

A STUDY ON IMPACT OF CELEBRITY ENDORSEMENT ON ADVERTISEMENT OF PATRON BUYING BEHAVIOUR

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ABSTRACT

IMPACT OF CELEBRITY ENDORSEMENT ON CUSTOMER PURCHASE INCLINATION

Today celebrity endorsement becomes the multi-million industries in the world. Marketers endorsed celebrities with their products and brands in the advertisement to increase their sales and change the perception of the viewer's regarding their brand, which positively impacts on their buying behavior. This research study focuses on the celebrity endorsement and its impact on the customer's buying behavior and their perception regarding the product or brand of the company. A quantitative method issued in this research in order to investigate the impact of celebrity endorsement on buying behavior. The data of 200 respondents is collected through questionnaire and results were analyzed through the SPSS. The students of different universities as respondents have been taken to know their perception regarding the celebrity and its attributes and the impact of celebrity endorsement on their buying behavior. It is concluded that celebrities endorsed advertisements are more attractive than then on-endorsed advertisements. Moreover the tested attributes of celebrity show positive relationship with the buying behavior and brand perception as well. It also proved that there is a significant impact of celebrity endorsement on the buying behavior. Finally, the results of the study further proved that there is a significant impact of celebrity endorsement on the buying behavior of customers.

INTRODUCTION

1.1 Background to the Research

In today's world the celebrities are being treated as a role model. People are changing their living style related with their favorite celebrity. This thing creates a great impact on the buying behavior of the persons. This attracts the customers and ultimately increases the company productivity. Celebrities are not always creating any kind of effect on persons mind in terms of buying. But mostly it gives a great impact on perception of choosing any product. We are always thinking that if our favorite celebrity is using them. Then we should use that to be like them (Khatri 2006) from last 150 years advertising is changing in different phases from the classical to modern. Now a day it's the best strategy used by marketers to influence customers by showing celebrities with their products, it includes different appeals lie, exciting, absurdity, sexual etc. Belch, G. and Belch, M.(2008) acknowledged that the main aim of formulating such strategies is to get high brand revelation, longing, concentration and curiosity. To do so, marketers attach famous personalities' with their products. McCracken (1989) stated that these famous personalities' had great influence on the consumer's buying behavior that's why it becomes the most attractive tool of advertising now a day. The major aim to do advertising and adopt this strategy is to influence customers towards the products (Ohanian1990).

1.2 Advertisement

Major intend of each commercial is to create attentiveness and stimulate interest in consumer's mind. Today almost every company from different industries uses advertisement as their basic tool to encourage their goods and services, because it's the best way to convey information to the huge public in an effective and efficient manner. According to the consumer's purchase intention the advertising plays a crucial role, it becomes vital for the companies to use all the tracts and tools to peruse customers towards their offering by using different type of advertising campaigns (Ohanian1991).

1.3 Celebrities

Erdogan (1999) concludes that celebrities are those people who have well known by the large number of people. They have special uniqueness and features like magnetism, unusual standard of living or special skills that are nor commonly experiential in common people. That it can be said that in society they are different from the common people. Among the model forms of celebrities, actors (e.g. Saif Alikhan, Shan, Salman Khan, Amitabh Bachan etc), models (e.g. Preeniti Chopra, Ali Zafar, BipashaBasu, Kareena Kapoor etc), Sports-men (e.g. Yusuf Pathan, Shahid Afridi, Sachin Tendulkar, etc.) are significant.

1.4 Celebrity endorsement

Khatri (2006) studied that the celebrity endorsement is the Promotion strategy to attract the Customers. By analyzing the current market, now it's become the need of the marketers to use the different famous personalities to relate with their brands to create unique identity of the brand and to do famous his company's brand or product, which results high expenditure for the company to use that strategy, however nowadays it is used to be a powerful strategic tool to get maximum profit. It also shows that this can carry risk, because there is no sureness that the celebrity can come up with the sales generation of the firm. But it creates a buzz and gives popularity to the company and the brand. This can increase the expectation of the customers in terms of real star by delivering the company promise. There are certain perspectives occur where the real persons can work better than the celebrities' endorsement, but not always.

