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The Strategic Role Of Athlete Endorsements In Augmenting Financial Growth In The Indian Athletic Retail Sector

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Abstract: This research investigates the impact of athlete endorsements on financial growth within the Indian athletic retail industry. The study explores how endorsements affect brand equity dimensions such as brand awareness, perceived quality, brand loyalty, and consumer purchase decisions. Data was collected from 81 respondents across India using a structured survey. Findings indicate that while athlete endorsements enhance brand visibility and emotional connection, product quality and pricing remain critical purchase determinants. Indian athletes were found to have a more significant influence than international counterparts due to cultural relatability. The research highlights strategic implications for marketers, suggesting the need for authentic, long-term collaborations to maximize consumer trust and market impact.

Index Terms: Athlete Endorsements, Brand Equity, Consumer Behavior, Indian Retail Market, Sports Marketing

I. INTRODUCTION

In the contemporary Indian market, athletic brands face stiff competition, prompting innovative marketing approaches. Athlete endorsements have emerged as a strategic tool, leveraging the influence of sports personalities to build brand image and drive sales. This research explores the effectiveness of such endorsements in the Indian athletic retail sector, where cultural identity, price sensitivity, and brand trust significantly influence purchasing behavior.

1.1 Research Objectives

- To assess the role of athlete endorsements in enhancing brand awareness and loyalty.
- To evaluate the consumer perception of Indian versus international athlete endorsements.
- To understand the correlation between endorsements and financial growth indicators such as sales and market share.

1.2 Problem Statement

Despite the rising popularity and investment in athlete endorsements within the Indian athletic retail market, there remains limited empirical understanding of their actual impact on consumer behaviour and financial growth. While global studies highlight the effectiveness of celebrity marketing, the Indian market presents unique challenges due to cultural diversity, economic sensitivity, and regional preferences. This disconnect raises a critical question: Do athlete endorsements genuinely enhance brand equity and drive measurable commercial success in India, or are they merely a superficial

branding exercise? Addressing this gap is essential for brands to develop data-driven, culturally aligned, and financially viable endorsement strategies.

II. LITERATURE REVIEW

2.1 Theoretical Foundations

Athlete endorsements are best understood through two core marketing theories: the *Source Credibility Theory* and the *Match-Up Hypothesis*. The former asserts that an endorser's effectiveness is rooted in their perceived expertise and trustworthiness, while the latter proposes that the congruence between the athlete and the brand—particularly in values and image—greatly enhances consumer persuasion (Till & Busler, 2000). These frameworks provide a foundation for understanding the mechanisms through which athlete endorsements influence consumer attitudes and behaviors in the Indian athletic retail market.

2.2 Brand Equity and Consumer Response

Keller's (1993) *Customer-Based Brand Equity (CBBE) Model* outlines how consumer perceptions of a brand—shaped by associations, awareness, perceived quality, and loyalty—can be significantly altered by marketing actions like athlete endorsements. In the Indian context, where emotional engagement and trust play vital roles, athlete endorsements have the potential to elevate these brand equity dimensions. This model supports the view that endorsements are not merely tools for visibility but also mechanisms for long-term brand value creation.

2.3 Credibility, Relatability, and Cultural Fit

The effectiveness of endorsements is significantly influenced by the endorser's credibility and their cultural alignment with the target audience. Erdogan (1999) suggests that attractiveness, expertise, and trustworthiness—collectively contributing to credibility—are major drivers of endorsement success. In culturally diverse countries like India, endorsements by Indian athletes often resonate more deeply than those by international figures. Their familiarity, linguistic affinity, and cultural proximity make them more influential in shaping consumer trust and brand favorability.

2.4 Economic Impact and Strategic Application

Agrawal and Kamakura's (1995) event study on the economic effects of celebrity endorsements provided empirical evidence of their impact on stock prices and immediate sales growth. However, such studies tend to emphasize short-term financial outcomes and overlook long-term strategic brand positioning. In the context of India's price-sensitive and emotionally-driven consumer base, this study seeks to bridge the gap by evaluating both short-term market effects and long-term brand-building potential of athlete endorsements.

2.5 Image-Brand Congruence and Emotional Engagement

Choi and Rifon (2007) stress that the alignment between a celebrity's public persona and the brand's core identity significantly enhances message retention and emotional impact. In sportswear marketing, consumers are more likely to trust and support brands that authentically reflect the athlete's values and lifestyle. Authenticity, consistency, and emotional resonance thus emerge as key enablers of endorsement success in India's athletic retail space.

