



# A STUDY ON CELEBRITY ENDORSEMENT AND CONSUMER BEHAVIOR OF SOFT DRINKS AMONG COLLEGE STUDENTS WITH REFERNCE TO COIMBATORE CITY

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**Abstract:** Celebrity Endorsement has become one of most popular tools of advertisement in marketing used by most of the major organizations these days. This strategy is being increasingly used by organizations day by day and it has become the winning formula as it increases the brand's popularity which results in greater sales numbers for the investing company. Celebrity endorsement refers to a marketing strategy whose purpose is to use one or multiple celebrities to advertise a specific product or service. Presently, the level of competition in consumer goods market is overwhelming covering new and existing products. Achieving sales and maximizing profitability depends on how effectively firm seeks to use several marketing promotional tools to strategically attract and convince consumers. Out of these promotional tools is advertising, which according to opuni et al. is used to create awareness about a particular product. But as a result of congestion of advertising contents and consumers being exposed to tons of voices and images on the media such as television, radio, newspapers, billboards and websites, sellers are now adopting new approach to promotion using celebrity endorsement.

## OBJECTIVES OF THE STUDY

- To examine the impact of celebrity endorsement on choice of product.
- To find out the relationship between celebrity endorsement and customer choice of product.
- To analyze that which factor of celebrity attracts more to the public.

## SCOPE OF THE STUDY

The scope of the study is confined only to the soft drinks industry to determine if the celebrity endorsing the soft drink has an impact or not, the scope is with respect to the attitude of the brand with the characteristics of the celebrity. The scope is also in respect with the purchase intention via the characteristics of the celebrity also the scope is in respect with the attitude towards the advertisements via the characteristics of the celebrity.

## REVIEW OF LITERATURE

According to **Adeyanju (2013)**, celebrities are people who enjoy public recognition possessing such attributes as attractiveness and trustworthiness. Celebrities are prominent and famous people who have excelled in their respective fields of endeavours and therefore command respect, acceptance, popularity and followership within the society.

**Shamar and Prabhakar, (2013)** also sees celebrities as people who have certain characteristics which differentiate them from the common people. These characteristics are; popularity, high recognition in a society or culture, attention grabber and very famous in their respective faculties.

According to **Sanchez (2004)**, an endorser as a person who keenly supports or appears with a product or service in a way that is communicable to the public. Celebrity endorsers are individuals who enjoy public cognition and use this cognition on behalf of an advertiser by appearing with a product in an advertisement (Ranjbarian, Shekarchizade, and Momeni, 2010)

## PROFILE OF THE STUDY

Soft drink, any of a class of non-alcoholic beverages, usually but not necessarily carbonated, normally containing a natural or artificial sweetening agent, edible acids, natural or artificial flavours, and sometimes juice. Natural flavours are derived from fruits, nuts, berries, roots, herbs, and other plant sources. Coffee, tea, milk, cocoa, and undiluted fruit and vegetable juices are not considered soft drinks.

### SPRITE

Sprite is a clear, lemon and lime-flavored soft drink created by the Coca-Cola Company. Sprite comes in multiple flavors, including cranberry, cherry, grape, orange, tropical, ginger, and vanilla. Ice, peach, Berryclear remix, and newer versions of the drinks are artificially sweetened. Sprite was created to compete primarily against Keurig Dr Pepper's 7 Up.

The Sprite brand name was created by T. C. "Bud" Evans, a Houston-based bottler who also distributed Coca-Cola products, circa 1955 for a line of drinks with flavors such as strawberry and orange; the rights to the name were acquired by the Coca-Cola Company in 1960.

The lemon-lime drink known today as Sprite was developed in West Germany in 1959 as Fanta Klare Zitrone ("Fanta Clear Lemon" in English) and was introduced in the United States under the Sprite name in 1961 as a competitor to 7 Up.

### Analytical Tool

- Simple Percentage analysis
- Ranking analysis
- Weighted average analysis
- Chi-square test
- Regression

## ARE YOU SATISFIED WITH THE QUALITY OF SPRITE?

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
HIGHLY SATISFIED	42	28%
SATISFIED	77	51.3%
MODERATELY SATISFIED	29	19.3%
NOT SATISFIED	2	1.3%
<b>TOTAL</b>	<b>150</b>	<b>100</b>

**SOURCE: QUESTIONNAIRE**

### INTERPRETATION:

The above table 4.1.12 shows that out of the 150 respondents 28% of respondents choose highly satisfied, 51.3% of respondents choose satisfied, 19.3% of respondents choose moderately satisfied and 1.3% of respondents choose not satisfied.