1.5 Brand

The (AMA) classify that brand is a given name, indication, symbol, intend or blend of them that make one product or service different from other product or service. Brand is all about to create some associations with the customer, when it shows any characteristics of the brand he just recognize the brand. It's about getting people to see you as the only one that satisfy them in best way. The good brand includes, clears message delivery, assures your trustworthiness, attach with your target market emotionally, peruse the buyer and create loyalty. To do your brand successful first you need to understand the desires of your customers and then offer any brand in that manner according to the customer demand. Your brand must be in the minds of the customers. Once customers accept the brand, it gets more loyalty from the customers and lives for long in the market. According to Silvera & Austid (2004) brand is a set of insights and descriptions that signify a corporation's product or services, but many people think brand just a name or symbol but in reality it is beyond that and have larger definition and scope. It's the overall image of the product; it is the tool, which attach the customer's heart and mind.

1.6 Attention, awareness, attitude

This information has extended by Zafar (2009) and suggested that the celebrities' endorsements are being used to get the attention of the customers, by involving the best models in the advertisement and motivate people to get attention towards the product because this will ultimately raise the customer toward that company's product.

In this process the message of the main motive of the product is explained by the well-known personalities. So they are more preferable by the companies for developing the awareness.

1.7 Buying behavior

Buying behavior is a process by which a people search for the product/services they need or want, make decision to buy the required and most suitable one from different alternatives, use and the dispose it. For making marketing decision buying process model is playing a very important role for any one. It makes marketers to think about each step of this process rather than just purchase decision because if marketers just consider the purchase decision, it may be too late for a business to influence the choice of customers.

1.8 Factors effecting buying behavior

Brewster, Sparrow and Vernon (2007) explain about Factors that affect buying behavior and vary from person to person, age to age, and area to area. Every society follows its own norms, culture and values. At different stages of life our preferences change because of our age, needs, lifestyle, earning and psychological factors. These factors can be Internal (memory and way of thinking) or External (media, word of mouth, publicity and feedback). There are several factors, which pressure the buying behavior:

- **Cultural influences:** it has the broadest and the deepest influence on buying behavior. Brewster, Sparrow and Vernon (2007) define culture as shaping process, 'for a culture to exist, member of a group or society having different values and norms, which vary time to time. Cultural values can change and have to be watched by marketers. Ignoring this deepest and widest factor can be very costly for company in terms of image and profit.
- **Social influences:** social influences are those influences that clearly mold buying behavior, it Affects through reference group, family members and social class (Ahmed & Saeed 2014).
- **Family influences:** family life cycle and family decision making has the most in influence on One's buying behavior.
- **Psychological influences:** these influences are related to our perception, learning, memory and Motivation. It changes buying behavior through making the perceived picture of product in Customer's mind. Customer buying behavior can be influenced by different factors like:
Perception, beliefs, society, personality, information choices, preferences and communication.

1.9 Impact of endorsement on buying behavior:

Ranjbarian, Shekarchizade & Momeni (2010) agreed that advertisement is the action that persuades individuals of any particular market to buy services and product or service. Through different ways the advertisement message can be spread like TV ads, radio publicity, print promotion, online advertising, billboard marketing, in-store advertise, WOM advertising, and endorsement. Now the question arise that which category of promotion is best? The best nature of advertisement depends on the type of industry or firm and its necessities and desires. McCracken (1989) found that celebrities endorses characterized an effective way of transferring Meaning to brands. The common conviction of the marketers is that there is a significant and huge impact of those advertisements, which are endorsed by the famous celebrities comparably with the non-endorsed celebrities.

