

## How Celebrity Endorsement Affects the Purchasing Decision of Consumers: An Overview



### Management

**KEYWORDS :** Celebrity endorsement, regular endorsement, survey analysis.

Sarath M

Guest Lecturer, College of Avian Sciences and Management, Kerala Veterinary and Animal Sciences University, Thiruvazhamkunnu. Kerala.

#### ABSTRACT

*The study was aimed to understand the impact of advertisement on customer perception when it is endorsed by a celebrity and a regular endorsement. The study has been conducted at Ernakulum, the central part of Kerala and also which is considered as the most urban part of the state. Since it is being considered as the developed part of the state, choosing the particular area gives more relevance to the study. People from an age group of 15 to 25 have been selected randomly to collect the data. The study also gives emphasis on the most influencing medium that persuades a customer to buy a product and also the role of celebrity endorsement across various segments. Data has been collected from a sample size of 80 and a simple percentage calculation has done to analyze the data. In order to interpret the analyzed data pie-chart has been added*

India is a country where celebrities are idolized next to God. Film actors like Sharukh Khan, Mammootty, Kareena Kapoor, Deepika Padukone, and sportspersons, like Sachin Tendulkar, MS Dhoni are just a few who enjoy this treatment. Marketers use this very proposition to influence their target customers in purchasing various products.

Everyday consumers are exposed to thousands of advertisements through television, radios, internet, magazines, and newspapers and on billboards. Every brand attempts to steal at least a fraction of a person's attention and time to inform him / her of a product. Every product has an image; the consumer tries to consume a brand which has the maximum fit with his / her own personality / image. The celebrity endorser tries to fit in between these two interactions, where he / she tries to bring the image of the product closer to the expectation of the consumer, by projecting his image on to the product.

Now, despite these potential benefits derived from celebrity endorsements, a brand should be cautious when employing celebrities to ensure that the promise portrayed by the celebrity is believable and the product must also deliver. Companies invest large sums of money to align their brands and themselves with endorsers.

Every advertisement does not require a celebrity to endorse it. In fact, a company can save a lot of money, simply by not practicing celebrity endorsement. For example, Fevicol, Vim, lifebuoy, Amul, have never felt the need of celebrity endorsement. Does this mean that these products can speak themselves? Do these products have high standards in terms of durability and quality that is doesn't need a celebrity backing the product? In which case, must we reconsider all the products that use celebrity endorsements? These are the few questions we intend to answer with this report.

#### MATERIALS AND METHODS

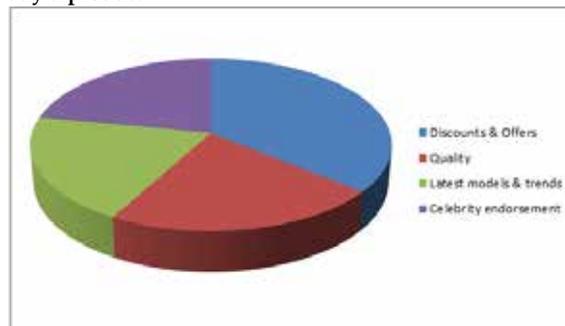
The data has been collected randomly from a sample of 80, the questionnaire were distributed among the sample population. Out of which 42 respondents were male and 38 respondents were female. The entire sample size has been taken from the Ernakulum district of Kerala. The various data which are collected from the respondents were analyzed using simple percentage method. In order to present the analyzed data pie chart has been used. The study has focused on the various dimensions of celebrity endorsement and a regular endorsement. And also it gives emphasis on various media which persuade a customer to buy a product. The study also investigates the role of celebrities on endorsing various products like clothes, Jewelry, food items, automobiles etc. The study also tries to establish a

relationship between brand value of the product and the celebrity endorsement.

#### RESULTS AND DISCUSSION

In order to identify the advertisement medium which persuades one to buy a product, the respondents were given a questionnaire asked them to rate among Television, Magazine, Newspaper and Internet. Based on the response given by them television is considered as most influential medium, 58% of respondents had same opinion. 18% of respondents commented that newspaper is the advertisement means that persuade them to buy a product. 12% of respondents considered magazine and 12% of respondents considered internet as the most influential factor.