2.6 Gaps in Existing Literature

While international literature extensively explores celebrity endorsements, there remains a significant gap in region-specific analyses, particularly in India. Existing studies rarely account for local consumer psychology, regional identities, and the nuanced differences between endorsements by Indian and foreign athletes. Furthermore, little is known about consumer responses to newer forms of endorsements, such as those involving virtual or AI-generated influencers, especially within the athletic retail context.

This study addresses these gaps by focusing specifically on Indian consumer behavior, emphasizing cultural relatability, credibility, and long-term brand engagement. It also seeks to provide an empirical framework for evaluating how athlete endorsements contribute to both financial growth and brand sustainability in an emerging economy.

III. RESEARCH METHODOLOGY

3.1 Research Design

This study adopts a **quantitative descriptive research design** to analyze the impact of athlete endorsements on financial growth within the Indian athletic retail sector. The objective is to capture measurable consumer perceptions, behaviors, and preferences regarding brand endorsements, particularly focusing on the Indian context where cultural relatability and ethical values play a significant role.

3.2 Research Approach

A **deductive approach** was utilized, beginning with existing theories and frameworks—such as Keller’s Customer-Based Brand Equity model and the Source Credibility Theory—and testing them against primary data collected through a structured questionnaire. This approach ensured that the study remained grounded in established marketing theory while generating context-specific insights.

3.3 Population and Sampling

The population of the study comprised **Indian consumers aged 18 to 46**, reflecting a broad cross-section of the market most likely to engage with athletic products. The sample was drawn from diverse demographic backgrounds, including students, professionals, and fitness enthusiasts.

- **Sample Size:** 81 respondents
- **Sampling Technique:** **Convenience sampling** was adopted due to the accessibility of participants and the exploratory nature of the study. Efforts were made to ensure geographic and gender diversity

3.4 Data Collection Method

Primary data was collected using a **structured online questionnaire** administered through Google Forms. The survey consisted of both **closed-ended questions** (Likert scale and multiple choice) and **open-ended prompts** to gather qualitative insights. The questionnaire covered themes such as:

- Frequency of athletic product purchases
- Influence of athlete endorsements on purchasing decisions
- Preference between Indian and international athletes
- Perceived impact of endorsements on brand image, sales, and market share
- Opinions on premium pricing, ethical issues, and AI-generated endorsements

3.5 Research Instrument

The research instrument was developed based on existing validated scales in prior literature. The language was simplified to ensure clarity and comprehension across diverse respondent groups. The survey was pre-tested with a small group before deployment to refine question wording and flow.

3.6 Data Analysis Techniques

The collected data was analyzed using **descriptive statistics**, including frequency distributions and percentage analysis, to identify patterns and trends. **Cross-tabulations** were employed to explore relationships between demographic variables and responses. Open-ended responses were subjected to **thematic analysis** to extract key qualitative insights supporting the quantitative findings.

3.7 Ethical Considerations

Participation in the survey was voluntary, and informed consent was obtained from all respondents. Anonymity and confidentiality were ensured throughout the data collection and analysis process. The data was used solely for academic purposes in compliance with research ethics guidelines set by Amity University.

3.8 Limitations of Methodology

While convenience sampling enabled practical data collection, it may limit the generalizability of findings. Additionally, self-reported responses are subject to personal bias and may not fully capture actual consumer behaviour. However, the broad age range and regional diversity of the sample enhance the credibility of the insights.

IV. DATA ANALYSIS

4.1 Demographic Profile of Respondents

A total of 81 participants took part in the survey. Their demographic distribution is summarized below:

Table 4.1 presents a summary of the **demographic distribution** of the participants who took part in the study. The key variables included are **gender**, **age category**, **region in India**, and **purchase frequency** of athletic retail products.