**Majority of the respondents choose satisfied. (51.3%).**

## HOW MUCH AMOUNT DO YOU SPEND FOR BUYING THE SOFT DRINKS?

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
BELOW 1000	42	28%
1000-2000	57	38%
2000-3000	42	28%
MORE THAN 3000	9	6%
<b>TOTAL</b>	<b>150</b>	<b>100</b>

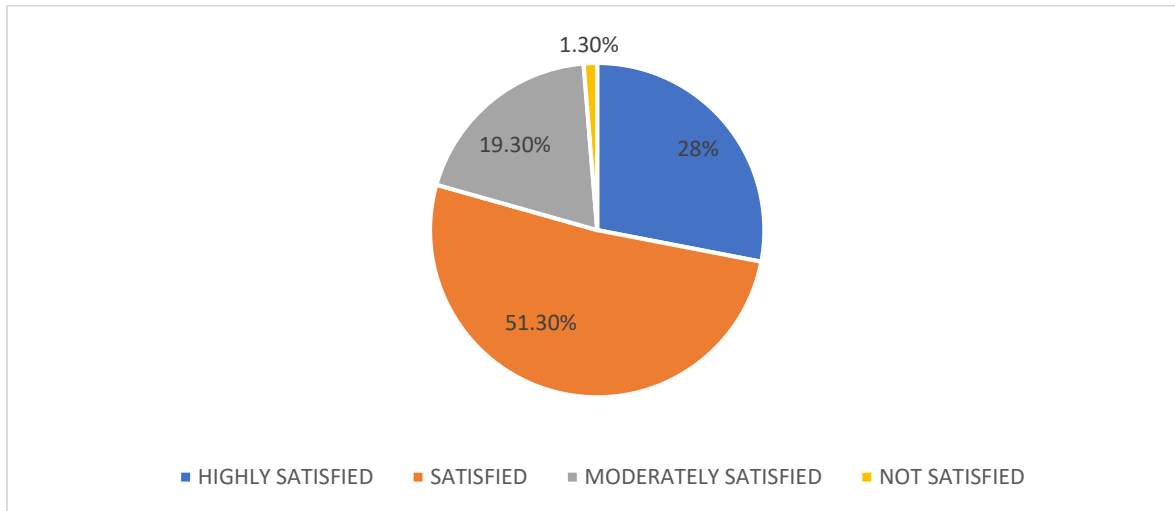
**SOURCE: QUESTIONNAIRE**

### INTERPRETATION:

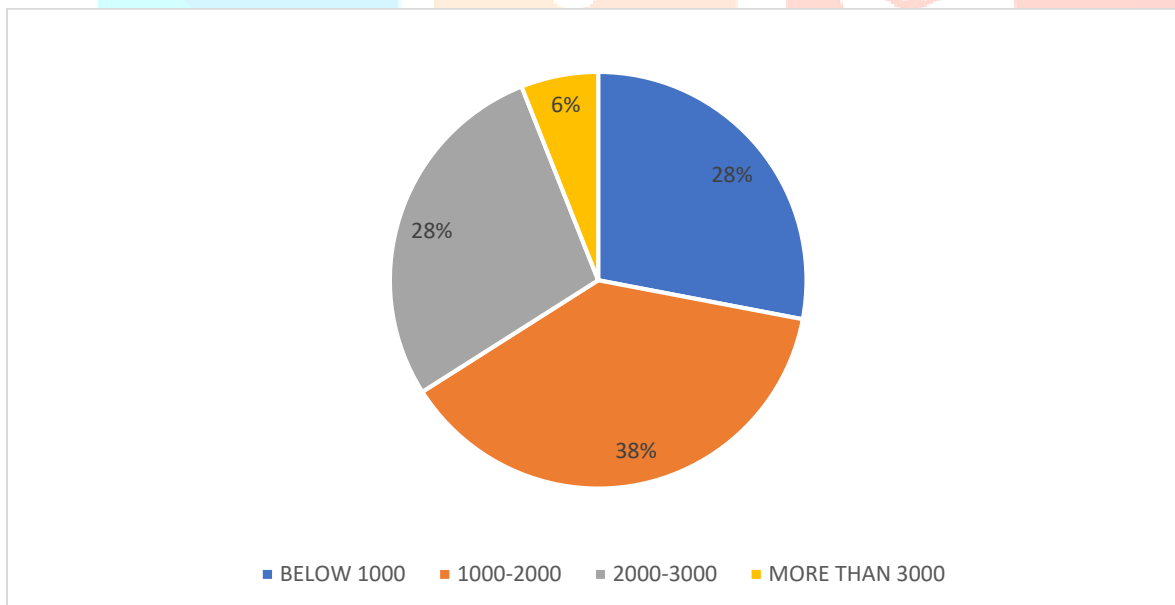
The above table 4.1.14 shows that out of the 150 respondents 28% of respondents choose below 1000, 38% of respondents choose 1000-2000, 28% of respondents choose 2000-3000 and 6% of respondents choose more than 3000.

