

Influence of Celebrity Endorsements on the Purchase Attitude of the Consumers

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Abstract

This study aims to analyse the influence of celebrity endorsement on the consumers purchase decision. The research focuses on the consumers who have shown a very different yet interesting way of recognising celebrities and stars. In India, celebrities are idolized as Gods and marketers have been trying their best to tap on this emotional connect of the people with the celebrities. Today, most of the popular brands are being endorsed by a famous personality either from entertainment industry or sports arena.

Key Words: *Celebrity Endorsement, Consumers Purchase Decision, Brands, etc.*

Introduction

Indian market is not by a large space, an easy audience to target for the advertisers. The one billion people of the country are speckled in terms of beliefs, ethnicity, states, culture, language, dialects, norms and values. Other aspects such as the economic discrepancy in the country separates it in a way which has resulted in a large number of lower and upper middle class, with a very small class falling under in the middle class. This demonstrates a vast disparity in the buying power and decision making clout, one which the advertisers should keep in mind. Indian advertisement has been placing a vital amount of importance on both recall and persuasion as brand differentiating messages.(Dixit,2005). Very often, various advertising styles are used by advertisers to influence consumer brand choice behaviour and among these different available choices one very popular choice is

Celebrity Endorsements. (Alsmadi 2006). “Traditional celebrity endorsements are as well established as the concept of celebrity itself.”(Anonymous, 2007).Celebrities influence on consumers appears to be larger than ever before. (Alperstein 1991). When used effectively celebrity endorsers have the potential of serving a valuable role in enhancing a brand’s competitive position and developing brand equity. (Till 1998).Schikel (1985) highlights the subtle yet intense impact of celebrities on everyday thinking and living. Defined as ‘intimacy at a distance’, it is seen that individuals have a tendency to form illusions of an interpersonal relationship with celebrities. (Horton & Wohl 1956).

Everyday consumers are exposed to thousands of voices and images in magazines, newspapers, and on billboards, websites, radio and television. Every brand attempts to steal at least a fraction of an

unsuspecting person's time to inform him or her of the amazing and different attributes of the product at hand. Because of the constant media saturation that most people experience daily, they eventually become sensation less to the standard marketing techniques. The challenge of the marketer is to find a hook that will hold the subject's attention. Also from a marketing communications perspective, it is vital that firms design strategies that help to underpin competitive differential advantage for the firm's product or services. Accordingly, marcom activities back-up other elements in the marketing mix such as designing, branding, packaging, pricing, and place.

Companies frequently use spokespersons to deliver their advertising message and convince consumers of their brands. A widely used and very popular type of spokesperson is the celebrity endorser (Tom et al., 1992). According to Agrawal and Kamakura (1995) celebrities make the advertisements believable and enhance the message in the minds of the consumers. Furthermore, celebrities increase awareness of a company's advertising, creating a positive feeling towards the brand. Thus using a celebrity in a company's advertising is likely to have a positive impact on the consumers' brand perception and purchase decision.

Taking cue from the above study, the present study is initiated and is exploratory in nature. It attempts to evaluate the influence of celebrities on the buyer behavioural pattern of consumers and their purchase decision in Hyderabad, over durable products.

The questions that then arise are:

1. What is the consumers' attitude towards celebrity endorsed advertisements?
2. What effects does celebrity endorsed advertisements pertaining to durable products have on consumers' purchase attitude?

This study is focused on the following objectives:

1. To identify the factors that motivates and affects the purchase attitude of consumers at Hyderabad.
2. To analyse factors which influence the purchase attitude of consumers at Hyderabad.
3. To assess the extent of influence created by celebrity endorsed advertisements for consumer durables and to ascertain the consumer responses.

Methodology and Data

The study area was confined to Hyderabad city and the sample has been chosen there from. Convenience sampling has been resorted to. The focus was on the behavioural pattern and the impact of celebrity endorsements on the purchase attitude of the consumers towards durable products. The questionnaires were distributed to a sample population of 600 consumers.

Data collection comprises of primary data and secondary data. The primary data has been collected through questionnaires and secondary data from related journals and publications. The questionnaire was based on the initial research model and propositions. Primary data were collected through questionnaire survey.

Results and Discussions

To evaluate the feasibility of the research proposal, a survey was conducted through distribution of

questionnaires to a select group of consumers. The sample size was 500 respondents. Based on the information and data provided by the consumers, the questionnaires were analysed using statistical tools apt for the study. The analysis revealed the following results:

A) Product Information Enhancement through Celebrity Endorsement

The endorsement given by celebrities as a source of information about the product was been validated and the under mentioned table substantiates the same.

Table 1
One-Sample Statistics
PRODUCT INFORMATION ENHANCEMENT THROUGH CELEBRITY
ENDORSEMENT

Information criteria	N	Mean	Std. Deviation	Std. Error Mean	t-test	significant
Advertisement creates awareness about the durable	500	3.7420	1.03614	.04634	16.013	.000
Celebrity endorsed advertisement captures the consumers' attention	500	3.0640	.96632	.04322	1.481	.139
Celebrity endorsed advertisement creates a lasting impact in the consumer's mind	500	3.4580	.98904	.04423	10.355	.000
Words of endorsement about a durable product from a favourite celebrity is accepted as a testimonial by the consumers	500	3.8560	.97013	.04339	19.730	.000
Information about a durable from a celebrity re-inforces its credibility	500	3.9140	.86493	.03868	23.629	.000

Consumers have a better brand recall at the point of purchase when celebrities are present in the advertisements.	500	3.1080	.97685	.04369	2.472	.014
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From the above table, it is found that the t-values 16.013, 10.355, 19.730, 23.629 and 2.472 are statistically significant at 5% level for the statements 1, 3, 4, 5, and 6. Therefore, it can be concluded that the respondents moderately agree that the celebrities are favourite in their advertisements and such advertisements create awareness about the durables. Apart from this, the study also discloses that celebrity endorsed advertisements create a lasting impact in consumers' minds, considering such endorsements as a testimonial for the products, reinforcing the product credibility and leading to better brand recall at the point of purchase. Whereas, the t-

value of the 2nd statement is insignificant wherein the respondents are not able to decide as to whether the celebrity endorsed advertisements for durable products capture consumer's attention.

B) Motivating Factors

Essentially, when it comes to purchase of durable products, certain factors influence or motivate the consumers for such purchase. Attributes like need, price, quality, product appearance, celebrity's testimonial, life style, peer group influence and the like have been considered in this study, as factors which motivate consumers to purchase durables.

Table 2
One-Sample Statistics- MOTIVATING FACTORS

MOTIVATING FACTORS	N	Mean	Std. Deviation	Std. Error Mean	t-test	Significant
Need	500	3.1440	.99863	.04466	3.224	.001
Price	500	3.8860	.88689	.03966	22.338	.000
Product utility	500	3.7600	.92309	.04128	18.410	.000
Product	500	3.5780	.95590	.04275	13.521	.000

appearance						
Celebrity's convincing endorsement	500	3.5220	.98155	.04390	11.892	.000
Life style	500	2.2640	.96133	.04299	- 17.119	.000
Peer group	500	4.6080	.50084	.02240	71.792	.000
Financial credit	500	4.4260	.59769	.02673	53.349	.000
Offers during seasons/ off - seasons	500	3.1820	.90028	.04026	4.520	.000
Esteem in ownership	500	4.2580	.58662	.02623	47.952	.000

The t-values as shown in the above table, namely 71.792, 53.349, 47.952 are highly significant for the factors 7,8 and 10, where the respondents strongly agree that peer group influence, financial credit and esteem in ownership are highly motivating factors. This is followed by factors 1, 2,3,4,5 and 9 in which case need, price, product utility, product appearance, celebrity's convincing endorsement, seasonal and off-seasonal offers are moderately significant factors. The factor 6, which has a mean value of

.2640 and significance of -17.119, is not a significantly motivating factor which reveals the disagreement of the consumers towards lifestyle as a motivating factor.

C) Influence of Celebrity Endorsement

The presence of a celebrity in an advertisement is likely to be influential in the purchase of a product. To this extent, a favourable celebrity's presence and convincing testimonial given by such a celebrity may persuade the consumer to purchase the product.

Table 3
One-Sample Statistics – INFLUENCE OF CELEBRITY ENDORSEMENT

INFLUENCING FACTORS	N	Mean	Std. Deviation	Std. Error Mean	t-test	Significant
Favourite celebrity's presence in the advertisement	500	3.4900	.89639	.04009	12.223	.000
Celebrity's vouching of the durable's features & quality	500	3.8280	.86250	.03857	21.466	.000
Convincing factor of the price comfort zone of the durable.	500	3.8620	.82724	.03700	23.300	.000
Overall impact of the advertisement of the durable combined with the celebrity's presence.	500	3.5820	.84659	.03786	15.372	.000
Advertisement induces purchase intention	500	3.8760	.84738	.03790	23.116	.000
Celebrity's conviction of the durable's promising performance / attribute	500	3.9960	.83988	.03756	26.517	.000
Edge over the competing brand of durable product	500	4.0160	.91948	.04112	24.708	.000
Festive season sale offers	500	3.6300	.76830	.03436	18.336	.000

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The respondents, on one hand have favourably responded to the factor 7, with a high significance of mean value 4.0160, where the product features are such that it has an edge over the competing brand. But on the other hand, factors 1,2,3,4, 5, 6 and 8 have a moderate significance, which have the t-values 12.223, 21.466, 23.300, 15.372, 23.116, 26.517 and 18.336 respectively signifying the presence of their favourite celebrity vouching the durable's features and quality, convincing the price comfort zone to the consumer. In addition to this, celebrity endorsed advertisement have

created an overall impact by inducing a purchase intention ultimately convincing the durable's promising performance.

D) Influence of Celebrity Endorsed Product on Purchase

An advertisement with a celebrity endorsement is likely to be one of the factors which persuades 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 analysed.

Table 4
One-Sample Statistics-INFLUENCE OF CELEBRITY ENDORSED PRODUCT ON PURCHASE

DURABLES	N	Mean	Std. Deviation	Std. Error Mean	T-test	Significant
Cars	500	4.1620	.79057	.03536	32.866	.000
Washing Machines	500	3.4880	.97146	.04345	11.233	.000
Refrigerators	500	3.1140	.98943	.04425	2.576	.010
Televisions	500	3.2300	.97725	.04370	5.263	.000
Mobiles	500	3.9180	.82743	.03700	24.808	.000
Digital Cameras	500	3.1080	1.07827	.04822	2.240	.026

According to the analysis, it has been found that celebrity endorsement for cars are highly influential having a mean value of 4.1620 with t- value of 32.866. As far as Washing Machines, Refrigerators, Televisions, Mobiles and Digital Cameras are concerned, they register only moderate significance with t –values of 11.233, 2.576, 5.263, 24.808 and 2.240.

E) Purchase Attitude Change

Products which were advertised earlier without a celebrity endorsement definitely will show a change in the consumer' s mindset if the product were to be endorsed by a celebrity. This obviously will show its impact through a change in the purchase attitude of the consumer.

Table 5
One-Sample Statistics-PURCHASE ATTITUDE CHANGE

OPINION	N	Mean	Std. Deviation	Std. Error Mean	T-test	Significant
Satisfied feel of the right choice of the durable product after endorsed by a celebrity	500	3.4740	.93116	.04164	11.383	.000
Truth in the testimonials given through endorsement	500	3.4760	.93765	.04193	11.351	.000
Celebrity endorsed advertisement creates better brand recognition	500	3.6940	.94560	.04229	16.411	.000
Celebrity endorsed advertisement for a durable product is more convincing than an ad without such endorsement	500	2.7360	1.02391	.04579	-5.765	.000
Celebrity based advertisements carry more weightage	500	3.4500	.92802	.04150	10.843	.000
The depth of celebrity endorsement for a durable product gives way to make the best choice among the	500	3.9220	.83265	.03724	24.760	.000

existing alternatives.						
Celebrity based advertisements enhances the buyer's belief of want satisfaction.	500	4.0560	.71686	.03206	32.939	.000
Celebrity endorsed durable product enhances quality assurance .	500	3.6520	.88570	.03961	16.461	.000
Off –seasonal / seasonal sales of durable products through celebrity endorsed advertisements are also promising.	500	3.4240	1.28668	.05754	7.369	.000

The above table reveals that the factor 4 with mean value 2.7360 and t-value -5.765 is insignificant where the respondents do not consider celebrity endorsed advertisement as convincing. But factors 1, 2, 3, 5, 6, 8 and 9 are moderately significant where these relate to choice of product, truth in testimonials, brand recognition, best choice of alternatives, enhancement of quality assurance and promising off-seasonal sales. The highly significant factor relates to celebrity based advertisement enhancing the buyer's belief of want satisfaction showing a t-value of 32.939.

Findings of the Study

- 1) Celebrity endorsement enhances product information and creates awareness among consumers. It helps them to recall the brands of the durable products.
- 2) The consumers of durable products have their motivational sources from
- 3) need and product utility. The study revealed that the celebrity's convincing

- 4) endorsement motivates them to materialise the purchase of durables.
- 5) The consumers are induced significantly by the celebrity endorser when the target is on quality and price.
- 6) The purchase attitude is influenced by the celebrity endorsement factors, product evaluation and brand recognition.

Conclusion

The world of today is changing fast. India is no exception. Especially after the opening up of the economy, the pace of change that India and its people are experiencing in their socio-cultural milieu is mind boggling. India, with its wide diversity, offers a fascinating scope to study the host of changes which developmental activities have brought about in its social and economical framework. While it is possible to get some estimates of the macro changes taking place in India, it is impossible to get any accurate measures of the subjective experiences that proceed,

accompany or follow such changes. However, the fact remains that the profile of the Indian market is vastly different from what it was earlier. Although these changes are difficult to measure at the micro level, nevertheless, they have been of great significance to marketers. Any marketer is keen in closely monitoring the changes in terms of numbers and specially keeping regular track of the changing pattern of consumer's aspirations and competitive actions.

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