STATEMENT OF THE PROBLEM:

Images change Celebrity make mistakes and when they do, they can affect the brands they endorse. Celebrities become overexposed. When a celebrity Works with so many companies, the celebrities credibility may suffer. People may feel that the celebrity will endorse anything to make a buck. Celebrities can overshadow brands. Consumer may focuses on the celebrity, not the product. This is a particular danger when celebrities endorse multiple products at a time. **SCOPE OF THE STUDY:** This is undertaken to study the consumer's response towards their purchase preference on celebrity endorsed products. The study implies the view about the company

investing on celebrities for endorsing their product/brand and its impact towards different age group and gender. Celebrity endorsed products attracts more customers rather than non-celebrity endorsed products. The study helps to know the options and attitude of their purchase preference of customers towards celebrity endorsements.

REVIEW OF LITERATURE

Friedman & Friedman (1979) explained The term “celebrity” refers to an individual who is known to the public, such as actors , sports figures, entertainers” and others of the like for his or her achievement in areas other than that of the product class endorsed.

Copper (1984)explained that the general belief among advertisers is that advertising message delivered by celebrities provide a higher degree of appeal, attention and possibly message recall than those delivered by non celebrities. Marketers also claim that celebrities affect the celebrity of the claims made, increase the memo ability of the message, and may provide a positive effect that could be generalized to the brand.

Ohanian (1991) the use of (by corresponding standards) attractive people is common practice in television and print advertising, with physically attractive communications having proved to be more successful in influencing customers” attitudes and beliefs than unattractive spokespersons.

(Dinesh Kumar Gupta, 2007)The effectiveness of using a celebrity to endorse a firm’s product can generally be improved by matching the image of the celebrity with the personality of the product and the actual or desired self-concept of the target market

Research Objectives

- To identify the top celebrity endorser
- To analyze factors which influence the purchase attitude of customers
- To influence of celebrities in creating a brand image
- To know the satisfaction level of customers on celebrity endorsed products/brands.

DESIGN OF THE STUDY

This section describes the methodology of the present study which includes sampling design, collection of data, and period of study and tools of analysis

According to advanced learner dictionary of current English, “Research methodology is a careful investigation or enquiry especially through search for few facts in any branch of Knowledge”.

According to Reedman & Mory, It is the systemized effort to gain new Knowledge”.

DATA COLLECTION:

There are two types' data via..., primary and secondary.

The Primary data are those, which are collected afresh and for the first time and thus happen to be original in character.

The Secondary data, on the other data, are those which have already been passed through the statistical process. The methods of collecting primary and secondary data differ since; primary data are to be originally collected, while in case of secondary data the nature of data collection work is merely that of compilation.

COLLECTION OF PRIMARY DATA:

Primary data are those, which are collected afresh and the first time, and thus happen to be original in character. Under primary method of data collection several methods are available. For this study Questionnaire method is used.

COLLECTION OF SECONDARY DATA: The secondary data are those, which have already been collected by someone else and which have already passed through Statistical Process. Secondary data may be published or unpublished data. Secondary data collection method consist of

- Articles
- Internet

SAMPLEING TECHNIQUE:

A sampling plan is definite plan for obtaining a sample for a given population. It refers to the technique or the procedure that the researcher would adopt in selecting items from the sample. The selection or preparing a sample design should be reliable and appropriate, which reflects on the result of the day. Sampling unit in this study limits to 200 respondents in DINDIGUL city.

Period of study

The primary data were collected between 1st April 2017 and 31st December 2017. The survey period refers to 2017.