**Figure 1. Figure shows what motivates the respondents to buy a product**



**Source: Primary data**

In order to identify the most motivational factors amongst - Discount & Offers, Quality, Latest models & Trends, Celebrity endorsements, the collected has been analyzed and it was found out that discount and offers play a vital role in motivating the customers to buy a product. 36 % of the respondents had the same opinion that Discount and Offers motivates them to purchase a product. Whereas, 22% of the respondents have considered quality and celebrity endorsement respectively as their motivational factor. Only 20% of respondents considered latest model and trends motivate them to buy a product.

Various elements like celebrity as model, screen and dialog, Jingles and slogans and location and scenery were put forward to respondents to know what the most crucial element is which capture the attention of them when they were exposed to an advertisement. Among the respondents 65% agreed that celebrity endorsement attracts the attention and 20% of respondents had the opinion that screen and dialog has attracts them more. Only 12% of respondents

considered Jingles and scenery have importance in an advertisement. Just 3 % have the opinion that location & scenery attracts more for an advertisement.

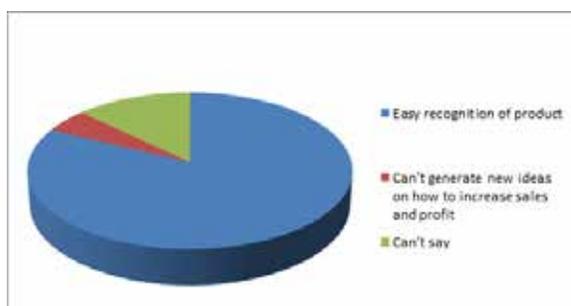
In the survey analysis, 73% of the respondents opined that they do not purchase a product only based on the advertisement. 15% of respondents did not have an exact opinion regarding this and only 12% of people purchase the products purely based on the advertisement. 53% of respondents preferred celebrity endorsed advertisements and 37 % of respondents preferring regular endorsement instead of celebrity endorsement. 10% of respondents did not have any specific answer regarding this question.

The respondents preferred celebrity endorsed as compared with the regular endorsement, 53% of the total respondents have the same opinion and 37 % of the respondents have the opinion that the regular endorsement is preferred by them. Whereas 10% of the respondents did not have any opinion.

Among the respondents 77% had opined that non-celebrity endorsed advertisement have a moderate influence on their purchase decision. 12% of the respondents said that influence of non-celebrity endorsement is very low. Only 8% of the respondents have the opinion that influence of non-celebrity endorsement is high.

Majority of the respondents (60%) are of the opinion that celebrity endorsement gives more brand value of the product. So celebrity endorsement has advantages over regular endorsement in giving more brand value to the product. Minority group does not sure regarding whether the celebrity endorsement gives more brand value to the product. 46 % of the respondents believe that celebrities do not use the products they endorse. That shows a lack of trust in the celebrities by this portion of respondents. Even if they trust the products it is not mandatory that it is because of the celebrity who endorses the product. Majority of the respondents (65%) were of the opinion that lifestyle of the celebrities will influence the advertisements they endorse. It can be either positively or negatively. But the lifestyle of a non-celebrity doesn't influence the advertisements they endorse.

**Figure 2. Reasons why companies choose celebrity endorsements**



Source: Primary data

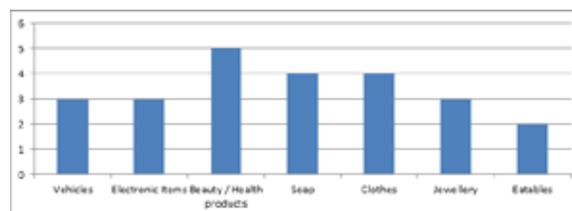
Most of the respondents (83%) states that the companies go for celebrity endorsement because their products will get easy recognition. The customers will easily notice and identify products endorsed by celebrities than the products endorsed by non-celebrities.

