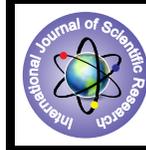


Impact of Social Media Endorsement on Fashion Brands



Management

KEYWORDS : Celebrity endorsements, Credibility of celebrity endorsements, memorability of celebrity endorsements, Twitter, Facebook, celebrities on Social

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ABSTRACT

Celebrity endorsements are widely used advertising strategies used for the marketing of different products. The present study investigates the differences in brand name memorability and credibility of celebrity-endorsement in Twitter and Facebook. Celebrity endorsements were previously seen in print magazines as well as television commercials. However, in recent years, the inception of social media as a popular source of daily media consumption has provided another venue for celebrities to endorse different items on an even more personal level. Twitter and Facebook are currently one of the most popular social media sites. These sites allow individuals to post "Tweets" or short updates about their thoughts, activities, or opinions that have a great impact on purchase pattern.

Introduction:

With the ever-growing power of social media, more companies are shelling out increasing amounts of cash to advertise on sites like Facebook and Twitter. Celebrity endorsement has become a modern day staple of advertisement strategies, used to create distinctive competencies in increasingly competitive industries. There is solid evidence that suggests that celebrity endorsements (both compensated and uncompensated) can skyrocket a product from relative obscurity to nationwide recognition

Scope of the Study:

The research has been conducted on the area of social media and relates to tweets and Facebook status updates by celebrities with respect to branded apparel and fashion only. The study is limited to customers who have accounts on social media websites like Twitter and Facebook.

Objectives of the study:

- To understand whether a celebrity tweet /status update can induce purchase of branded apparel or accessories.
- To know the reasons behind why a celebrity status update would induce purchase of the same.
- To understand whether celebrity tweets or celebrity FB status updates regarding branded apparel can be used to charge increased price for the same.
- To analyse whether tweets or status updates can be a source for word of mouth advertising by way of re-shares /re-tweets.

Review of Literature:

Celebrity endorsements are a popular form of advertising used to entice consumers to

remember and potentially purchase a particular brand. A celebrity endorser is "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, p. 310)

Celebrity endorsements have been effective in print and television media as they help consumers to recall and recognize the brand and generate a greater likelihood that the consumer will buy the product (Agrawal & Kamakura, 1995).

On a national and international level, marketers would turn to celebrities as opinion leaders. Celebrities make great opinion leaders as they have a huge fan following and great influence over their fans. In today's culture, celebrity has taken on a whole new different meaning. They are not only people that are admired by millions but also are those whom one want to match. This is especially very common among youth; they can easily follow their favourite celebrities on social media such as Twitter, Facebook and Instagram (Poo and

Chia, 2009). Social media has not only been a platform used by celebrities to update their fans on their latest activities but has also evolved to become something better. It has now become an opening where they can part their opinions and power of speech to the mass media. Their influence is steady as celebrity tweets from Twitter can even be one of the main news on the pages of magazines and news outlets. Companies aiming to encourage their brand or product to generation Y and X consumers, Twitter might be the answer. In a data study, (Ad Age, 2011) found out that a total of 84 percent of Twitter users are in the 18-49 age bracket. Unlike television advertisements where people are aware they are directly being sold something, Twitter seems to be a grey area. Brand Republic, 2014 reported that 54 percent of Twitter users have not noticed an instance when celebrities have made a product or service endorsement and 25 percent actually welcomed it. Lastly a total of 26 percent have bought a product that was endorsed by a celebrity on Twitter, proving that it is effective. In a finding on Facebook users it was found that users among the age of 35-54 remains the dominant group at 31.1 percent although users beyond the age of 55 noticed an increase of 80.4 percent. In another study on celebrity endorsement, Facebook generated 50 to 100 percent more actions among users as compared to Twitter. Gullov-Singh (2011) explained that this is because social communication was more likely to occur on Facebook as you could see who has liked or commented on a post. This stimulated people to join in the dialogue on the product endorsed.