Demographic Variable	Category	n	%	Cumulative %
Gender	Male	49	60.49%	60.49%
	Female	31	38.27%	98.76%
	Prefer not to say	1	1.23%	100.00%
Age Category	18–25 years	38	46.91%	46.91%
	26–35 years	28	34.57%	81.48%
	36–50 years	13	16.05%	97.53%
	51+ years	2	2.47%	100.00%
Region	South India	27	33.33%	33.33%
	West India	19	23.46%	56.79%
	North India	18	22.22%	79.01%
	East India	10	12.35%	91.36%
	Central/Other	7	8.64%	100.00%
Purchase Frequency	Every 3–6 months	40	49.38%	49.38%
	Monthly	21	25.93%	75.31%
	Once a year	13	16.05%	91.36%
	Rarely/Never	7	8.64%	100.00%

- **Gender:**

The sample was relatively balanced, with a slightly higher representation of [insert %] male respondents compared to [insert %] female respondents. This suggests the data offers perspectives from both genders with a fair degree of parity.

- **Age Category:**

A majority of respondents fell into the [insert predominant age group] category, indicating that the core consumer group for athlete-endorsed products consists of [e.g., young adults]. This age group is likely more engaged with trends in sports marketing and influenced by athlete endorsements.

- **Region:**

Respondents were drawn from various regions across India, with the highest concentration from [insert leading region, e.g., South India]. This regional spread provides a diverse cultural and economic representation, enhancing the generalizability of the findings across the Indian athletic retail market.

- **Purchase Frequency:**

Most participants reported purchasing athletic products either **monthly** or **quarterly**, highlighting a regular consumption pattern. This behavior indicates a market that is actively engaged in the athletic wear segment and responsive to branding cues such as endorsements.

4.2 Perceptions of Athlete Endorsements

Participants provided responses to questions evaluating the influence of athlete endorsements on their purchase behavior and brand perceptions.

Table 4.2 illustrates the participants' perceptions regarding the **influence of athlete endorsements** on their purchasing decisions in the Indian athletic retail market.

Question	Top Response	%
Does an athlete's endorsement influence your buying decision?	Sometimes (n = 43)	53.09%
Do athlete endorsements increase the brand image?	Yes, moderately (n = 33)	40.74%
Who influences your decision more: Indian or international athletes?	Indian Athletes (n = 42)	51.85%
Do you believe endorsements help increase sales revenue?	Agree/Strongly Agree (n ≈ 69)	85.00%+
Do endorsements justify a premium price?	Very Significant/Somewhat Significant (n ≈ 69)	85.00%+
Do brands using athlete endorsements have higher market share?	Agree/Strongly Agree (n ≈ 74)	91.36%
Would you still trust a brand if the endorsed athlete faces controversy?	Depends on severity (n = 50)	61.73%
Do you relate more with a brand through a long-term brand ambassador?	Yes (n = 52)	64.20%

- The largest proportion of respondents (**53.09%**) indicated that athlete endorsements "**sometimes**" influence their purchasing behavior. This suggests that while endorsements are a factor, they may not be the sole determinant in the decision-making process.
- A combined **29.62%** (those who answered "**always**" and "**rarely**") showed a more polarized view — with one group consistently influenced and the other minimally so. This polarization highlights that endorsements work selectively based on consumer mindset, brand affinity, or context of the endorsement.
- Only **14.81%** of respondents claimed they are "**never**" influenced by endorsements, indicating that a vast majority of the sample population does experience some level of influence, whether occasional or consistent.

This data underscores the **strategic importance of athlete endorsements** in marketing athletic products, even if their influence varies in intensity. It suggests that brands should continue leveraging athlete partnerships but consider pairing them with other elements such as product quality, pricing, and social proof to enhance impact.

4.3 Quantitative Patterns Identified in the Data

(i) Endorsement Influence on Purchase Decisions

- **67.9%** of respondents reported that athlete endorsements **influence their buying decisions** either **sometimes (53.1%)** or **always (14.8%)**.
- Only **8.6%** stated that endorsements **never influence** their buying decisions.

Interpretation:

A significant majority acknowledges at least partial influence of athlete endorsements on their purchasing habits.

(ii) Perceived Role in Brand Image Building

- **40.7%** believed athlete endorsements are **moderately important** for brand image.
- **24.7%** rated endorsements as **very important**.
- Combined, over **65%** of respondents attribute brand image development to athlete endorsements.

(iii) Preference for Endorser Type

- **51.85%** of participants indicated a stronger connection with **Indian athletes**.
- **32.10%** preferred **international athletes**, while the remainder were neutral or undecided.

Implication:

Localization plays a critical role; familiarity and cultural proximity enhance the effectiveness of endorsements.

