

Exuberance Due to Celebrity Endorsement on Brands: A Product Categorical Study

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Abstract

Background/Objectives: The article aims to conceive on how celebrity endorsement for products affects the life style of any ordinary individual in a society thereby undergoes a little stress while making a decision in choice of purchase of a product. **Method/Statistical Analysis:** The structured question was administered to the respondents – buyers. A total of 200 questionnaires were distributed out of which 172 responded and were taken as samples. The paper analyses which product is highly affected on purchase due to celebrity endorsement. SPSS Statistics 17.0 version is used for data analysis. A multiple regression was run on 5 major products like: Jewel, Cosmetics, Food & Beverages, Electronic gadgets and Vehicles against independent variables like: 'Reach of Brand', 'Brand Recall', 'purchase opinion', and 'Trust' to understand which variable highly affects the purchase decision of particular product. **Findings:** The model depicts that chance of purchasing Jewel, cosmetics, Food and Beverages and electronic gadgets depends highly on 'Brand reach due to Celebrity Endorsement' but for purchasing of vehicles it depends on 'Purchase opinion due to celebrity endorsement'. **Application/Improvement:** A message is conveyed to the marketers to make the brand reach buyers by the use of celebrity endorsements especially in case of Jewels, Cosmetics, Food & Beverages and Electronic products. Whereas in case of Vehicles, buyer behavior towards celebrity endorsement has great impact on buyer to purchase the vehicles.

Keywords: Brand Recall, Brand Reach, Celebrity, Endorsement, Purchase Decision, Trust

1. Pre-Amble

Today 'Celebrity Endorsement' has attracted immense debate, it has been examined that the occurrence of personality shall solve the crisis of inter – communication which is very salient in these days, which has influence this practice on the brand¹. Today many organizations invest in a large amount in advertising expenditure for choosing the precise celebrity. There lies ambiguity with reverence to the returns that the firms might harvest for the brand. Corporate credibility along with the endorser credibility plays an important part in the attitude of the customer in the direction towards the brand and advertisement. Additionally, the excess of popularity of the celebrity eclipses the brand. Celebrities involve in enormous endorsements, it inclines to generate puzzlement among the consumers which in turn affects the perception of the advertisement and the brand. Finally to declare the

practice of celebrity endorsement influencing positively or negatively to the brand which is still a debate^{2,3}.

It is human psychology to hesitate from experimenting with the unknown. In private life, we ask around to get opinions of friends and relatives who have used the brand. This is where the Brand Ambassadors enter the scene. Their role is to talk about the product in such glowing terms that we shelve our doubts and go in for it. The affinity for a particular brand is imbibed in us from childhood - the message is carried forward from generation to generation. This is the brand loyalty and is of a permanent nature. It helps the product to maintain its identity even in turbulent periods – examples are brands of ice creams, chocolates or energy giving drinks or cold drinks^{4,5}.

This research aims to know whether there is significant impact in the purchase decision of buyers due to celebrity endorsements by brands. A multiple regression was run

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on 5 major products like: Jewel, Cosmetics, Food and Beverages, Electronic gadgets and Vehicles. The multiple regression was run based on the theory “ABC model of Attitudes”. Where the consumer’s attitude is considered to have three different components: Affect, Behavior and Cognition (ABC). The foremost ‘affect’ facet is linked the feeling of the customer towards a precise entity. The subsequent facet ‘behavior’ is associated with the customers’ target to do incredibly concerning the entity in the subject. Next subsequent facet ‘cognition’ is the portrayal of consumer’s beliefs about the entity⁶.

A Multiple Regression was applied to find out the effective of independent variables combined together (Purchase Opinion due to C.E X_1 ; Trust due to C.E X_2 ; Brand Recall due to C.E X_3 ; Brand Reach due to C.E X_4) against dependent Variable like Jewel, Cosmetics, Food & Beverages, Electronics & Vehicles.

2. Objectives

- To find out specific category of products influenced by celebrity endorsement.
- To measure the variable that contributes major part in purchase decision of buyer due to celebrity endorsement.

3. Scope of the Study

The enormity of the influence of celebrity endorsement skeleton beneath the purview of gray spectacles, the scope of the study is to examine the brunt of celebrity endorsers on purchase decision of buyers. The article deeply analyzes how buyer’s behaviors are molded by the corporate brands due to celebrity endorsements. Also it further analyzes which kind of industries is more influenced by celebrity endorsements. The study limits its scope to industries like jewels, cosmetics, food & beverages, electronic gadgets and vehicles, as there seems to be wide competition in these industries and the subjects are limited to Vellore and Chennai region.

