultaneously retain existing as well as attract new customers. Thanks to the innovation in the communication technology which is facilitating newer and newer methods of communicating the product offerings to the customers compared to the competitors. Using celebrities' for communicating with customers though existed as back as 50's in India, reached alarming proportions today using celebrities for promoting products/services and relating with the customers is become omnipresent.

In India the celebrities are elevated and placed on the highest pedestal giving importance not less than god. The emotional quotient with reference to celebrities is so strong that we find proliferation of celebrity fan clubs all over the country. The devotion towards the celebrities is so deep rooted that the fans tend to blindly emulate and make them role models. Of the various elements of the promotion mix, celebrity endorsement undoubtedly has gained prominence as a potent tool of marketing communication in the recent times which is evident from more and more companies hiring celebrities for endorsing their products. It is definitely proved as a deadly recipe for marketing of products and services. The marketers and the advertisers have sensed the big opportunity to build brands by roping in the celebrities and creating a win win situation for both.

While the business environment is undergoing continuous change and the methods to deal with them are evolving on an ongoing basis, the time tested fundamentals of getting closer to the consumers remain the same & the same fundamentals used earlier are being used more effectively today. Marketing communication with celebrities provides tremendous potential to enhance the appeal of an advertisement and the product offered. Celebrity endorsement is proved to be a successful conduit to transfer the personal traits and characteristics of the celebrities and results in value addition to the products & services.

1.1 What is Celebrity Endorsement?

Mc Craken's (1989)^[1] defined celebrity endorsement 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”.

To elucidate, Celebrity Endorsement is a method of advertising that uses famous and distinguished celebrities or personalities who command a high degree of recognition, trust, respect or awareness amongst the people. Such people advertise for a product lending their names or images to promote a product or service. Advertisers and clients hope such approval, or endorsement by a celebrity, will influence buyers favorably. For example, Shah Rukh Khan endorsing Fair & Handsome for Men can influence young men who look to him as reference point and role model.

1.2 Benefits of Using Celebrity Endorsements

There are a number of advantages to using celebrities in advertising. Celebrities are often very effective tool of marketing communication because they command lot of attention and are known nationally & internationally. Below are a few of the common reasons why an organization would use a celebrity to help market its products or services,

1. Attract New Users: Attracting and retaining new customers is a highly challenging job for the organizations. Using a celebrity to endorse a product or service can motivate new customers to use the product or the service. E.g. Shah Rukh Khan endorsing Lux soap for Men

2. Breathe Life Into A Failing Product/Service: Celebrity endorsements can help revive a product or service that is losing market share. Celebrities by a direct or persistent approach hard sell the benefits of the brand and help create new interest from customers E.g. Amitabh Bacchan endorsing Cadbury Chocolates when it generated negative publicity when worms were detected in the chocolates.

3. Build Awareness: Brand awareness is an indicator that measures how familiar people are with a particular product or service. Celebrity advertising can build brand awareness E.g. Amitabh Bacchan endorsing Gujarat Tourism

4. Influence Consumer Purchases: Celebrities who are well respected can instantly add credibility to a product or service. E.g. Cricket Teams using Nike Caps and Shoes may result in

developing an attitude on the part of the youth that if the cricket stars are using the products, the products must be good

5. Position a Brand: Celebrities can be used to position a brand. Product positioning is a process of convincing the customers that the product being advertised is the best on the market and all other products are inferior. Here again the example of Shah Rukh Khan endorsing Fair & Lovely for Men is appropriate.

1.3 Limitations of Celebrity Endorsements

The reputation of the celebrity may undergo a drastic negative change mid way after the association with the endorsed product. For e.g. Mohammad Azharuddin, celebrity cricketer was a brand ambassador for variety of products. But the match-fixing case tarnished his image and most of the products started disassociating with him. Thus, a product is sold on basis of the qualities of the endorser and with a change in the inherent value system of the celebrity; the bond with the consumer is lost.

1. The Overshadowing Effect: When celebrity endorser is used, the risk of customers focusing on the celebrity and not on the brand exists. If there is no compatibility between the celebrity and the brand, then the audience will remember the celebrity and not the brand. For Example in the commercial of Castrol featuring Rahul Dravid customers focused more on the celebrity instead of Castrol.

