Impact of Celebrity Endorsement and The Influence of Retail Outlets During Purchase of Consumer Goods In Coimbatore City

MANAGMENT

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ABSTRACT
India is one of the largest emerging markets, with a population of over one billion. It is one of the largest economies in the world in terms of purchasing power. Retailing in India is at a nascent stage of its evolution, but within a small period of time certain trends are clearly emerging which are in line with the global experiences. The organized sector accounts for a mere 5 per cent indicating a huge potential market opportunity that is lying in the waiting for the consumer-savvy organized retailer. Purchasing power of Indian urban consumer is growing and branded merchandise in categories like Apparels, Cosmetics, Shoes, Watches, Beverages, Food and even Jewellery are slowly becoming lifestyle products that are widely accepted by the urban Indian consumer. Organized retailing is witnessing a wave of players entering the industry. Advertising is mass communication and is transmitted through the mass media, i.e., radio, television, magazines and newspapers. Advertising has an identified sponsor. It has objectives, issues, message development and is characterized by media selection and evaluation of advertising effectiveness Any individual who enjoys public recognition and uses his/her recognition on behalf of a consumer good by appearing with it in an advertisement is termed as celebrity endorsement. The objectives are to study the demographic profile and shopping perception of the consumers in the study area, to analyze the influence of physical and social surroundings of the retail outlets and to examine the celebrity endorsed advertisement impact during purchase of consumer goods and to suggest measures for policy implications. The research design here used is descriptive research. The researcher has interviewed 1200 respondents for data collection. Maximum of the respondents describe reliability of the advertisements before they decide to make purchase of consumer goods and maximum of the respondents are satisfied towards the display of consumer products in the retail outlets. The study concludes that each determinant have its own impact, however, the other determinant have a significant influence that helps in the promotion of products and achievement of the market share by the promoters in the retail market.

INTRODUCTION

India is one of the largest emerging markets, with a population of over one billion. It is one of the largest economies in the world in terms of purchasing power. Retailing in India is at a nascent stage of its evolution, but within a small period of time certain trends are clearly emerging which are in line with the global experiences. Organized retailing has become more popular in big cities in India and most of the metropolitan cities and other big cities are flooded by modern organized retail stores. As retail markets become increasingly competitive, retailers are continuously looking to differentiate their retail offering. One way they can differentiate is by providing a shopping environment that is customized to meet customers' needs, not only in terms of merchandise, convenience and pricing but also in providing a pleasant and, possibly, exciting shopping atmosphere. Awareness is the state or ability to perceive, to feel, or to be conscious of events, objects or sensory pattern. Friedman and Friedman (1979)[i]the instant recognition can assist consumers in achieving an emotional tie with the endorsed product as the celebrity is quickly recognized while "cutting through" the clutter of other advertisements. The implied preference is the assumption that if consumers already like the work that the celebrity does (film, television, sports, etc.), then these consumers will also like the products that the celebrity likes.

Advertisement Effectiveness and consumer perception

Advertising is mass communication and is transmitted through the mass media, i.e., radio, television, magazines and newspapers. Advertising has an identified sponsor. It has objectives, issues, message development and is characterized by media selection and evaluation of advertising effectiveness. Consumer's perception of a company or its various brands are a synthesis of the bundle of messages they receive or contacts they have, such as media advertisements, price, package design, direct-marketing efforts, publicity, sales promotions, websites, point-of- purchase displays, and even the type of store where a product or service is sold.

Celebrity Endorsement

Any individual who enjoys public recognition and uses his/her recognition on behalf of a consumer good by appearing with it in an advertisement is termed as celebrity endorsement. A celebrity endorser is a well known person who approves, promotes, or supports a good or service, usually for pay. The use of celebrity endorsers is one of the most popular promotional tools in marketing. An advertisement with a celebrity endorsement is likely to be one of the factors which persuade a consumer to purchase a product. Taking into account the five durables which have been considered for the purpose of the study, the degree of influence ranging from highly influential - rank 5 to not influenced at all - rank 1 have been analyzed.

NEED FOR THE STUDY

The study is an attempt to evaluate the influence of the physical and social surrounding influenced among consumers based on the celebrity endorsed advertisement impact during purchase of consumer goods in Coimbatore City. The consumer goods are which a consumer have a need to buy very frequently. Hence it is necessary to understand whether the celebrity based advertisement impact had influenced the consumers towards purchase of the consumer products and the modernization practices have any influence among the common man's shopping tendency to access the retail outlets for shopping. It also becomes necessary to identify whether the physical and social surroundings had helped the consumers buying the consumer goods from the retail outlets.