4. Research Methodology

The study falls into Descriptive type of research where the research describes a population with respect to important variables. For the purpose of the study, the sampling

technique used is Simple Random Sampling. This research uses both primary data as well as secondary data. A pilot study with 20 samples and 172 questionnaires was collected to strengthen the questionnaire instrument. This research used Cronbach’s Alpha test to find the reliability of instrument and the reliability was found to be .970 which is very high. The instrument consisted of total 74 items. Out of which 13 are multiple choice, 10 belong to ranking type, 27 are five point Likert scale, 12 are matching type questions, and 12 are open ended type. Among those 12 questions 3 are completely unstructured and 9 are word association type questions. Multiple regressions are applied to find out the effect of predictors on the dependent variable as per a previous procedure⁷.

5. Data Analysis and Interpretation

5.1 Hypothesis

H_1 : Chance of Purchase of Jewel depends on purchase opinion due to Celebrity Endorsement (C.E), trust due to Celebrity Endorsement, Recall of Brand due to Celebrity Endorsement and Reach of Brand due to Celebrity Endorsement.

H_2 : Chance of Purchase of Cosmetics depends on purchase opinion due to Celebrity Endorsement (C.E), trust due to Celebrity Endorsement, Recall of Brand due to Celebrity Endorsement and Reach of Brand due to Celebrity Endorsement.

H_3 : Chance of Purchase of Food & Beverages depends on purchase opinion due to Celebrity Endorsement (C.E), trust due to Celebrity Endorsement, Recall of Brand due to Celebrity Endorsement and Reach of Brand due to Celebrity Endorsement.

H_4 : Chance of Purchase of Electronics depends on purchase opinion due to Celebrity Endorsement (C.E), trust due to Celebrity Endorsement, Recall of Brand due to Celebrity Endorsement and Reach of Brand due to Celebrity Endorsement.

H_5 : Chance of Purchase of Vehicles depends on purchase opinion due to Celebrity Endorsement (C.E), trust due to Celebrity Endorsement, Recall of Brand due to Celebrity Endorsement and Reach of Brand due to Celebrity Endorsement⁸.

To measure the combined effects of independent variables Multiple Regression was preferred⁹. (Purchase

Opinion due to C.E X_1 ; Trust due to C.E X_2 ; Brand Recall due to C.E X_3 ; Brand Reach due to C.E X_4 against dependent Variable(DV) (Jewel || Cosmetics|| F&B|| Electronics ||Vehicles).

The equation derived from theory ABC Attitude model is given as:

$$Y_1 = C_1 + d_1 X_1 + d_2 X_2 + d_3 X_3 + d_4 X_4$$

$$Y_2 = C_1 + d_1 X_1 + d_2 X_2 + d_3 X_3 + d_4 X_4$$

$$Y_3 = C_1 + d_1 X_1 + d_2 X_2 + d_3 X_3 + d_4 X_4$$

$$Y_4 = C_1 + d_1 X_1 + d_2 X_2 + d_3 X_3 + d_4 X_4$$

$$Y_5 = C_1 + d_1 X_1 + d_2 X_2 + d_3 X_3 + d_4 X_4$$

Where, d_1, d_2, d_3, d_4 are beta coefficients.

C_1 is a constant

Y_1 is dependent variable (DV)– Chance of Purchasing Jewel

Y_2 is dependent variable (DV)– Chance of Purchasing Cosmetics

Y_3 is dependent variable (DV)– Chance of Purchasing F&B

Y_4 is dependent variable (DV)– Chance of Purchasing Electronics

Y_5 is dependent variable (DV)– Chance of Purchasing Vehicles

The regression coefficients were tested¹⁰.

5.2 Chance of Purchase of Jewel

The forecasting vigor of the model as per R^2 in which value .495 in which 49.5% (Table 1) of variance in the DV belongs to IV with F-Value 40.908 (Table 2).

The beta weight of 0.588 for Variable 4(Brand Reach due to C.E) which discussed that there are other variables held constant, Chance of Jewel Purchase (DV) would increase by half the SD (0.585).