2. Inconsistency in the professional popularity of the celebrity: The celebrity may lose his or her popularity due to some lapse in professional performances. For example, when Sachin Tendulkar faced a very low phase in his career many of the endorsements were withdrawn fearing a negative impact.

3. Endorsement of me too/competitive brands: when such a situation arises doubts arise in the minds of the customer regarding credibility of the endorser as well as the product being endorsed

1.4. Factors influencing consumer behavior

A large number of factors influence our behavior. (Armstrong & Kotler)^[2] Classify these as:

Table 1

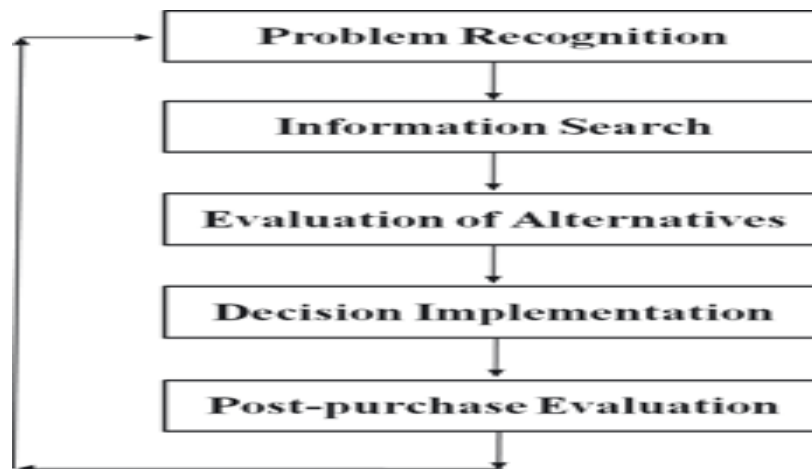
Psychological	Motivation, Perception, Learning, Beliefs and Attitudes
Personal	Age and Life-cycle stage, Occupation, Economic Circumstances, Lifestyle, Personality and Self Concept
Social	Reference Groups, Family, Roles and Status
Cultural	Culture, Subculture, Social Class System

1.5 Consumer buying behavior process

Consumer Buying Behavior is the decision making process of people involved in buying and using products. People as a consumer or a customer typically go through the following decision making process

Figure 1

Five Stage Model of Consumer buying behavior



1.6 Essential Attributes of Celebrities

As outlined in his book “Advertising & Promotion: Supplemental Aspects of Integrated Marketing Communications”, Shimp highlights, “Research has shown that effective celebrities must be assessed against five Essential attributes, usually referred to as ' TEARS ' model (Shimp, 2003) ^[3]

1. **Trustworthiness:** honesty, integrity, and believability of an endorser. It reflects the extent to which audience members trust and believe what celebrities say regarding the advertised brand.
2. **Expertise:** knowledge, experience, and skills of an endorser regarding the advertised brand. For example, a sport athlete considered to be an expert when he/she endorses sport related products.
3. **Attractiveness:** all characteristics that make an endorser attractive to audience members (e.g. physical look, personality properties, attractive lifestyle ... etc.).
4. **Respect:** refers to the quality of being admired or esteemed due to endorser's overall accomplishments.
5. **Similarity:** represents the extent to which an endorser matches target audience on characteristics related to the endorsement relationship (sex, age, lifestyle ... etc).

According to talent management firm Alchemist, which along with Hansa Research recently launched CelebScore, a rating system of celebrity power, over 65% of ads now have a known face compared to less than 25% in 2000. CelebScore maps over 400 celebrities from genres including films, television, music and sport. Manish Porwal, MD of Alchemist Talent Solutions said, “By and large, endorsements have been on an upward growth trajectory....but nontraditional categories and brands that typically don’t use celebrities are increasingly entering this space.”(Ratna B 2012)^[4]

Table incorporating Top Eleven Celebrity Endorsers during 2012 along with the products endorsed by them