Majority of the respondents choose 1000-2000. (38%).

### ARE YOU SATISFIED WITH THE QUALITY OF SPRITE?



### HOW MUCH AMOUNT DO YOU SPEND FOR BUYING THE SOFT DRINKS?



## AVERAGE RANKING ANALYSIS

### CHOOSING FACTORS OF THE RESPONDENTS ACCORDING TO THE SATISFACTION LEVEL

FACTORS	1(5)	2(4)	3(3)	4(2)	5(1)	TOTAL	RANK
PRICE	132	13	5	0	0	150	I
	660	52	15	0	0	727	
QUALITY	40	109	1	0	0	150	IV
	200	436	3	0	0	639	
CELEBRITIES ON ADVERTISEMENT	90	50	10	0	0	150	II
	450	200	30	0	0	680	
BRAND NAME	45	95	10	0	0	150	V
	225	380	30	0	0	635	
TASTE	59	86	5	0	0	150	III
	295	344	15	0	0	654	

#### INTERPRETATION –

The above table shows the choosing factors of the respondents according to the satisfaction level.

Price is ranked as I by the respondents; celebrities on advertisements is ranked as II; taste is ranked as III; quality is ranked as IV; brand name is ranked as V.

**WEIGHTED AVERAGE METHOD****CHOOSING FACTORS OF THE RESPONDENTS ACCORDING TO THE SATISFACTION LEVEL****INTERPRETATION -**

<b>FACTORS</b>	<b>1(5)</b>	<b>2(4)</b>	<b>3(3)</b>	<b>4(2)</b>	<b>5(1)</b>	<b>TOTAL</b>	<b>MEAN SCORE</b>
Do you buy a product which is endorsed by a celebrity?	133 68	17 68	0 0	0 0	0 0	150 733	4.886
Do you get attracted to buy a product endorsed by a celebrity?	55 275	95 380	0 0	0 0	0 0	150 655	4.366
Do you think that ads having celebrities are more effective than those which don't?	112 560	38 152	0 0	0 0	0 0	150 712	4.746
Does the presence of celebrity help you recognise a brand?	92 460	58 232	0 0	0 0	0 0	150 692	4.613
Are the claims made in advertisements having celebrities believable?	96 480	54 216	0 0	0 0	0 0	150 696	4.64

The above table justifies the choosing factors of the respondents according to the satisfaction level. The highest mean score or average is 4.886 for the factor of do you buy a product which is endorsed by a celebrity.

FAMILY INCOME	Amount spend for soft drinks				Total
	Below 1000	1001-2000	2001-3000	More than 3001	
10000-20000	3	1	1	1	6
20001-40000	17	15	5	2	39
40001-60000	11	30	24	0	65
More than 60000	11	11	12	6	40
<b>Total</b>	<b>42</b>	<b>57</b>	<b>42</b>	<b>9</b>	<b>150</b>

### RELATIONSHIP BETWEEN FAMILY INCOME AND AMOUNT SPEND FOR SOFT DRINKS

To find the association between family income and amount spend for soft drinks by the respondents, Chi-Square test is used and result is given below.

### HYPOTHESIS

H<sub>0</sub>: There is no significant difference between family income and amount spend for soft drinks.

H<sub>1</sub>: There is significant difference between family income and amount spend for soft drinks.

FACTORS	CALCULATION	df	TABLE VALUE	REMARKS
Family income	26.170 <sup>a</sup>	9	16.92	Rejected

### INTERPRETATION

The calculated value of chi-square is greater than the table value. Hence the hypothesis is rejected stating that there is significant relationship between family income and amount spend on soft drinks.

