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# Impact of Celebrity Brand Endorsement on Consumer Buying Behavior

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## ABSTRACT

Everyday consumers are exposed to thousands of voices and images in magazines, newspapers, billboards, websites, radio and television, etc. Every brand attempts to steal at least fraction of a person's time to inform him/her of the amazing and different attributes of the product at hand. The challenge of the marketer is to find a hook that will hold the subject's attention. In helping to achieve this, use of celebrity for endorsement of a brand is widely used marketing strategy. In this modern age, people tend to ignore all commercials and advertisements while flipping through the magazines and newspapers or viewing TV. But even then, the glamour of a celebrity seldom goes unnoticed. Thus, celebrity endorsement in advertisement and its impact on the overall brand is of great significance.

The promotional features and images of the product are matched with the celebrity image, which tends to persuade a consumer to fix-up his choice from a variety of brands. Although this sounds pretty simple, but the design of such campaigns and the subsequent success in achieving the desired result calls for an in-depth understanding of the product, the brand objective, choice of a celebrity, associating the celebrity with the brand, and a framework for measuring the effectiveness. Marketers spend enormous amounts of money annually on celebrity endorsement contracts based on the belief that celebrities are effective spokespeople for their products or brands. Celebrity Endorsement is viewed as a billion dollar industry in today's era. Various companies are signing deals with celebrities in the hope that by using celebrities they can accomplish a unique and relevant position in the minds of the consumers. Celebrity endorsement is increasingly being employed across various industries regardless of the product type. It is known to be playing the role of a signalling strategy. The project further focuses on the attitude model. The strength with which an attitude is held is often a good predictor of behaviour. The stronger the attitude the more likely it should affect behaviour. Attitude strength involves:

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**Importance / personal relevance** refers to how significant the attitude is for the person and relates to self-interest, social identification and value. If an attitude has a high self-interest for a person (i.e. it is held by a group the person is a member of or would like to be a member of, and is related to a person's values), it is going to be extremely important. As a consequence, the attitude will have a very strong influence upon a person's behaviour. By contrast, an attitude will not be important to a person if it does not relate in any way to their life.

The **knowledge** aspect of attitude strength covers how much a person knows about the attitude object. People are generally more knowledgeable about topics that interest them and are likely to hold strong attitudes (positive or negative) as a consequence.

### **INTRODUCTION**

There is a direct relationship between the celebrities influence and the soaring sales figure which remains elusive, there are many other factors which influences consumer to buy a product or a service endorsed by the celebrities. It is the primary or the trivial factor that influences the buying behaviour. The study further defines what is celebrity endorsement and further gives a brief overview regarding what exactly celebrity endorsement market is all about.

### **WHY CELEBRITY BRAND ENDORSEMENT?**

The biggest reason why companies spend millions of rupees on endorsing a celebrity is that it helps them ensure that the brand gets instant attention. When someone watches an advertisement featuring a celebrity, it quickly grabs his/her attention. Celebrities add a touch of style and glamour to the product and also help people recall the product when they go shopping. Some of the reasons (pros) are as follows:

- **Quick connect:** The celebrities need not explain the whole product in detail to connect with the audience. Their aura, charisma and emotional connect with the audience helps them create the connect without elaborate story telling.
- **Quick Saliency:** It gets cut through because of the star and his attention getting value.
- **Quick shorthand for brand values:** The right star can actually telegraph the brand message without elaborate story telling. Ranbir Kapoor and MS Dhoni have been able to do it successfully for Pepsi in 2012.

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- **Brand differentiation:** A marketer can use a celebrity to differentiate its brand from his competitors who do not use a celebrity.
- **Helps remember the product:** When a consumer watches a celebrity endorsing a brand, its image gets printed in his/her mind. He/she tends to remember the brand longer because of the celebrity.