Research Methodology:

The study has been based on a descriptive research design. The tool used for collection of data was a questionnaire containing both open ended as well as closed ended questions. The first part of the questionnaire was used to understand the social media behaviour of the customer both with regard to usage of social media for purchase of apparel and accessories brands and also with respect to following celebrities on social media. The second part of the questionnaire deals with customer perception of celebrity tweets / Facebook updates regarding usage of branded apparel or accessories. This section deals with understanding whether celebrity tweets can induce purchase and also looks at perceptions regarding price and quality of celebrity tweeted or Facebooked apparel /accessories brands. The last part of the questionnaire aims at understanding whether social media can be used as a tool for word of mouth marketing by way of celebrity retweets or re-shares.

A sample size of 50 was selected and the sampling unit consisted of people who have accounts on social media websites. The instrument (questionnaire) was put over Google docs and the link was sent to users to fill the instrument through various social networking sites like Facebook, Twitter, Hi5 etc. The

respondents and other people on different social networking sites were also requested to post the link from their profile. So the sampling technique used was non-probability convenience sampling.

Three hypotheses were tested using tools like Chi Square test of independence and Two- way ANOVA test and the finding were visually represented using tables and charts. The first hypothesis determined the association between price and quality perception for brands that are tweeted or facebooked by celebrities and was analysed using Chi Square test. The other two hypotheses were used to determine the association between social acceptance, status symbol perception and quality of celebrity tweetd/ facebooked apparel brands.

Table 1.1 :
Profile of respondents:

Sl No	Variable	Number
1	Social Media Account Holder	50
2	Facebook users	40
3	Twitter users	31
4	Both	17
5	Others	6
6	Users of Branded Apparel	25
7	Liked an apparel/ accessories brand page on FB	26
8	Follow celebrity	60

Chart-1.1: Purchase Behaviour of customers:

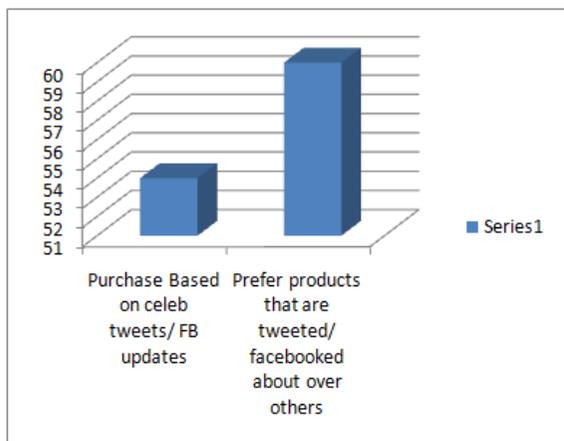


Chart 2.2- Reasons for purchase:

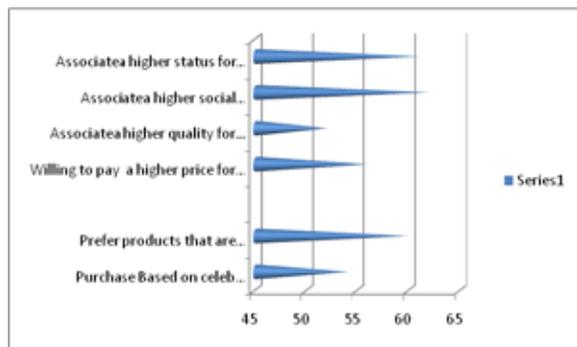


Table 2: Analysis of data regarding re-shares/ retweets

Question	Numbers
Willing to share a tweet/ status update by a celebrity regarding any product	16

Willing to share a tweet/ status update of a celebrity who uses a product that they are currently using	36
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Findings:

60 percent of the sample follows celebrities on twitter/FB. 58 percent of the sample have visited and liked a brand page on FB. 54 percent of the sample believes that it is important to wear / use brands that are being endorsed by celebrities, 14 percent do not have an opinion and 32 % do not consider it important to wear / use brands that are being endorsed by celebrities. 50 percent of the sample considers it important to wear / use brands that are being tweeted about by celebrities of having used them, 10 percent have no opinion and 40 percent consider it unimportant. 60 percent of the sample would prefer to purchase a product that is tweeted about / facebooked by a celebrity as against one that is not. 52 percent of the sample are willing to change their opinions about products if their favourite celebrity tweets or facebooks about having used them. 56 percent of the sample feels that a product /service that a celebrity tweets/ facebooks to have used would be higher quality than one that is not and 52 percent of the sample would be willing to pay a higher price for it. 62 percent of the sample feels that using a product which a celebrity tweets to have used is a status symbol. 61percent of the sample feel that using a product tweeted/ facebooked by a celebrity gives them better social acceptance. 32 percent of the sample would be willing to share a tweet/ status update by a celebrity regarding a product but 74 percent of the sample would be willing to share a tweet/ status update of a celebrity who uses a product that they are currently using.