STATEMENT OF THE PROBLEM

Today the concept of staying competitive rather than just getting what is available in the market draw people's attention to choose the right modes of products available in the market. The edge of the competition is very marginal where the creativity of the advertisements and the impact of celebrity endorsement makes a product scale greater heights in the market. Modernisation of the retail market is another influencing factor for the consumer goods to reach in the of the consumers. Eventhough, the advertisement impact and celebrity endorsement plays pivotal role, the consumers place of shopping was decided based on the physical and social surroundings of the retail outlet that have more influence on the consumers to achieve the level of satisfaction after shopping. Therefore it is necessary to ascertain whether the market giants in retailing consumer goods

have to make any improvement to compete with their respective competitors to enhance their market share.

HYPOTHESIS

H_0 :There is no significant relationship between the demographics of the respondents and the celebrity endorsed advertisement impact.

OBJECTIVES OF THE STUDY

1. To study the demographic profile and shopping perception of the consumers in the study area due to celebrity endorsement.
2. To suggest measures for policy implications.

METHODOLOGY

Research methodology is a way to systematically solve the research problem. The research results are capable of being evaluated either by the researcher himself or by others. A research design is a plan, structure and strategy of investigation so conceived as to obtain answers to research questions or problems. The research design here used is descriptive research. The area covered is only Coimbatore city limits and the areas mainly concentrated for the study are Retail Outlets like Shopping Malls, Department Stores, Open Market, etc.. Shopping malls such as Brook Fields Shopping Mall in Poo Market, Fun Mall in Peelamadu. Departmental stores like Kannan Departmental Stores at Cross Cut Road, Gandipuram, Nilgiris Departmental Stores at Avinashi Road, Race Course, Spencers in Coimbatore city. These are few purchase points for shopping covered under the geographical belt of Coimbatore city limits were taken for the study.

To accomplish the objective of the study, the researcher has to depend on both primary and secondary data. Questionnaire is a main tool for collecting the primary data. Questionnaire designed in a systematic manner covering adequate and relevant question which cover all the aspects of the study. Secondary data was collected from the company records Magazines, Journal and Websites and Other related research work on it. The technique used for the research is Non-Probability sampling because the population is infinite. The sampling technique use for the study is convenience sampling technique. The researcher has interviewed 1200 respondents for data collection. The collected data have been analyzed with the help of tools like Percentage Analysis, Garrett Ranking Method and Chi-Square Test. Cronbach's Alpha is used to test the reliability of the dimensions.

RESULTS OF ANALYSIS

The results of the analysis initially evaluate the demographics of the respondents involved in purchase of consumer goods in the retail outlets followed by the rating of the respodnents towards media of awareness about consumer goods, the hypothesis was derived to find the relationship between demographics of the respondents and the impact of celebrity endorsed advertisement. The rating of the respondents about the place of shopping and finally, the descriptive statistics discussed about the physical and social surroundings perceived by the respondents during shopping.

DEMOGRAPHICS

Demographics of the respondents are classified as age, sex, type of family, size of the family, educational qualification, occupation and monthly family income of the respondents are presented in the table.

Table 1 : Demographics of the Respondents

Sl. No.	Demographics	Respondents (1200 Nos.)	Percentage (100%)
01.	Age		
	Below 20 years	238	20
	20 to 30 years	327	27
	30 to 40 years	244	20
	40 to 50 years	204	17
	Above 50 years	187	16

02.	Marital Status		
	Married	720	60
	Unmarried	480	40
03.	Type of Family		
	Nuclear	412	34
	Joint	788	66
04.	Size of the Family		
	Small (3 to 5)	379	32
	Medium (5 to 7)	556	46
	Large (Above 7 members)	265	22
05.	Educational Qualification		
	School level	222	19
	Graduation	405	34
	Post Graduation	300	25
	Professional Course	273	23
06.	Occupation		
	Private Sector	255	21
	Government Sector	175	15
	Professional Services	191	16
	Self-Employed (Business, etc.)	223	19
	Others (Job Work,Wage Earners,etc.)	356	30

Sl. No.	Demographics	Respondents (1200 Nos.)	Percentage (100%)
07.	Monthly Family Income		
	Less than 20000	30	3
	20000 to 30000	135	11
	30000 to 40000	307	26
	40000 to 50000	394	33
	More than 50000	334	28

Source : Primary Data

The above table shows the percentage of age groups, marital status, type of family,size of the family,occupation,demographic factor.

Celebrity Endorsed Advertisement Effectiveness

Table 5 : Demographics of the respondents and Celebrity Endorsed Advertisement Impact (Chi-Square Test)

Demographics	Calculated χ^2 Value	Table Value	Degree of Freedom	P-Value	Remarks
Age	58.447	15.508	8	0..000	Significant
Sex	8.100	5.991	2	0..017	Significant
Marital Status	82.154	5.991	2	0..000	Significant
Type of family	15.322	5.991	2	0..000	Significant
Size of family	31.661	9.488	4	0..000	Significant
Educational qualification	17.502	12.592	6	0.007	Significant
Occupation	86.498	15.508	8	0.000	Significant
Monthly Family Income	39.069	15.508	8	0.000	Significant

Source : Computed

It is summarized from the table that the calculated chi-square value is greater than the table value with the different degrees of freedoms at 5% level of significance based on the comparison to find the relation ship between demographics of the respondents and their perception towards celebrity endorsed advertisement impact are associated and holds goods. Therefore, the null hypothesis is rejected.