The predictive / order of importance was 0.585, 0.129,

Table 1. Multiple regression model summary^b

Depend Variable	Mode	R	R Square	Adjus-ted R Square	Std. Error of the Esti-mate	Change Statistics				
						R Square Change	F Change	df1	df2	Sig. F Change
Jewel	1	.703 ^a	.495	.483	.95057	.495	40.908	4	167	.000
Cosmetics	1	.584 ^a	.341	.325	1.06915	.341	21.579	4	167	.000
F&B	1	.653 ^a	.426	.412	.78264	.426	31.008	4	167	.000
Electronics	1	.564 ^a	.318	.301	.98447	.318	19.435	4	167	.000
Vehicle	1	.512 ^a	.262	.244	1.06551	.262	14.831	4	167	.000

a. Predictors: (Constant), Celebrity endorsed brands reach more to consumers, Remember Celebrity endorsed brand, Buyer Behavior, Trust Endorser

Table 2. ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.	Depend Variable
1	Regression	147.856	4	36.964	40.908	.000 ^b	Jewel
	Residual	150.897	167	.904			
	Total	298.753	171				
1	Regression	98.669	4	24.667	21.579	.000 ^b	Cosmetics
	Residual	190.896	167	1.143			
	Total	289.565	171				
1	Regression	75.972	4	18.993	31.008	.000 ^b	F&B
	Residual	102.292	167	.613			
	Total	178.264	171				
1	Regression	75.345	4	18.836	19.435	.000 ^b	Electronics
	Residual	161.852	167	.969			
	Total	237.196	171				
1	Regression	67.350	4	16.837	14.831	.000 ^b	Vehicles
	Residual	189.596	167	1.135			
	Total	256.946	171				

0.037, and 0.022 for variables 4,3,1 and 2 respectively. The t-test established that the results were comprehensive to the entire population by values 8.028, 1.735, 0.243 and 0.142. Table 3 as the significance value was .000 the regression was a good model.

By substituting the values in equation:

$$Y_1 = C_1 + d_1 X_1 + d_2 X_2 + d_3 X_3 + d_4 X_4$$

Chance of Purchasing Jewels = 0.789 + 0.004 (Purchase Opinion due to C.E) + 0.003 (Trust due to C.E) + 0.131 (Recall of Brand due to C.E) + **0.588 (Reach of Brand due to C.E)**

5.3 Chance of Purchase of Cosmetics

The forecasting vigor of the model as per R^2 in which value .341 in which 34.1% (Table 1) of variance in the DV belongs to IV with F-Value 21.579 (Table 2).

The beta weight of 0.486 for Variable 4 (Brand Reach due to C.E) which discussed that there are other variables held constant, Chance of cosmetic purchase (DV) would increase by half the SD (0.585)

The predictive/ order of importance was 0.491, 0.211, - 0.009, and -0.087 for variables 4, 1, 2 and 3 respectively. The t-test established that the results were comprehensive to the entire population by values 5.900, 1.216, - 0.049 and - 1.029. From table as the significance value was .000 the regression was a good model (Table 3)

By substituting the values in equation:

$$Y_2 = C_2 + d_1 X_1 + d_2 X_2 + d_3 X_3 + d_4 X_4$$

Chance of Purchasing Cosmetics = 1.224 + 0.025 (Purchase Opinion due to C.E) - 0.001 (Trust due to C.E) - 0.088 (Recall of Brand due to C.E) + **0.486 (Reach of Brand due to C.E)**

5.4 Chance of Purchase of F&B

The forecasting vigor of the model as per R^2 in which value .426 in which 42.6% (Table 1) of variance in the DV belongs to IV with F-Value 31.008 (Table 2).

The beta weight of 0.182 for Variable 4 (Brand Reach due to C.E) which discussed that there are other variables held constant, Chance of F&B Purchase (DV) would

Table 3. Coefficients^a

	Model B	Un-standardized Coefficients		Standardized Coefficients	T	Sig.	Depend Variable
		Std. Error	Beta				
1	(Constant)	.789	.218		3.623	.000	Jewel
	Purchase Opinion	.004	.018	.037	.243	.808	
	Trust Endorser	.003	.022	.022	.142	.888	
	Brand Recall	.131	.076	.129	1.735	.085	
	Reach of Brand	.588	.073	.585	8.028	.000	
1	(Constant)	1.224	.245		4.997	.000	Cosmetics
	Purchase Opinion	.025	.021	.211	1.216	.226	
	Trust Endorser	-.001	.024	-.009	-.049	.961	
	Brand Recall	-.088	.085	-.087	-1.029	.305	
	Reach of Brand	.486	.082	.491	5.900	.000	
1	(Constant)	.831	.179		4.634	.000	F&B
	Purchase Opinion	.015	.015	.162	.998	.320	
	Trust Endorser	.037	.018	.346	2.096	.038	
	Brand Recall	-.025	.062	-.031	-.397	.692	
	Reach of Brand	.182	.060	.234	3.014	.003	
1	(Constant)	.510	.225		2.260	.025	Electronics
	Purchase Opinion	.044	.019	.407	2.302	.023	
	Trust Endorser	.007	.022	.056	.312	.756	
	Brand Recall	-.021	.078	-.023	-.267	.790	
	Reach of Brand	.152	.076	.170	2.004	.047	
1	(Constant)	.605	.244		2.480	.014	Vehi-cal
	Purchase Opinion	.043	.021	.383	2.082	.039	
	Trust Endorser	.025	.024	.195	1.043	.298	
	Brand Recall	-.040	.085	-.042	-.466	.642	
	Reach of Brand	-.050	.082	-.053	-.606	.545	