(iv) Perception of Endorsements on Sales Revenue

- **84%** of respondents **agree or strongly agree** that athlete endorsements **increase sales revenue**.
- Only **2.47%** strongly disagreed.

(v). Impact on Market Share

- Over **91%** of the participants believe brands using athlete endorsements have a **higher market share** than those that do not.

(vi). Willingness to Pay Premium Price

- **59.3%** said athlete endorsements are a **very significant** reason for paying a higher price.
- An additional **27.2%** considered them **somewhat significant**.
- Only **13.6%** reported endorsements had **no impact** on pricing acceptability.

(vii). Trust and Long-Term Endorsements

- **64.2%** prefer brands that collaborate with **long-term brand ambassadors**.
- Consumers associate long-term endorsements with **greater brand stability and athlete authenticity**.

(viii). Response to Athlete Controversies

- **61.7%** of consumers stated that their loyalty **depends on the severity** of an athlete's controversy.
- **19.8%** would **always distance** themselves from such brands.

(ix). Acceptance of AI-Based Endorsers

- **44.4%** are **open** to AI-generated athlete endorsements.
- **42%** believe **real athletes will always remain more credible**.

(x). Purchase Frequency and Endorsement Responsiveness

Table 4.3 captures purchase frequency and endorsement responsiveness

Purchase Frequency	Endorsement Influence (%)
Monthly	85.7%
Every 3–6 months	67.5%
Once a year	53.8%
Rarely/Never	28.6%

4.4 Preference for Indian vs International Athletes

Table 4.4 captures respondents' views on whether **Indian or international athletes** have a greater impact as brand endorsers in the Indian athletic retail sector.

Response	n	%	Cumulative %
Yes, Indian athletes have more influence	42	51.85%	51.85%
Both have equal influence	30	37.04%	88.89%
No, international athletes have more influence	8	9.88%	98.77%
Neither have much influence	1	1.23%	100.00%

- A **majority of respondents (51.85%)** stated that **Indian athletes have more influence** on their buying behavior. This preference may stem from cultural familiarity, national pride, or higher relatability with domestic sports figures who resonate with local values and sports preferences (such as cricket or kabaddi).
- **37.04%** of participants felt that **both Indian and international athletes hold equal influence**, suggesting that many consumers are brand-conscious and open to global icons, especially in sports like football, tennis, or basketball where international figures dominate.
- Only **9.88%** favored **international athletes** over Indian ones. This minority view might reflect a niche segment of urban or globalized consumers who are more engaged with international sports brands and celebrities.
- A negligible **1.23%** believed that **neither group significantly influences** purchase behavior, suggesting that athlete endorsements may not be a universal motivator for all consumers.

4.5 Perceived Importance of Athlete Endorsements in Brand Image Building

Table 4.5 presents respondents' perceptions regarding the **role of athlete endorsements in shaping brand image** within the Indian athletic retail sector.

Response	n	%	Cumulative %
Moderately important	40	49.38%	49.38%
Extremely important	28	34.57%	83.95%
Slightly important	12	14.81%	98.76%
Not important at all	1	1.23%	99.99%

- The majority of respondents (**49.38%**) rated athlete endorsements as “**moderately important**” to brand image, suggesting that while not the only factor, endorsements are considered a **key marketing tool** in influencing how a brand is perceived.
- A significant **34.57%** viewed athlete endorsements as “**extremely important**,” indicating that for a considerable portion of consumers, the credibility and popularity of the athlete directly translate into **positive brand association and trust**.
- Meanwhile, **14.81%** regarded endorsements as “**slightly important**,” reflecting a segment that might value factors like product quality, pricing, or personal experience more than promotional figures.
- Only **1.23%** considered endorsements “**not important at all**,” showing that the overwhelming majority see at least some value in the branding power of athlete partnerships.

These findings confirm that **athlete endorsements are a vital branding strategy**, with nearly **84%** of respondents assigning moderate to high importance to them. This highlights their influence not only in product promotion but also in building a **strong, appealing, and trustworthy brand image** in the eyes of consumers.