TOOLS AND TECHNIQUES USED FOR ANALYSIS:

The following are the scientific tools and techniques used to analyze the data,

- ✓ Simple percentage method
- ✓ Weighted Average Analysis
- ✓ Chi square analysis

✓ Rank analysis

Chi-Square Test

$$X^2 = \sum \frac{(O-E)^2}{E}$$

Tools of Analysis

In the present study the following tools were used to analyses the data

TABLE 4.1.1

GENDER OF THE RESPONDENTS

S NO	CRITERIA	NO OF RESPONDENTS	PERCENTAGE (%)
1	MALE	72	36%
2	FEMALE	128	64%

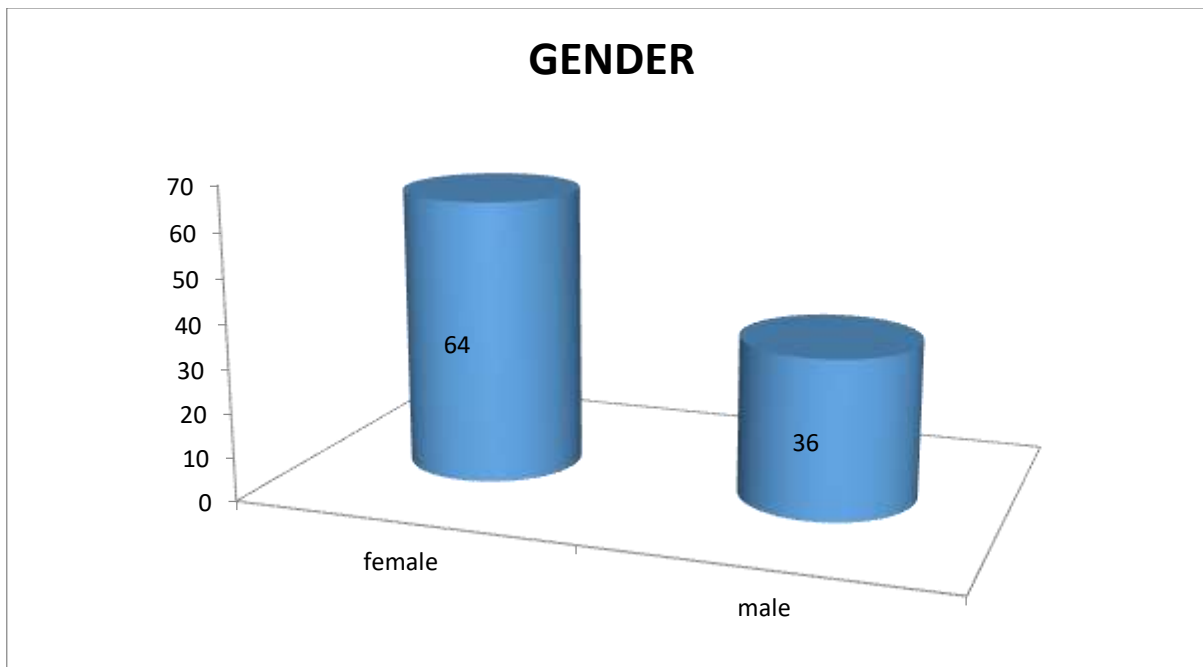
Source: Primary Data

INTERPRETION:

FROM the above table it is understood that the majority of the respondents are female with 64% and the rest are male with 36%

CHART 4.1.1

CHART SHOWING THE GENDER OF THE RESPONDENTS



STABLE 4.1.2

OCCUPATION OF THE RESPONDENTS

S NO	CRITERIA	NO OF RESPONDENTS	PERCENTAGE (%)
1	STUDENT	68	34%
2	HOUSEWIFE	50	25%
3	BUSINESS	38	19%
4	EMPLOYEE	31	15.5%
5	OTHERS	13	6.5%

Source: Primary Data

INTERPRETATION:

From the above it is clear that majority of the respondents are students with a total of 68 in number showing 34%. The second position a housewife with 50 respondents showing 25%. The third position is business with 19% from 38 respondents. The fourth and fifth position an employed and other showing 15.5% and 6.5% respectively from the remaining respondents.