Majority of the respondents (68%) perceived levels of satisfaction are not met while consuming the product that has been endorsed by a celebrity. Products that are endorsed

by celebrities offer more expectations to the customers than products with regular endorsement. Only 28% of the respondents commented that expected levels of expectations were met as they perceive in the advertisement. 41% of the respondents are of the opinion that celebrity endorsement influences both durables and non-durables. Therefore, based on the results we can conclude that celebrity endorsement is effective over regular endorsements regardless of the products. 32% of the respondents commented that endorsement of celebrity has influenced more on durables where as 27% of respondents commented that they influence more on non-durables. Majority of the respondents (41%) are of the opinion that their decision making to buy a product won't be affected by any particular dislikes towards the celebrity who endorse the brand. In this aspect both celebrities as well as regular endorsement are alike. 32 % of the respondents did not have an exact answer and 27% of the respondents said that dislikes towards the celebrity will affect the purchase decision.

Figure 3, shows the influence of celebrity endorsement on purchase decision by the consumers. While purchasing food items, influence of celebrity endorsement on product purchase is low and in case of vehicles, electronic items and jewelry, results are neutral. For soap and clothes, influence of celebrity endorsement is quiet high and for beauty / health products, it is very high.

**Figure 3. The influence of celebrity endorsement while purchasing the following products**



## Conclusion

It can be seen from the work that celebrity endorsement alone does not paid for the product. Even before the purchase decision the customer analyzed many situations, one among them is celebrity endorsement. Celebrity endorsed advertisement helps to create an easy recognition among the potential people. The public image of the celebrity plays a crucial factor when endorses a product. Role of celebrity varies according to the product they are endorsing. Impact of celebrity endorsement is high for those products related to the beauty and cosmetic products than other products. With an attractable discount offers and with quality of product, a regular endorsement product can easily overcome the celebrity endorsed products. It can be evident that products popularity is not only based on celebrity endorsement but also on the quality of the products. Hence spending /concentrating on improvement of product quality may pay high to the producers than simply spending on celebrity endorsement.

## References

1. Agrawal, J., & Kamakura, W. (1995). The economic worth of celebrity endorsers: An event study analysis. *J. Marketing* 59(3): 56-62.
2. Elberse, A., & Verleun, J. (2012). The economic value of celebrity endorsements. *J. Advertising Res.* 52(2):149-165.
3. Friedman, Hershey H., Salvatore Termini & Robert Washington (1976). The Effectiveness of Advertisements Utilizing Four Types of Endorsers, *J. Advertising Res* 5 (3):22-24.
4. Friedman, Hershey H. & Linda Friedman (1979), "Endorser Effectiveness by Product Type," *J. Advertising Res.* 19 (5): 63-71.

5. Friedman, H. H., & Friedman, L. (1979). Endorser Effectiveness by Product Type. *J.Advertising Res.* 19(5): 67-71.
6. Giffin, Kim (1967).The Contribution of Studies of Source Credibility to a Theory of Interpersonal Trust in the Communication Process, *Psychological Bulletin.* 68 (2): 104- 20.
7. Gurel-Atay, E., &Kahle, L. (2010). Celebrity endorsements and advertising effectiveness: The importance of value congruence. *J.Consum Res.* 37:807-809
8. Joseph, W. Benoy (1982). "The Credibility of Physically Attractive Communicators: A Review," *J.Advertising Res.*11 (3): 15-24.
9. Kahle, Lynn R., and Pamela M. Homer (1985). Physical Attractiveness of the Celebrity Endorser: A Social Adaptation Perspective. *J.Consum Res.* 11 (4): 954- 61
10. Ohanian, R. (1991). The impact of celebrity spokespersons' perceived image on consumers' intention to purchase. *J.Advertising Res.* 31(1): 46-54.
11. Till, Brian D., and Michael Busler (1998). Matching Products with Endorsers: Attractiveness versus Expertise. *J.Consum Res.* 15 (6):576-86.