Table 2

Kareena Kapoor	Vaio, Alpenliebe, Éclairs, Head & Shoulders, Philips Hair Curlers, Airtel, Levies,, Boro Plus, Lux, Pepsi, Sangini Diamonds, Limca & Mahindra
Saina Nehwal	Rhiti Sports Management Company & Top Ramen Noodles
Salman Khan	Tiger biscuits, Thumbs Up, Yatra.com, Ranbaxy’s Revital & Relaxo, Hawaii chappals & Suzuki Hayate
Mahindra Singh Dhoni	TVS Bike, Pepsi ad with Ranbir, McDowell's No 1 Soda, Airtel - Keep Believing & Maxx Mobile.
Sachin Tendulkar	Coca Cola, Airtel, Canon, Jaypee Cement, Adidas, Toshiba, Reynolds & Castrol Activ
Anoushka Sharma	TVS Scooty, Sofy sanitary napkins, Reliance Communications Ltd, Elle 18 Cosmetics, Nivea, Canon & Geetanjali Jewellery.

Priyanka Chopra	Nikon Cool Pix, Dabur Amla Hail Oil, Dabur Vatika, Blender's Pride Fashion Tour 2012, Asmi & Garnier Cream
Shahrukh Khan	Pepsodent, Navratan oil, Tag Heuer & Lux.
Katrina Kaif	Relaxo Hawaii Chappals, Nakshetra Diamonds, Titan Raga Watches, Yardley & Lux.
Ranbir Kapoor	Pepsi, Lenovo, Tata Docomo and Nissan Micro
Amitabh Bachchan	Luxor Nano Clean, Just Dial, Kalyan Jewellers and Maggie Noodles apart from Gujarat Tourism.
Deepika Padukone	Garnier, Nescafe, BSNL & Yamaha Scooty (Alice & Olivia).

Source: www.buzzintown.com/article-review--celebrity-endorsement-201

3. Literature Review

Advertisers go for celebrity endorsement because of its greater benefits and immense possible influence. There are certain potential advantages of celebrity endorsement, celebrities endorsed advertisements draw more attention as compared to those of non-celebrity ones, helps the company in re-positioning its product/brand and finally empowers the company when it's new in the market or plans to go global (Ali A, Farhan AM & Omer)^[5] Research has shown that in general celebrity endorsement influences the feelings of the customers and can also influence the attitude customers have towards the advertisement and attitude towards the brands, which can increase the purchase intentions and, consequently, increase sales (Irene R)^[6] Celebrities are generally viewed by customers as credible sources of information about the product or firm they endorse (Goldsmith *et al.* 2000). Erdogan (1999, p. 298) defines celebrity endorsers' expertise as 'the extent to which a communicator is perceived to be a source of valid assertions'. The literature investigating source credibility in settings involving persuasive communication generally indicates that a receiver's perception of the source's expertise positively influences source effectiveness (Ohanian 1990). Trustworthiness is the degree of confidence customers place in a communicator's intent to convey the assertions s/he considers most valid (Ohanian 1990). Giffin (1967) describes favorable disposition, acceptance, psychological safety, and perceived supportive climate as favorable consequences of trust. Much of the literature supports the positive effect of trustworthiness on effectiveness (Clinton A, Gary H & David S 2008)^[7]. The celebrities in India are the role models for majority Indians. They are so influenced by them

that most population follows trends related to their dressing, styles and habits. This is the major reason for the companies to hire the celebrities to promote their products. The companies invest billions to hire celebrities for promoting their products. The companies believe that the celebrity changes the purchase intention of the customers in India (Vaibhav M)^[8] The findings from the study conducted by Pughazhendi A, and others reveal that 1) Celebrity endorsement enhances product information and creates awareness among customers. It helps them to recall the brands of the durable products. 2) The customers of durable products have their motivational sources from need and product utility. The study revealed that the celebrity's convincing endorsement motivates them to materialize the purchase of durables. 3) The customers are induced significantly by the celebrity endorser when the target is on quality and price &. 4) The purchase attitude is influenced by the celebrity endorsement factors, product evaluation and brand recognition.(Pughazhendi A et al).^[9] The result of this study indicated that the consumer has an overall positive attitude towards celebrity endorsements, and it increases the awareness of the product and it makes the brand product more memorable. The demographic factors like age, gender and family income has not much impact on the consumer buying behavior for the celebrity endorsed advertisements. it is found that the celebrity endorsement is an effective tool to affect positively the consumer's purchase decision towards a product, and the well known celebrities have more attractive than the non celebrity models like experts and lay endorsers. This study has found that celebrity endorsement enhances product information and creates awareness among customers. It helps them to recall the brands which they endorse. The purchase attitude is influenced by the celebrity endorsement factors, product evaluation and brand recognition. It retains the brand image on the customers. Only a less number of customers prefer using products by seeing celebrities as a social, dynamic and actives. It increases the consumer's interest and holds their attention towards the advertisement. The customers buying behavior was also influenced by the multiple celebrities endorsed a single brand and same time the purchase intentions of the customers were increased when multiple celebrities endorsed a single brand or a product. Finally the celebrity endorsers have increased the direct positive effect towards the advertisement and the brand (Pughazhendi AD & Deenadhayal SR).^[10] In nutshell the study concludes that companies roping in the celebrities to enhance the image of the product, Brand awareness, recall, retention and for credibility. On the other hand study concluded that those