CHART 4.1.2

CHART SHOWING THE OCCUPATIONAL STATUS OF THE RESPONDENTS

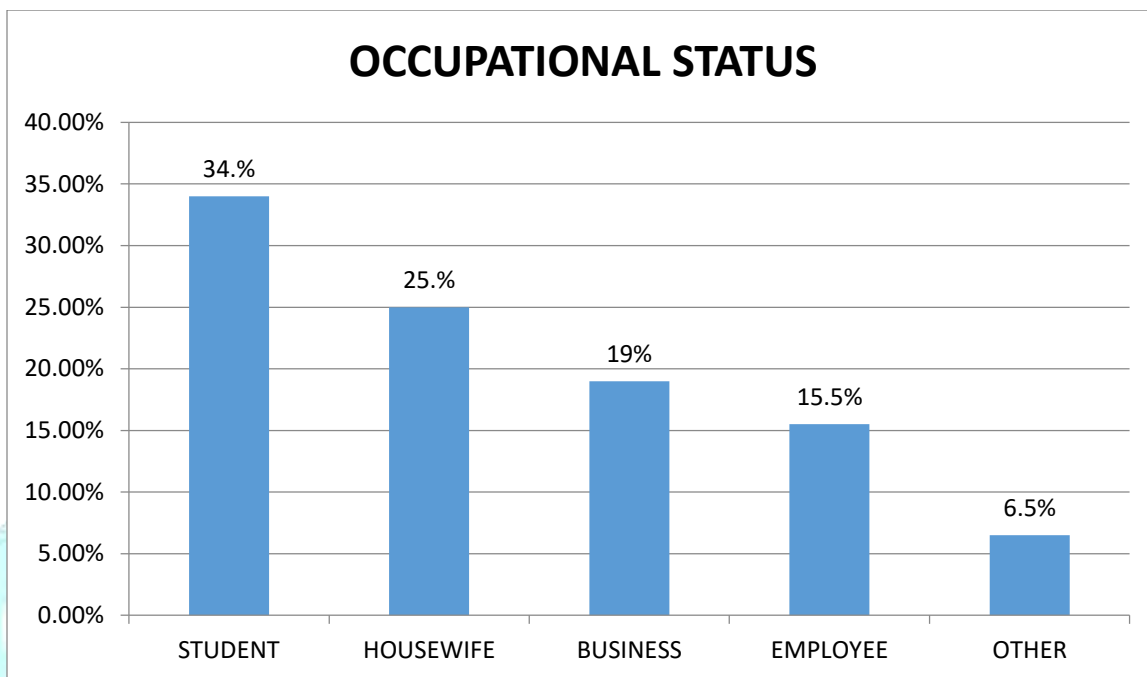


CHART 4.1.3

CHART SHOWING THE AGE GROUP OF THE RESPONDENTS

S NO	CRITERIA	NO OF RESPONDENTS	PERCENTAGE (%)
1	BELOW18	31	15.5%
2	18-24	83	41.5%
3	24-35	40	20%
4	35-50	36	18%
5	ABOVE50	10	5%