Hypotheses Testing:

Chi Square Test:

Ho: The customer's perception of price is independent of his perception of quality.

H1: The customer's perception of price is dependent on his perception of quality.

O	E	O-E	(o-e) ²	(o-e) ² /e
20	14.56	5.44	29.5936	2.032527
2	2.24	-0.24	0.0576	0.025714
4	8.32	-4.32	18.6624	2.243077
2	2.24	-0.24	0.0576	0.025714
1	0.48	0.52	0.2704	0.563333
1	1.28	-0.28	0.0784	0.06125
6	11.2	-5.2	27.04	2.414286
2	2.4	-0.4	0.16	0.066667
12	6.4	5.6	31.36	4.9

χ^2 (Calculated) = 12.33

degrees of freedom = 4

χ^2 (Tabled) at 5% level of significance = 9.49

Hypothesis is rejected.

The customer's perception of price is dependent on his perception of quality.

Two Way Anova:

Hypothesis 1:

Ho: Customers perceive a higher quality for celebrity tweeted/ facebooked products because they have a feeling of increased

social acceptance.

H1: Customers perceive a higher quality for celebrity tweeted/facebooked products because they do not have a feeling of increased social acceptance.

	Sum of Squares	Degrees of Freedom	Mean Square	F
SSC	84.22	2	41.11	F=.953
SSR	86.22	2	43.11	

F tabled = 19.2

Since F Calculated < F tabled the hypothesis is accepted.

Hypothesis 2:

H0: Customers perceive a higher quality for celebrity tweeted/facebooked products because they have a feeling that it is a status symbol.

H1: Customers perceive a higher quality for celebrity tweeted/facebooked products because they do not have a feeling that it is a status symbol

	Sum of Squares	Degrees of Freedom	Mean Square	F
SSC	302.89	2	151.38	F=.993
SSR	304.8	2	151.4	

F tabled = 19.2

Since F Calculated < F tabled the hypothesis is accepted.

Conclusion:

Since most of the sample feels that the apparel brands that a celebrity tweets or facebooked to have used is of higher quality, and the hypothesis -1 that is tested indicates that customers would be willing to pay a higher price for apparel brands that have a higher quality, we can conclude that customers would be willing to pay a higher price for apparel brands that a celebrity tweets or facebooked to have used. From the hypotheses 2 & 3 it would be safe to conclude that the enhanced quality perception of ce-

lebrity tweeted /facebooked apparel brands is because the customer feels that usage of such brand would get them increased social acceptance and also act as status symbols. For the same reason the research indicates in the findings that customers are more likely to re -share tweets or status updates of celebrities regarding apparel brands that they use than brands that they are not associated with. This may have huge implications on increasing word of mouth advertising for such brands using social media.

Suggestions:

Statistics indicate that 72 percent of people using internet are active on social media and 66 percent of them have multiple accounts on social media websites. Since the research indicates that celebrity tweets are associated with an enhanced price and quality perception of apparel brands, companies that manufacture apparels , sports wear and accessories should try to increase celebrity tweets or FB status updates about product usage. Companies can approach celebrities who endorse such brands to tweet or facebook about usage satisfaction so as to influence customer purchase. It has been found that customers are willing to retweet or re-share FB updates of celebrities regarding products that they use. Brand should focus on using the social media to increase brand loyalty by encouraging celebrities to tweet or facebook about product usage. Sharing photographs of popular celebrities sporting brands during public appearances would also be an add on. Celebrity social media posts about apparel brands give the customer a feeling of more social acceptance and higher status and hence prefer to purchase those brands more than others. Celebrity social media updates should be used a tool for customer engagement and can also be an effective lower cost option for increasing word of mouth advertising.

As the FB generation grows, it is justifiable why people are so connected with social media; for apparel brands, the potential to grow their business via these networks is endless. Facebook, Twitter, Pinterest, Instagram, Google+ are some of the prime networks every company, big or small, establishing or established, needs to have an active presence on.

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