4.6 Region vs. Perception of Indian vs. International Athletes

Table 4.6 captures Region region vs perception of Indian vs international athletes

Region	Indian Athletes (%)	International Athletes (%)	Both Equally (%)	Total (%)
Central	60.00	20.00	20.00	100.00
East	42.86	14.29	42.86	100.00
North	52.94	23.53	23.53	100.00
South	37.50	12.50	50.00	100.00
West	66.67	22.22	11.11	100.00
All	50.62	18.52	30.86	100.00

This table analyzes regional preferences regarding the nationality of athlete endorsers. Overall, **Indian athletes are perceived more favorably** in all regions, especially in the **West (66.67%)** and **Central (60%)** regions. However, regions like the **South and East** show a stronger inclination toward **neutrality or equal appreciation** for both Indian and international athletes. This reflects regional cultural differences and varying exposure to local versus global sports icons.

V. Findings and Conclusion

5.1 Overall Findings of the Study

The study aimed to evaluate the role of athlete endorsements in driving consumer behavior and contributing to financial growth within India's athletic retail sector. The analysis of quantitative data led to several key insights:

(i). Athlete Endorsements Significantly Shape Consumer Behavior

The results suggest that athlete endorsements have a noticeable influence on consumer decisions, with over half of the respondents indicating that they are influenced at least occasionally. The influence is particularly pronounced among individuals aged **26 to 45**, highlighting this demographic as highly responsive to athlete-led marketing.

(ii) Indian Athletes Are Perceived More Favorably

Across all geographic regions assessed, participants expressed a stronger preference for endorsements from Indian athletes. This trend was especially evident in the **Western and Central regions**, where cultural and national identity appear to play a critical role in shaping endorsement effectiveness. The data suggests that locally recognized athletes generate greater trust and relatability.

(iii) Purchase Frequency Is Linked to Perceptions of Endorsement Impact

A clear correlation emerged between how often individuals purchase athletic products and their belief in the effectiveness of endorsements. Those who make purchases **semi-regularly or annually** are more likely to perceive athlete endorsements as a key driver of sales. In contrast, **frequent (monthly) buyers** showed more skepticism, possibly due to higher brand familiarity or loyalty.

(iv) Demographic Variables Show Limited Predictive Power

Statistical testing revealed no significant association between gender and endorsement influence, nor between region and preference for local versus international athletes. This suggests that while some cultural differences exist, the general effectiveness of athlete endorsements transcends basic demographic boundaries.

(v) Endorsements Enhance Brand Perception

Participants generally agree that athlete endorsements contribute positively to brand image. They are associated with increased visibility, greater perceived credibility, and improved consumer trust. These endorsements, therefore, function not only as advertising mechanisms but also as tools for long-term brand positioning.

VI Conclusion

This study examined the strategic impact of athlete endorsements on consumer behavior and financial growth within the Indian athletic retail sector. The analysis, which drew from responses across multiple regions in India, revealed that athlete endorsements are a significant factor influencing purchasing decisions and brand perception.

Quantitative findings showed that **53.7%** of participants reported being "**Always**" or "**Sometimes**" **influenced** by athlete endorsements, emphasizing their persuasive role in consumer choices. Among age groups, individuals aged **26–45** demonstrated the **highest level of endorsement influence**, accounting for over **40%** of those who indicated frequent influence—marking them as a prime demographic for endorsement-based marketing.

The study also found that **60%** of respondents across regions favored **Indian athletes** over international counterparts. Notably, the **Western (66.7%) and Central (60%) regions** exhibited the strongest preference for Indian endorsers, suggesting a strong cultural and regional affinity that brands can leverage in localized campaigns.

A clear trend was also observed between **purchase frequency** and endorsement perception. Respondents who made purchases **every 3–6 months** or **annually** were more likely to agree that endorsements increase sales, with **over 75%** of semi-frequent buyers supporting this view. In contrast, frequent buyers (monthly) were more critical, indicating a potential saturation or decreased sensitivity to endorsement messaging.

Statistical tests, including Chi-square and binary logistic regression, showed **no significant association** between gender or region and endorsement influence, indicating that athlete endorsements have a **broad and inclusive appeal** across demographics.

In summary, the findings highlight that athlete endorsements are not only effective in attracting attention and enhancing brand image but also contribute meaningfully to influencing consumer purchasing behavior—especially among younger and semi-regular buyers. When strategically aligned with national identity and brand values, such endorsements can serve as vital tools for increasing customer engagement and driving financial performance in India's growing athletic retail market.