### RISKS INVOLVED

- **Celebrity vampires the product:** Unless the celebrity's values, the category benefit and the brand values are closely linked, there are chances of the celebrity being remembered more than the brand he is advertising for. And in a celebrity clutter, the chances of the brand and category being remembered become even more difficult for the average consumer. Pepsi and Lux tend to use multiple celebrities in an attempt to overcome this problem.
- **Celebrity Trap:** Once companies fall for a celebrity, it is hard to get out of it. If the brand has done even moderately well after the break of a celebrity campaign, it becomes difficult to separate the role of the message and the role of the celebrity in selling the brand. And so, the celebrity becomes an addiction for the marketing team.
- **Celebrity Credibility:** Celebrity credibility is questionable. Consumers are getting more and more ad savvy and are beginning to voice opinions, even in small towns, like, "He has been paid to sell the product". Clearly, celebrity endorsement is no longer as credible as it was a few decades ago. Unless category and celebrity are closely linked (like Nike and sports stars), the power of a celebrity's word is questionable..
- **Celebrity clutter:** The consumer is generally reluctant to get into the unholy comparisons such as 'this celebrity is bigger than that one' to make brand choices—Santro is endorsed by Shahrukh Khan and Palio by Sachin Tendulkar.... and the consumer is confused. When Palmolive used Kapil Dev in the 1980s, his line "Palmolive *da jawaab nahin*" became famous—it is remembered even today.

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### **CHOOSING THE RIGHT CELEBRITY**

Generally marketers follow **TEARS model (Shimp, 2003)** to assess a celebrity. It is explained as follows:

**(1) Trustworthiness:** It tells you to what extent do people believe and trust what celebrities say about the brand. Is the endorser honest, believable and trustworthy about the claims he make for the brand.

**(2) Expertise:** It refers to the skill, knowledge and experience of an endorser with respect to the product he is going to endorse. For e.g. the perfect endorser for a tennis racquet company would be a tennis player. Say Roger Federer.

**(3) Attractiveness:** It tells you how well an endorser can pull public's attention. It depends on the endorser's physical looks, personality, attractive lifestyle, stylish clothing, etc.

**(4) Respect:** It refers to the quality of admiration and esteem for the endorser due to his achievements and overall nature towards people.

**(5) Similarity:** It tells you the extent to which people are able to match or link themselves with the endorser. It could be in terms of age, lifestyle, gender, etc.

### **STATEMENT OF THE PROBLEM**

The brand selected for the study of this paper is HP. The paper tries to assess how a large number of factors affect the consumer buying behaviour. Marketers are using celebrity endorsement as a major tool to affect the consumer buying behaviour and mould the products in their favour. Companies often have certain doubts related to the celebrities they are signing for a large sum of money whether they can have large reach, coverage and above all the influence on society or a particular target consumer group.

The paper would also measure the various components of attitude and the scales of attitudes would be created based on which a stimuli would be created for the respondents. The final conclusion of the project would be on the basis of the responses given by the consumers towards the brand HP. The current brand ambassador of HP is Deepika Padukone so we would see if HP replaces its brand ambassador then what would be the impact on its brand value. The respondents in both the scenario would be similar. In this manner it would be concluded that whether cognitive component, affective component and conative component which of the model of attitude influences the buying decision of the consumer. The study

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would conclude that how the attitude model and the celebrities selected for a particular brand influences buying decision of the consumers.

Consumer attitudes are a composite of a consumer's (1) beliefs about, (2) feelings about, (3) and behavioural intentions toward some object--within the context of marketing, usually a brand or retail store. These components are viewed together since they are highly interdependent and together represent forces that influence how the consumer will react to the object.

**Beliefs.** The first component is *beliefs*. A consumer may hold both positive beliefs toward an object (e.g., coffee tastes good) as well as negative beliefs (e.g., coffee is easily spilled and stains papers). In addition, some beliefs may be neutral (coffee is black), and some may be differ in valance depending on the person or the situation (e.g., coffee is hot and stimulates--good on a cold morning, but not good on a hot summer evening when one wants to sleep).

**Affect.** Consumers also hold certain feelings toward brands or other objects. Sometimes these feelings are based on the beliefs but there may also be feelings which are relatively independent of beliefs. For example, an extreme environmentalist may believe that cutting down trees is morally wrong, but may have positive affect toward Christmas trees because he or she unconsciously associates these trees with the experience that he or she had at Christmas as a child.