products have more market share which are endorsed by celebrities in that of normal celebrities. Consumer has seen the advertisements by celebrities as reliable, knowledgeable. And they have also affected and associated with celebrities and moreover they feel that celebrities are able to influence the demand of the products. So in the end we can say celebrity endorsement has positive impact on company as well as brand and customers (Bimal A, et.al)^[11]

4. Need for the Study

Keeping in line with the changes in the marketing environment, the consumers have liked and lapped up the concept of celebrity endorsement & the marketers have lapped up the recipe and making the best out of it. Given the fact that there are examples of award winning advertisements without celebrities & that the consumers needs and tastes are continuously evolving, calls for continuous investigation whether Celebrity endorsement still really works? Are celebrities successful in lending credibility to the products which they choose to endorse? Are they building awareness of the products? Does it result in brand recall and change in lifestyle?

5. Objectives

The main purpose of the research is to examine the various dimensions of celebrity endorsements and their influence on the buying behavior, attitude and purchase intentions of the consumers in Pune city, Maharashtra, India

6. Research Methodology

The study is conducted in the city of Pune, Maharashtra, India. Exploratory Research design is used for the purpose of the study. Non Probability Convenience Sampling Technique is used. Survey method is used for collecting the data. The sampling unit is consumers purchasing branded products. Structured questionnaire with close ended questions is designed and face to face interview are used for collecting the data. Due care was taken while framing the questionnaire so as to avoid any ambiguity. Nominal Scale is used for all variables. The study is conducted during 01.05.2014 to 15.06.2014. The sample size for the study is 153 respondents.

The sample comprises of 98 Males and 55 Female respondents in the age group of 20 to 45 years.

Table 3

Cronbach's Alpha	.850
Kaiser-Meyer-Olkin Measure of Sampling	.772

7. Data Analysis Tools

For the purpose of the study various statistical tools like Tables, Percentages & Chi Square test are used

8. Research Hypothesis

For the purpose of the study following hypotheses have been formulated:

H1_a: Customer attention to the advertisements featuring celebrities results in recall and recognition of brands advertised by the celebrities

H1_b: Buying decision of the customer is made easier by the credibility of the celebrity endorsing the product

H1_c: Credibility of the celebrity influences the lifestyle of the customers

H1_d: Change in life style due to usage of celebrity endorsed products enhances customers self esteem

H1_e: Brand awareness created by advertisements featuring celebrities result in instant recall and recognition of brands advertised by celebrities.

9. Analysis

9.1 Descriptive Statistics

Table 4

	N	Mean	Std. Deviation	Variance
Advertisements featuring celebrities attract my attention	153	3.63	.966	.933
Advertisements featuring celebrities create brand awareness	153	3.79	.871	.759
Credibility of the celebrity reassures me in buying decision	153	3.17	.872	.760

Celebrity endorsement of product makes my decision easier	153	3.28	.983	.967
Advertisements featuring celebrities are more appealing	153	3.76	1.082	1.171
I take interest in evaluating the products advertised, featured and endorsed by celebrities	153	3.44	1.081	1.169
Celebrity endorsement of products influence my lifestyle	153	3.28	1.200	1.440
Advertisements featuring a popular and likable celebrity can enhance customers perceptions about the brand	153	3.76	.994	.987
While shopping I instantly recall & recognize the brands advertised featuring celebrities	153	3.32	1.151	1.324
Using of celebrity endorsed products increases my self esteem	153	3.09	1.066	1.136
Using products endorsed by celebrities advertisements give me more value for money	153	2.96	1.158	1.341