increase by quarter the standard deviation (0.234). The predictive / order of importance was 0.346, 0.234, 0.162, and -0.031 for variables 2, 4, 1 and 3 respectively. The t-test established that the results were comprehensive to the entire population by values 2.096, 3.014, 0.998 and -0.397. From table 3 as the significance value was .000 the regression was a good model (Table 3).

By substituting the values in equation:

$$Y_3 = C_2 + d_1 X_1 + d_2 X_2 + d_3 X_3 + d_4 X_4$$

Chance of Purchasing F&B = 0.831 + 0.015 (Purchase Opinion due to C.E) + 0.037 (Trust due to C.E) - 0.025 (Recall of Brand due to C.E) + **0.182 (Reach of Brand due to C.E)**

5.5 Chance of Purchase of Electronics

The forecasting vigor of the model as per R^2 in which value .318 in which 31.8% (Table 1) of variance in the DV belongs to IV with F-Value 19.435 (Table 2).

The beta weight of 0.152 for Variable 4 (Brand Reach due to C.E) meant that when other variables held constant, Chance of Electronic Gadgets Purchase (DV) would increase by half the standard deviation (0.170). The predictive / order of importance was 0.407, 0.170, 0.056 and -0.023 for variables 1, 4, 2 and 3 respectively. The t-test established that the results were comprehensive to the entire population by values 2.302, 2.004, 0.312 and -0.267a. Table 3 it was found that the significance value was .000 the regression was a good model.

By substituting the values in equation:

$$Y_3 = C_3 + d_1 X_1 + d_2 X_2 + d_3 X_3 + d_4 X_4$$

Chance of Purchasing Electronics = 0.510 + 0.044 (Purchase Opinion due to C.E) + 0.007 (Trust due to C.E) - 0.021 (Recall of Brand due to C.E) + **0.152 (Reach of Brand due to C.E)**

5.6 Chance of Purchase of Vehicles

The forecasting vigor of the model as per R^2 in which value .262 in which 26.2% (Table 1) of variance in the DV belongs to IV with F-Value 14.831 (Table 2).

The beta weight of 0.043 for Variable 4 (Brand Reach due to C.E) meant that when other variables held constant, Chance of Vehicles Purchase (DV) would increase by half the standard deviation (0.383). The predictive importance or order of importance was 0.383, 0.195, -0.042 and -0.053 for variables 1, 2, 3 and 4 respectively. The t-test confirmed that the results were generalized to the total population by values 2.082, 1.043, -0.466 and -0.606. Table 3 it was

found that the significance value was .000 which is less than 0.05, and so it was concluded that the regression was a good model.

By substituting the values in equation:

$$Y_5 = C_5 + b_1 X_1 + b_2 X_2 + b_3 X_3 + b_4 X_4$$

Chance of Purchasing Vehicles = 0.605 + **0.043 (Purchase Opinion due to C.E)** + 0.025 (Trust due to C.E) - 0.040 (Recall of Brand due to C.E) - 0.050 (Reach of Brand due to C.E)

6. Results

- The model depicts that chance of purchasing Jewel depends highly on 'Brand reach due Celebrity Endorsement'
- The model depicts that chance of purchasing Cosmetics depends highly on 'Brand reach due Celebrity Endorsement'
- The model depicts that chance of purchasing Food & Beverages depends highly on 'Brand reach due to Celebrity Endorsement'
- The model depicts that chance of purchasing Electronic Gadgets depends highly on 'Brand reach due to Celebrity Endorsement'
- The model depicts that chance of purchasing Vehicles depends highly on 'Purchase Opinion due to Celebrity Endorsement'

7. Findings and Suggestions

- Marketers should take measures in order to make the brand reach to buyers by the use of celebrity endorsements especially in case of Jewels, Cosmetics, Food & Beverages and Electronic products. Whereas in case of Vehicles, buyer behavior towards celebrity endorsement has great impact on buyer to purchase the vehicles.
- The marketers should choose the right celebrity whose attributes matches their brand attributes, only then there is a high chance of recall of the brand.
- The celebrity chosen should be loyal to the brand they endorse because various social medias always keep an eye on celebrity's life style.

8. References

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