**Behavioural Intention.** The behavioural intention is what the consumer plans to do with respect to the object (e.g., buy or not buy the brand). As with affect, this is sometimes a logical consequence of beliefs (or affect), but may sometimes reflect other circumstances e.g., although a consumer does not really like a restaurant, he or she will go there because it is a hangout for his or her friends.

The main purpose of this study is to explore consumer attitudes towards the role of celebrity endorsement. The study will focus on 5 aspects:

- Measuring the components of attitude
- Attraction of celebrity brand endorsement for a particular brand
- The advertisement's effect on consumer's brand choice behaviour

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- Importance of celebrity- product matchup to the consumers and differences in consumer's brand choice behaviour due to demographic variables like age, gender and income
- Celebrity endorser's attributes and factors which need to be considered before signing an endorser

### **OBJECTIVE OF THE STUDY**

- How attractive is celebrity endorsement for a brand to the Indian consumer?
- How the components of attitude are measured?
- How important is celebrity-product matchup to the consumer?
- What is celebrity endorsement in television advertising's effect on consumer's brand choice behaviour?

### **RESEARCH METHODOLOGY**

**Study Population-** 80-100 respondents

**Data Collection Procedure-** Primary data (Questionnaire) & Secondary Data

**Data Analysis Procedure-**

- Creating Questionnaire on the basis of scale of attitude
- Collecting Responses from 80-100 respondents
- Creating a Stimuli for the same respondents to check the impact of various celebrities on the consumer buying process

### **LITERATURE REVIEW**

#### **1). A Conceptual Research on the Association between Celebrity Endorsement, Brand Image and Brand Equity- By Anjali Tumkur Jaiprakash, Source: EBSCO**

The paper further talks about the past research that celebrities are more effective than any other type of endorsers such as professional expert, the company manager or the typical consumer. To capitalize on this effectiveness, companies hire celebrities to endorse brands with a wide set of objectives and goals. Two of the most important objectives are to-

- Increase brand awareness

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- To establish strengthen or change brand image
- How consumer based brand equity is impacted through celebrity endorsements.

The paper further describes the research issues which were as follows:

- Celebrity endorsement influences brand image through co-branding and meaning transfer. Brand image in turn influences brand equity.

#### **2). A Study on Impact of Celebrity Endorsement on Brand Perception and Buying Behaviour of Consumer with reference to Udumalpet Taluk- By Dr. P. Rengarajan & R. Sathya, Source: EBSCO**

The paper tries to assess how a large number of factors affect the consumer buying behaviour. Marketers are using celebrity endorsement as a major tool to affect the consumer buying behaviour and mould the products in their flavour. Companies often have certain doubts related to the celebrities they are signing for a large sum of money whether they can have large reach, coverage and above all the influence on society or a particular target consumer group. There is a direct relationship between the celebrities influence and the soaring sales figure which remains elusive, there are many other factors which influences consumer to buy a product or a service endorsed by the celebrities. It is the primary or the trivial factor that influences the buying behaviour. The study further defines what is celebrity endorsement and further gives a brief overview regarding what exactly celebrity endorsement market in India is all about. Then the study further emphasizes in giving insights regarding the statement of the problem and the objectives of the study.

Objective of the study were as follows:

- To find out the socio economic problem profile of the consumers.
- To know the influence of celebrity endorsement on the consumer's purchase decision

#### **ANALYSIS & INTERPRETATION**

The paper analyses the buying behaviour of the consumers using the three components of attitude. The three components of attitude include cognitive component, affective component, and conative component. The questionnaire was formed on the basis of scales of attitudes provided in the research papers. The following questions were asked to assess the following components of attitude-

### **Cognitive Component**

- When I buy HP Laptops, I feel that I am getting a good deal. Probable or Improbable
- I feel like a smart shopper when I buy HP Laptops Likely or Unlikely.
- When I buy HP Laptops I feel like I am getting the most for my money Possible or Impossible
- HP Laptops are poor quality products Likely or Unlikely possible