## RELATIONSHIP BETWEEN AGE AND THE SATISFACTION OF THE REPOONDENTS WITH THE PRICE

### Model Summary

Model	R	R Square	Adjusted R Square	Std Error of the Estimate
1	.023 <sup>a</sup>	.001	-.006	.736

a. Predictors: (Constant), age

### ANOVA<sup>a</sup>

Model	Sum of Squares	df	Mean square	F	Sig.
Regression	.043	1	.043	.080	.778 <sup>b</sup>
Residual	80.250	148	.542		
<b>Total</b>	<b>80.293</b>	<b>149</b>			

a. Dependent Variable: satisfied with price

b. Predictors: (Constant), age

### Coefficients<sup>a</sup>

Model	Unstandardized B	Coefficients std. Errors	Standardized Coefficient Beta	t	Sig.
(Constant)	1.737	.142		12.214	.000
age	.021	.076	.023	.282	.778

a. Dependent Variable: satisfied with price

## INTERPRETATION

Table shows that k square value is .001 which means that independent variable i.e age causes 1% changes in the dependent variable i.e satisfied with the price.

Table an over result shows that p value is .778 which is greater than 0.05. Its shows that there is no significant impact between age and satisfied with the price.



Table shows the coefficient results as indicated that the beta value is .023 which means that changes in independent variable i.e age by one unit will bring about changes in the dependent variable i.e satisfied with the price.

Further more , the beta value is positive ,which indicates positive impact between two variables or in other words, when independent variable increase by one unit the dependent variable increase by 0.23.

### PERCENTAGE ANALYSIS:

- Majority of the respondents belongs to 20-25 years old persons. (49.3%).
- Majority of the respondents are Male. (50.7%).
- Majority of the respondents belongs to PG Graduates. (59.3%).
- Majority of the respondents are Unmarried. (62%).
- Majority of the respondents belongs to Urban area. (45.3%).
- Majority of the respondents have 4-6 family members. (48.7%).
- Majority of the respondents have 40000-60000 as family income (43.3%).
- Majority of the respondents prefer to consume soft drinks. (91.3%).
- Majority of the respondents consume soft drinks for 2 years. (36.7%).
- Majority of the respondents choose brand. (46.7%).
- Majority of the respondents choose yes. (82.7%).
- Majority of the respondents choose satisfied. (51.3%).
- Majority of the respondents choose satisfied. (45.3%).
- Majority of the respondents choose 1000-2000. (38%).
- Majority of the respondents choose quality. (46%).
- Majority of the respondents choose super markets. (52%).
- Majority of the respondents choose completely affordable. (48.7%).

### RANK ANALYSIS -

- Price is ranked as I by the respondents; celebrities on advertisements is ranked as II; taste is ranked as III; quality is ranked as IV; brand name is ranked as V.

### WEIGHTED AVERAGE –

- The highest mean score or average is 4.886 for the factor of do you buy a product which is endorsed by a celebrity.

## CHI SQUARE TEST –

The calculated value of chi-square is greater than the table value. Hence the hypothesis is rejected stating that there is significant relationship between family income and amount spend on soft drinks.

## REGRESSION-

Table shows that k square value is .001 which means that independent variable i.e age causes 1% changes in the dependent variable i.e satisfied with the price.

Table an over result shows that p value is .778 which is greater than 0.05. Its shows that there is no significant impact between age and satisfied with the price.

Table shows the co efficient results as indicated that the beta value is .023 which means that changes in independent variable i.e age by one unit will bring about changes in the dependent variable i.e satisfied with the price.

Further more , the beta value is positive ,which indicates positive impact between two variables or in other words, when independent variable increase by one unit the dependent variable increase by 0.23.

## SUGGESTIONS

- The more popular the celebrity the easier it is for the brand to generate sales using that celebrity in their ads.
- If the likeability is high for a celebrity, more and more people see the advertisement, and it increases the chances of positively affecting the buying decision of the consumer.
- The successful celebrities find it easier to promote the brand, and it results in better brand image also better sales.
- Therefore, flexibility of the celebrity positively affects the buying affects the buying decision of the consumer.
- If a celebrity is attractive, more and more people see the advertisement which increases the chances of positively affecting the buying decision of the consumer.

## CONCLUSION

Celebrity endorsement has recall of the product. It increase sale and increase the demand of the product. The celebrities have credibility on expertise that makes the product more desirable or enhances perception of quality. The celebrity endorsement image is transferred to the product so that those who use the product are associated with the image. The advertisement is nothing but the backbone of the advertising companies. The celebrity endorsement cast a positive image on the consumer. Hence it is correct to say that the celebrity endorsement field is part and parcel of the Soft Drink and Cold Drink Company. The youth / adults generation is attracted towards the soft drinks because of the favorite celebrates they loved. That is the very reason for big Soft drink industries to spent millions on these high profile Celebrities year over the year.

## REFERENCES

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