9.2 Chi-Square Analysis

Table 5

Alternative Hypothesis (P =0.05)	Pearson Chi-Square	DF	Significance (2Sided)	Table Value	Alternate Hypo Thesis
H1 _a : Customer attention to the advertisements featuring celebrities results in recall and recognition of brands advertised by the celebrities	57.096	16	.000	26.30	Accepted
H1 _b : Buying decision of the customer is made easier by the credibility of the celebrity endorsing the product	88.894	16	.004	26.30	Accepted
H1 _c : Credibility of the celebrity influences the lifestyle of the customers	70.166	16	.000	26.30	Accepted
H1 _d : Change in life style due to usage of celebrity endorsed products enhances customers self esteem	119.223	16	.005	26.30	Accepted
H1 _e : Brand awareness created by advertisements featuring celebrities result in instant recall and recognition of brands advertised by celebrities	52.616	16	.000	26.30	Accepted

10. Findings

1. The study reveals that advertisements featuring celebrities attracts the attention of the customers which results recognition of brands advertised by celebrities.
2. Credibility of the endorsing celebrities makes the buying decision easier for the customers.

3. Credibility of the celebrity endorsing the products influences the lifestyle of the customers..
4. Change in life style due to usage of celebrity endorsed products enhances customers self esteem.
5. Brand awareness created by advertisements featuring celebrities result in instant recall and recognition of brands advertised by celebrities

11. Discussion

The results of this study indicate that the consumers have an overall positive attitude towards celebrity endorsements. The study reveals that advertisements featuring celebrities act as stimuli & attracts the attention of the customers which results in recognition of brands, creates brand awareness & instant recall and recognition of brands advertised by celebrities and motivates consumers to buy endorsed products. Celebrity endorsement results in selective retention & aid in easy buying decisions and influences the lifestyle of the customers. It enhances customer's attention and interest towards the advertisement. Credibility of the endorsing celebrities makes the buying decision easier for the customer's calls for associating such celebrities who should become a perfect reference point making customers buying decision easier. When a consumer feels that the celebrity endorsing the product/service exhibits traits and characteristics which are very close to what he/she possesses (self image), consumer is likely to appreciate and identify with the advertisement resulting in purchase and repurchase of the product/service. Marketers need to take cognizance of these outcomes and ensure strategic fit between the brand and the celebrity-resulting in much stronger bond with the brand on one hand and customers on the other.

It may be noted here that there are many reputed brands that have been and are advertised without roping in a celebrity which have proved to be path breaking. For example the advertisement of HLL for Surf using Lalitaji during 1956-58 was a highly successful advertisement effectively connecting with the target market. Secondly the series of latest award winning advertisements of Fevicol & Feviquick using the end users (non celebrities) have been highly successful resulting in very strong and effective connect with the users. Therefore it cannot be concluded that celebrity endorsement only is the solution for effectively connecting

with the target consumers. Celebrity endorsement can accrue dividends only if used effectively. With this reality in mind the marketers need to be rational in selecting the celebrities considering the various dimensions associated with it while a casual approach to the issue is sure to result in disaster.

In today's intensified competition, with consumers bestowed with so many choices, effective celebrity endorsement management can result in emotional connection with consumers; prove to be a point of differentiation and a deciding factor for consumers to buy products or services.

11. Limitations of the Study

1. The limitation of the study relates to its geographical coverage wherein the study was restricted only to the city of Pune.
2. The sample for the study comprised of 153 consumers (respondents) buying branded products. Therefore, research studies with much larger sample size would be required to ensure appropriate generalization of the findings of the study.
3. The opinions expressed by the Respondent's are their personal opinions hence the incidence of personal bias cannot be ruled out.

In spite of the aforesaid limitations, the study makes an attempt to understand the impact of various dimensions of celebrity endorsement on consumer buying behavior. Since the study is exploratory in nature, it is expected to pave way for further research.

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