Table 6 : Factors used mostly to describe the advertisements

Factors	Number of Respondents	Percentage
Credibility	96	8.00
Creativity	186	15.50
Celebrity	215	17.92
Reliability	481	40.08
Professionalism	222	18.50
Total	1200	100.00

Source : Primary Data

It is clear that maximum (40.08%) of the respondents describe reliability of the advertisements before purchase of consumer goods, while 18.5% of the respondents indicated professionalism, 17.92% of the respondents stated celebrity impact, 15.5% of the respondents opined creativity and the remaining 8% of the respondents expressed credibility of the advertisement that influenced them before purchase of consumer goods.

Table 7 : Satisfaction towards display of the consumer products in the retail outlets

Satisfaction	Number of Respondents	Percentage
Highly Satisfied	389	32.42
Satisfied	472	39.33
Moderate Satisfaction	182	15.17
Dissatisfied	94	7.83
Highly dissatisfied	63	5.25
Total	1200	100.00

Source : Primary Data

It is evident from the table that maximum (39.33%) of the respondents are satisfied towards the display of consumer products in the retail outlets, while 32.42% of the respondents are highly satisfied, 15.17% of the respondents are moderately satisfied, 7.83% of the respondents are dissatisfied and the remaining 5.25% of the respondents are highly dissatisfied.

SUMMARY OF RESULTS

DEMOGRAPHICS

- 27% of the respondents belong to the age between 20 and 30 years
- Most (60%) of the respondents are married
- Most (66%) of the respondents are from joint type of family
- Nearly half (46%) of the respondents are having 5 to 7 members (medium) in their family
- Maximum (34%) of the respondents are graduates, while 25% of the respondents are post graduates
- Maximum (30%) of the respondents are occupied in others category (Job work, wage earners, students,, housewives, etc.)
- Maximum (33%) of the respondents had stated that their family income is between Rs.40000 and 50000
- Maximum (34%) of the respondents are graduates, while 25% of the respondents are post graduates
- Maximum (30%) of the respondents are occupied in others category (Job work, wage earners, students,, housewives, etc.)
- Maximum (33%) of the respondents had stated that their family income is between Rs.40000 and 50000

media of Awareness

It is clear that the media of awareness was highly rated towards Television that achieved the first position and the least rating was towards others medias such as Fairs, Tradeshows, Events, Product Launch.

DEMOGRAPHICS AND CELEBRITY ENDORSED ADVERTISE-MENT IMPACT

- It is concluded that there is significant relationship among the demographics of the respondents classified as age, sex, type of family, size of the family, educational qualification, occupation and monthly family income was compared with the celebrity endorsed advertisement impact was

found to be significantly associated and the null hypothesis is rejected.

- Maximum of the respondents describe reliability of the advertisements before they decide to make purchase of consumer goods and maximum of the respondents are satisfied towards the display of consumer products in the retail outlets.

suggestions and conclusion

- Television takes a lead in the advertisement effectiveness as the prime source of media to expose the subject to the mass. It is evident from the study that the highest level of awareness rated by the respondents was through television media and next is the print media. Word of mouth and posters/ hoardings followed the other two categories. Hence, it is suggested that the promoters of consumer goods need to present colorfully and soul filling effect with creativity about the facts of their products including the celebrity endorsement as an striking feature to reach the minds of the consumers.

- Very few of the respondents indicated the celebrity endorsement, creativity and credibility during the purchase of consumer goods that needs to be significantly improved to enhance the preference of the respondents towards consumer goods.

- Few of the respondents stated that they are dissatisfied towards the display of consumer goods in the retail outlets. It is recommended that if at all the celebrity endorsement and effective advertisement is a contributing factor in the selection of products from the retail outlets, the retailers are advised to manage an organized display to attract the consumers to purchase the goods with complete satisfaction.

CONCLUSION

A retail market become increasingly competitive, retailers are continuously looking to differentiate their retail offering. One way they can differentiate is by providing a shopping environment that is customized to meet customers' needs, not only in terms of merchandise, convenience and pricing but also in providing a pleasant and, possibly, exciting shopping atmosphere. Customer purchase attitudes depends on what are learned and stored in customer memory thus the customer memory play a crucial role in purchase decision making here is were advertising has an important role. On this basis people associate different attributes such as trustworthiness, reliability, credibility, likeability, attractive etc. with different celebrities. This has a strong impact consumer's attitude towards brand, their purchase intentions and many other aspects.

References

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