

Influence of Celebrity Endorsement on Consumer Buying Behaviour of Youth with Respect to Mobile Telecommunication Service Providers

Md. Shahnawaz Abdin

Assistant Professor, Department of Management and Faculty of Management, Jamia Hamdard, New Delhi

Dr. N. H. Mullick

Associate Professor, Department of Management and Faculty of Management, Jamia Hamdard, New Delhi

Abstract

Over the years, celebrities are being increasingly used for delivering services other than performing their actual role as either an actor or sportsperson, such as endorsements. Despite the cost and the risks involved with this technique of advertising, it is being used quite extensively in contemporary times. Celebrity endorsement has nowadays become a penetrating element in advertising and communication management. India as a country is known for loving its stars. The youth population is huge in India. Indians idolize actors and cricketers. The advertisers see this as an opportunity to expand their operations and promote their product. The present research paper focuses on examining the perception of young Indian consumers about the celebrity endorsement process and the subsequent impact on their purchase decision. The research paper tries to address the topic with a literature review which provides an insight into the research done by the previous authors followed by the research method adopted to achieve the objectives of this study. A structured interview questionnaire approach has been adopted to investigate the impact of celebrity endorsement on buying behavior of youth with respect to mobile telecommunication service providers. Some of the findings derived from analyzing the collected data revealed some interesting facts which have been summarized in the conclusion. The research paper tries to address the academic as well as the managerial perspective on buying behavior of youth.

Keywords : *Celebrity Endorsement, Buying Behaviour, Purchase Decision, Consumer Attitude*

1. INTRODUCTION

Who can forget the wonderful advertisement campaign that Shahrukh Khan did for Airtel. It did wonders for the brand. And not only Shahrukh, it was the seriousness of Abhishek Bachchan that made people ponder over an "Idea".

Talk about M.S.Dhoni promoting Aircel or very recently Nawazuddin Siddiqui chatting all good for Vodafone. They have all done it and we have all seen it. