



IMPACT OF CELEBRITY ENDORSEMENT TOWARDS CONSUMER PACKAGED GOODS

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ABSTRACT

The concept of using celebrities to promote products or services has become a well-explored and widely adopted strategy in modern businesses. This essay aims to explore the influence of celebrity endorsements on customers' willingness to spend money, which is the central research inquiry. A qualitative approach is employed to examine this topic, utilizing an inductive research method. Secondary data from journals and online publications are collected to provide context for the study. However, it's important to note that customers' readiness to make purchases can vary due to factors like income and substitutes. It can be stated, however, that celebrity-endorsed items significantly affect consumers' decision to purchase. This study report use quantitative research methods to identify the variables that affect consumer purchasing behavior and celebrity endorsement. The review of previous research on celebrity endorsements sheds light on our research question and explains a number of key study-related facts. Our research study employs the quantitative approach to comprehend the perspectives of customer behavior, qualities, and how they interact with purchasing behavior. A questionnaire was used to gather the data, which was then analyzed using statistical package.

Keywords: Celebrity Reliability, Consumer Behavior, Buyer Behavior, Endorsement.

INTRODUCTION

The phrase "celebrity endorsement" refers to a marketing tactic used to promote a product to a large audience. Without a question, celebrity endorsement helps brands and goods get access to international networks and networking opportunities.

A celebrity is someone who has widespread recognition and utilizes it to promote goods, services, or brands.. The use of celebrities as brand ambassadors may be considered as an integral aspect of a company's

branding strategy. Companies now have the chance to attach their brand to a well-known persona, such as a celebrity, thanks to this approach.

A method known as "celebrity endorsement" involves the employment of one or more famous people to promote a particular item, service, or brand.. In the current environment, celebrities serve as role models for both young people and older citizens. They were treated similarly to them. In relation to their preferred celebrity, they are altering their lifestyle and way of living. These elements have a significant influence on purchasing decisions and behavior. Celebrities do not permanently alter a person's thoughts or behavior through influencing how they behave when they make purchases. However, it typically has a significant influence on how they see choosing any certain goods. Consumers often consider if their preferred celebrity is using them. We should then make advantage of it to seem like them (Khatri 2006). Since the turn of the 20th century, advertising has gone through many stages, from conventional to contemporary. The most effective method employed by marketers today to influence consumers is to associate famous people with their brands and goods. This technique involves a number of appeals and messages. Since the turn of the 20th century, advertising has gone through many stages, from conventional to contemporary. Today, the most effective method for marketers to influence consumers is through using celebrities to promote their brands and goods. This technique uses a variety of appeals and messages.

RESEARCH PROBLEM

According to various research studies, using celebrities to promote products has consistently proven to be an effective strategy for increasing sales. Celebrities promote services and merchandise in a manner that enhances the credibility and recognition of a brand. This form of endorsement not only fosters trust, familiarity, and product knowledge but also plays a pivotal role in influencing consumer purchasing decisions (Muda et al., 2017). Subconsciously, consumers tend to believe that by purchasing a product endorsed by a celebrity, they can emulate the desirable qualities of that celebrity, thus having a psychological impact. Moreover, consumers often feel a strong sense of affinity and connection with these celebrities, believing that they genuinely use the products they endorse. All of these factors result in a dramatically elevated and distinct brand value, and the organization has a sense of legitimacy thanks to the celebrity's name's ability to back it. A manager has to understand precisely how a celebrity endorsement will impact customers' desire to pay and what elements are likely to increase consumers' readiness to pay more in order to effectively sell a product or service via celebrity endorsement. A manager won't be able to make decisions on this sort of promotion unless he has access to all of these facts. Consequently, the goal of this study is to do further in-depth research on this subject.

THEORETICAL BACKGROUND

Gupta et al. (2023), reported quantitative research methods to identify the variables that affect consumer purchasing behavior and celebrity endorsement. The review of previous research on celebrity endorsements sheds light on our research question and explains a number of key study-related facts. Our research study employs the quantitative approach to comprehend the perspectives of customer behavior,

qualities, and how they interact with purchasing behavior. A questionnaire was used to gather the data, which was then analyzed using the data analysis application SPSS.

Liu and Mengmeng (2022) explored how the attributes of a celebrity, including reliability, attractiveness, credibility, and expertise, impact consumers' impulsive buying behavior. They collected data from 371 consumers in the fast fashion industry using a practical-sampling method and employed structural equation modeling with SMART-PLS for data analysis. The study's findings revealed that celebrity attributes such as knowledge, attractiveness, credibility, and trustworthiness all positively influence purchase intentions and impulsive buying behavior. Purchase intention serves as a mediator between the independent and dependent variables in the study.