### **Affective Component**

- Buying HP Laptops makes me feel good or bad
- Considering value for the money, I consider HP Laptops Satisfying or Dissatisfying
- Do you think buying HP Laptops is wise or foolish

### **Conative Component**

- After looking at the brand ambassador, how likely is that you will buy HP Laptops Likely or Unlikely

## **SCORING METHODOLOGY FOLLOWED**

- All the scales are scored in such a way that higher score would mean a positive result. Higher the better. For eg:
- Buying HP Laptops make me feel  
1 2 3 4 5
- So, higher the score, higher the positivity towards the statement.
- However, there is one statement which has been allotted same score as the markings given by the respondent.
- HP Laptops are poor quality products  
1 2 3 4 5
- Marking is done as follows

<u>Respondent</u>	<u>Score allotted</u>
1	1
2	2
3	3
4	4
5	5



## **FINDING**

After looking at all the aspects, it can be observed that Rajpal Yadav has impacted both male and female consumers in a negative way. Both the genders get a negative impression of HP Laptops when they see Rajpal Yadav as its brand ambassador. After looking at all the aspects, it can be observed that Deepika Padukone has impacted both male and female consumers in a positive way. Both the genders get a positive impression of HP Laptops when they see Deepika Padukone as its brand ambassador.

Analysing the attitude scale for Deepika Padukone

- The average score which respondents gave in cognitive component questions was 3.90
- The average score which was given in case of affective component was 3.93
- The score given by respondents in case of conative component was 3.66

Since, it can be observed that Deepika Padukone has impacted both males and females and all the genders in a positive manner so the highest score was given in the case of affective component. This concludes that the buying behaviour of consumers in case of Deepika Padukone as a brand ambassador is influenced by the affective component of attitude.

Analysing the attitude scale for Rajpal Yadav

- The average score which respondents gave in cognitive component questions was 2.88
- The average score which was given in case of affective component was 2.80
- The score given by respondents in case of conative component was 2.09
- Since, it can be observed that Rajpal Yadav has impacted both males and females and all the genders in a negative manner so the lowest score was given in the case of conative component i.e. 2.09. This concludes that the buying behaviour of consumers in case of Rajpal Yadav as a brand ambassador is influenced by the conative component of attitude.

## **CONCLUSION**

The analysis above comprises of considering gender and the age-group as the independent variable whereas the various scales were considered to be dependent variable using one way anova test. The data analysis concludes that the null hypothesis considered for Deepika

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Padukone was accepted on the other hand the null hypothesis considered for Rajpal Yadav was rejected in some cases.

Consumer attitudes are a composite of a consumer's (1) beliefs about, (2) feelings about, (3) and behavioural intentions toward some object--within the context of marketing, usually a brand or retail store. These components are viewed together since they are highly interdependent and together represent forces that influence how the consumer will react to the object. Looking at the attitude scales the cognitive component plays a crucial role in influencing the purchase decision of the consumers. The question which was asked in the case of cognitive component was regarding the quality of HP Laptops. After looking at Rajpal Yadav the responses were changed which were previously considered to be of good quality after looking at Deepika Padukone. This means that the buying behaviour of the consumers is influenced by the cognitive component of attitude. Cognitive component represents our thoughts, beliefs and ideas about something. Typically this comes into light in generalities or stereotypes.

Also after considering age group as independent variable the scale of attitude considered in that case was that of affective component the null hypothesis formed in case of Rajpal Yadav was rejected which means that the buying behaviour of consumers in case of HP Laptops while looking at the respondents of certain age group they do not use to feel good after buying HP Laptops and this was observed when the celebrity endorser was replaced from Deepika Padukone to Rajpal Yadav. Affective component deals with feelings or emotions that are brought to the surface about something, such as fear or hate.

Looking at the scale of attitude of conative component the null hypothesis for all the cases was accepted. Conative component can also be called the behavioural component and centres on individuals acting a certain way towards something. This indicates that the conative component of attitude does not influences the buying behaviour of the consumers which gives us a final conclusion on our study that how the components of attitude in case of celebrity endorsements impact the buying behaviour of the consumers.

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