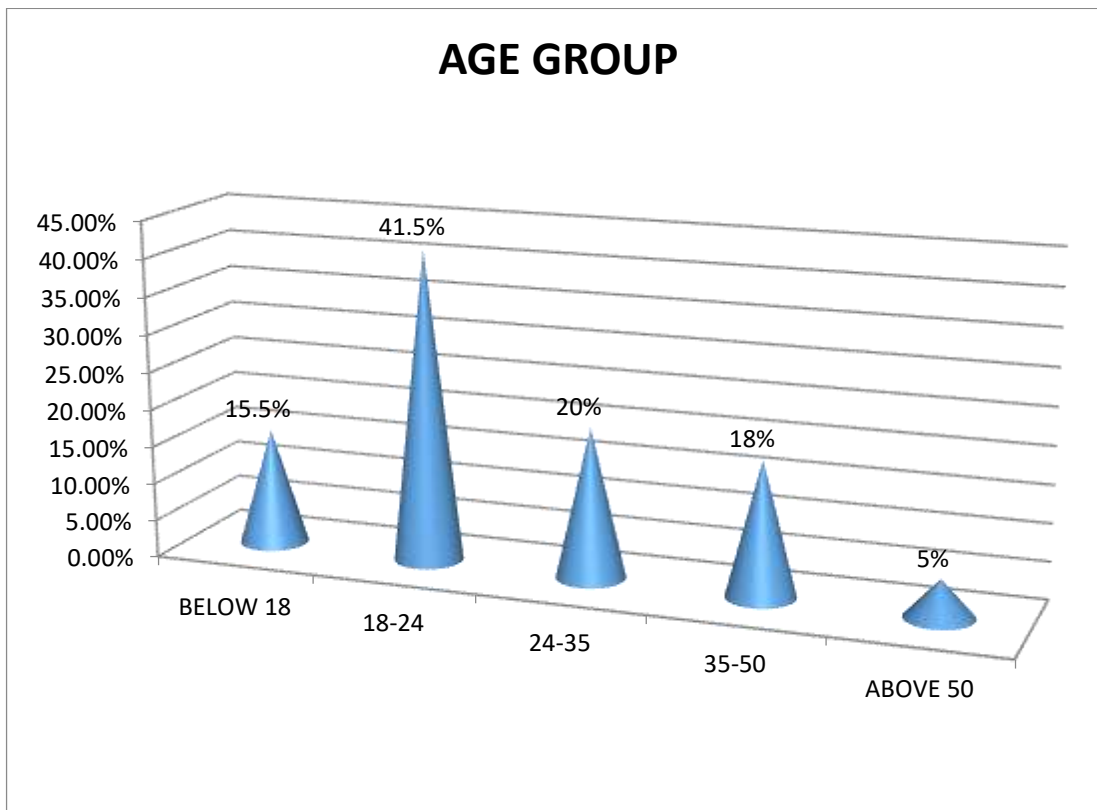
Source: Primary Data

INTERPRETATION:

The above table shows that majority of the age group belong to 18-24 with 41.5% while 35-40 age group is next with 18% . The third is followed by below 18 age group with 16.8%.The fourth age group is 24-35 with 20% and the above 50 age group is fifth with 5%

CHART 4.1.3

CHART SHOWING THE AGE GROUP OF THE RESPONDENT



LIMITATION OF THE

STUDY:

- The study is limited only to the respondents in the Dindigul.
- The time provided also a big hindrance in the study.

FINDINGS

- It is found that 64% of the respondents are female and 36% are the respondents are male.
- It is found that 34% of the respondents are students.
- It is found that 41.5% of the respondents belong to the age group 18-24

SUGGESTIONS:

- Companies are investing huge amount on celebrity endorsements at times it just entertains people, so company should reduce the amount spent on such endorsements.
- It is the important to choose the right celebrity for endorsing a product and before finalising a celebrity all the factors have to be checked.
- Many respondents have shown low level of satisfaction for honesty on celebrity endorsed products and brands, these types of endorsements should not be misleading the consumers.
- Alternative ways to attract customers can be adopted
- Only branded companies or products use celebrities to promote these types of products since this can be reliable.

CONCLUSION:

Celebrity appears in the advertisement featuring a particular branded Product / service, saying that he/she used and likes that Product/services. Famous people are utilized by marketers for their communication messages. The endorsers can be form different fields, with the fame as the only criterion. Most of the celebrities are from the film and sports arena, as their popularity extends to relatively wider segments of the population. Celebrity endorsement serves the dual purpose of creating the interest in the advertisements and overcoming the advertising clutter.

Consumer has seen the advertisements by celebrities as reliable, Knowledgeable. And they have also affected and associated with celebrities and moreover they feel that celebrities are able to influence the demand of the products. So in the end we can say celebrity endorsements has positive impact on company as well as brand and customers

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