Ogosi et al. (2022), celebrities' lifestyles were explored. Citing the instances of Cristiano Ronaldo and Paul Pogba from June 2021, effect on global brand items Pogba. The study's primary goal is to examine the effect of prominent celebrities. on goods with a worldwide brand. Various data from the qualitative research study were analyzed. publishing in news journals and scientific journals are discussed. The result of the According to a research, high-profile celebrities' behaviors do have some influence on public image. of international brands by customers, which in turn may have a good or negative impact on brand performance. Given the profound emotional impact they have on their devotees, the research advocates informing celebrities who act as brand ambassadors about the negative effects of their actions toward any certain goods brand. If their behavior is not controlled and observed, they may negatively impact the brand without justification.

Sunny et al. (2023), in the Nigerian telecommunications sector, investigated the effects purchasing behavior. The study's definition of celebrity included qualities like reliability, skill, and beauty It used the survey research design in order to successfully gather data via primary data sampling. Using judgmental sampling approaches, 374 clients were chosen as the sample size. They gathered using a structured questionnaire, and OLS multiple regression estimation methods were utilized to analyze the data. Celebrities who promote telecommunications goods influence and influence customers' decisions to buy telecommunications products. The report so advises telecom companies to always strive to provide high-quality goods that will encourage confidence and believability among both their followers and consumers.

OBJECTIVES

- To study the Socio economic profile of the respondents.
- To explore the variables of Celebrity Endorsements and Purchase Intention.
- To test the significance of Dimensions of Celebrity Endorsements over Purchase Intention.

HYPOTHESES DEVELOPMENT

Ha1. There is a influence on Attractiveness over Purchase Intention.

Ha2. There is a influence on Expertise over Purchase Intention.

Ha3. There is a influence on Trustworthiness over Purchase Intention.

RESEARCH METHODOLOGY

The research methodology for this study is primarily descriptive and exploratory in nature. To gather data, a questionnaire was designed, tailored to investigate specific aspects of interest. The target participants for this study were selected from various social media networks in Chennai, constituting a sample size of 450 respondents. The sampling method employed for this research was convenience sampling which can be advantageous for studies with limited resources or time constraints. This approach allows for data collection from individuals who are living in chennai, readily available and willing to participate, albeit with potential limitations related to representativeness.

ANALYSIS AND DISCUSSION

PERCENTAGE ANALYSIS

Table 1
Percentage Analysis for Demographic Variables

Occupation	No. of. respondents	Total Percentage
Student	62	13.8
Salaried	104	23.1
Professional	110	24.4
Business	125	27.8
Housewife	49	10.9
<i>Total</i>	<i>450</i>	<i>100%</i>
Qualification	No. of. respondents	Total Percentage
Schooling	68	15.1
UG	148	32.9
PG	153	34
Others	81	18
<i>Total</i>	<i>450</i>	<i>100%</i>
Monthly Income	No. of. respondents	Total Percentage
Below 30000	59	13.1
30000-60000	159	35.3
60000-90000	163	36.2
Above 90000	69	15.3
<i>Total</i>	<i>450</i>	<i>100%</i>
Marital Status	No. of. respondents	Total Percentage

Married	212	47.1
Single	238	52.9
Total	450	100%
Gender	No. of. respondents	Total Percentage
Male	165	36.7
Female	254	56.4
Third Gender	31	6.9
Total	450	100%
Age	No. of. respondents	Total Percentage
Below 21 Years	49	10.9
21-30 Years	110	24.4
31-40 Years	129	28.7
41-50 Years	111	24.7
Above 50 Years	51	11.3
Total	450	100%

Inference

The table presents data on various demographic and socioeconomic factors based on the responses of 450 individuals. These factors include occupation, qualification, monthly income, marital status, gender, and age.

In terms of occupation, the majority of respondents fall into the business category, comprising 27.8% of the total, followed by professionals at 24.4%, and salaried individuals at 23.1%. Students account for 13.8%, and housewives make up 10.9% of the respondents. Looking at qualifications, the largest group consists of those with a postgraduate degree (PG), representing 34% of the total. Undergraduates (UG) make up 32.9%, followed by those with schooling qualifications at 15.1%. The remaining 18% fall under the "Others" category.

When examining monthly income, a significant portion of respondents, 35.3%, earns between 30,000 and 60,000. Those with incomes between 60,000 and 90,000 make up 36.2%, while those with incomes below 30,000 constitute 13.1%. Respondents with incomes above 90,000 account for 15.3% of the total. In terms of marital status, the data reveals that 52.9% of respondents are single, while 47.1% are married.

In the context of gender, females make up the largest group, representing 56.4% of respondents, followed by males at 36.7%, and individuals identifying as a third gender at 6.9%. Finally, the data on age distribution shows that the largest age group among respondents is between 31-40 years, comprising 28.7% of the total.

The 21-30 years age group accounts for 24.4%, while those between 41-50 years and above 50 years represent 24.7% and 11.3%, respectively. Respondents below 21 years constitute 10.9% of the total.

In summary, this table provides insights into the demographics and characteristics of the 450 respondents based on occupation, qualification, monthly income, marital status, gender, and age, which can be useful for various analytical purposes.

Table 2
Percentage Analysis for Statements

Statements	SA*	%	A*	%	N*	%	DA*	%	SDA*	%
Have Bought	23	5.1	26	5.8	104	23.1	173	38.4	124	27.6
Probably Buy	30	6.7	8	1.8	122	27.1	183	40.7	107	23.8
High Purch. Interest	22	4.9	14	3.1	118	26.2	179	39.8	117	26
Sexy	34	7.6	35	7.8	82	18.2	186	41.3	113	25.1
Handsome	29	6.4	38	8.4	69	15.3	199	44.2	115	25.6
Elegant	32	7.1	37	8.2	87	19.3	205	45.6	89	19.8
Classy	18	4	34	7.6	82	18.2	216	48	100	22.2
Expert	31	6.9	12	2.7	80	17.8	228	50.7	99	22
Skilled	31	6.9	7	1.6	87	19.3	251	55.8	74	16.4
Qualified	22	4.9	0	0	74	16.4	236	52.4	118	26.2
Knowledgeable	27	6	70	15.6	96	21.3	157	34.9	100	22.2
Experienced	34	7.6	62	13.8	99	22	175	38.9	80	17.8
Dependable	29	6.4	21	4.7	108	24	212	47.1	80	17.8
Trustworthy	33	7.3	17	3.8	108	24	206	45.8	86	19.1
Honest	23	5.1	19	4.2	106	23.6	204	45.3	98	21.8
Sincere	32	7.1	19	4.2	83	18.4	208	46.2	108	24
Reliable	23	5.1	17	3.8	90	20	242	53.8	78	17.3

*SA – Strongly Agree; A – Agree; N – Neutral; DA – Disagree; SDA – Strongly Disagree

Inference

The table provides data on respondents' attitudes and opinions, categorized into five levels of agreement: Strongly Agree (SA), Agree (A), Neutral (N), Disagree (DA), and Strongly Disagree (SDA). Each row in the table represents a specific statement or attribute, while each column displays the number and percentage of respondents falling into one of these five categories. From the data, it can be inferred that for most statements, the majority of respondents fall into the categories of Strongly Agree (SA) or Agree (A), as indicated by the higher percentages in these columns. Specifically, statements like "Dependable," "Trustworthy," and "Reliable" have a significant portion of respondents in the SA and A categories, suggesting that the majority view these attributes positively.

Conversely, statements such as "Qualified" and "Probably Buy" have a notable percentage of respondents in the Neutral (N) and Disagree (DA) categories, implying a lack of consensus or a more mixed opinion on these attributes. Additionally, statements like "Qualified" have no respondents in the Agree (A) category,

indicating a more negative perception. Overall, this table offers insights into how respondents perceive various statements or attributes, with some being widely approved (SA/A) and others generating more diverse opinions (N/DA) or leaning towards a negative view (DA/SDA).

DESCRIPTIVE STATISTICS

Table 3

Statistics						
	Age	Gender	Marital Status	Monthly Income	Qualification	Occupation
Mean	3.01	1.70	1.53	2.54	2.55	2.99
Median	3.00	2.00	2.00	3.00	3.00	3.00
Std. Deviation	1.176	.590	.500	.905	.955	1.224
Skewness	-.005	.189	-.116	-.023	-.040	-.074
Kurtosis	-.871	-.591	-1.995	-.780	-.929	-1.009
Minimum	1	1	1	1	1	1
Maximum	5	3	2	4	4	5

Inference:

The table summarizes statistics for a dataset of 450 observations across various attributes, including Age, Gender, Marital Status, Monthly Income, Qualification, and Occupation. Age appears nearly normally distributed with a mean of 3.01. Gender is slightly right-skewed (mean 1.70), while Marital Status is slightly left-skewed (mean 1.53) with low kurtosis. Monthly Income has a mean of 2.54 with moderate variability. Qualification and Occupation show no significant skewness or kurtosis. In summary, most attributes exhibit approximately normal distributions, except for Marital Status, which is flatter. Further analysis is needed for a comprehensive understanding.

Qualification, coded numerically, has a mean of 2.55 and a median of 3.00. The skewness and kurtosis are both close to zero, indicating a distribution close to normal. Occupation has a mean of 2.99 and a median of 3.00. The skewness and kurtosis are also close to zero, suggesting a distribution close to normal. Overall, the data appears to be relatively normally distributed in most cases, with some variability and skewness present, particularly in Gender and Marital Status. Further detailed analysis and visualization would be necessary to understand the dataset fully.

STRUCTURAL EQUATIONAL MODELLING

Testing Significance of Dimensions of Celebrity Endorsements over Purchase Intention

Table 12

			Estimate	S.E.	C.R.	P
pint	<---	Exp	.062	.061	1.009	.313
pint	<---	Tru	.158	.057	2.783	.005
pint	<---	Att	.072	.057	1.282	.200

From the Table 14, it is evident that Trust Worthiness is only construct having a significant effect over Purchase Intention with $P = 0.005$, while other constructs namely Expertise and Attractiveness are not having any significant effect over Purchase Intention.

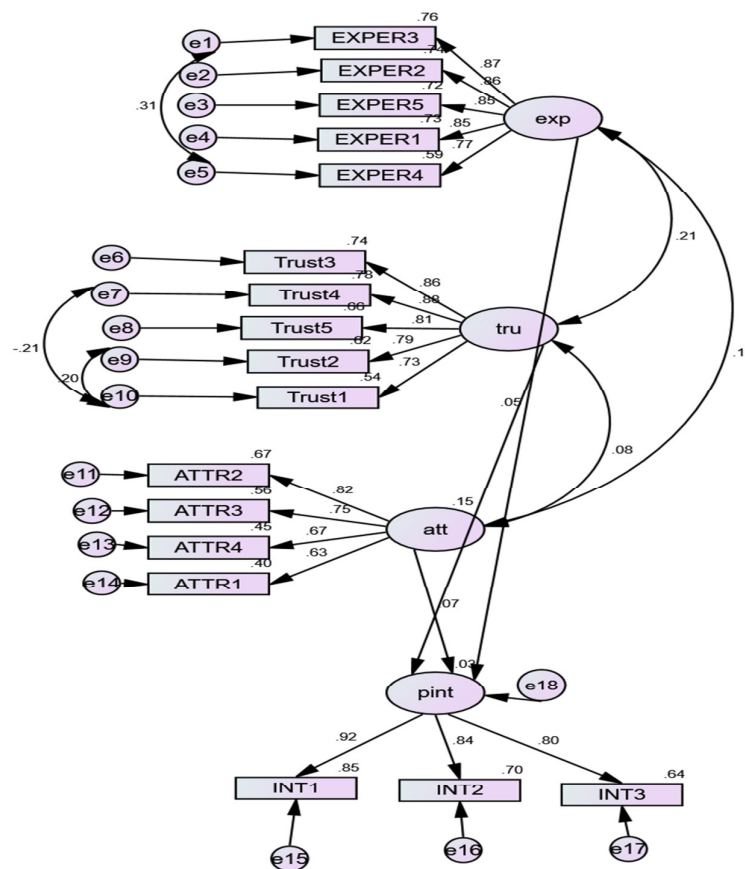


Chart 3

Table 13

Overall Model Fit value for measurement model

CMIN/DF	GFI	AGFI	NFI	CFI	RMR	RMSEA
<5.000	>0.90	>0.90	>0.90	>0.90	<0.08	<0.08
1.888	0.949	0.929	0.956	0.979	0.038	0.044

CONCLUSIONS

The results of this study emphasize the potential effectiveness of using celebrities to endorse products in marketing, which can have a notably positive impact on consumers' likelihood to make a purchase. However, the success of this strategy depends on how well it's integrated with other elements in the marketing mix. Therefore, if companies strategically employ celebrity endorsements, it can lead to favorable financial outcomes.

Additionally, this research provides important insights for marketing managers on how to choose the right celebrity endorser. Notably, it emphasizes that trustworthiness is the most crucial factor in this selection process, followed by attractiveness and expertise, in that order. It's worth noting that celebrities who are both trustworthy and appealing have a stronger influence on consumer purchase intentions than those who are simply experts in their field. Given these results, marketers are advised to carefully consider these dimensions when selecting a celebrity for endorsement purposes.

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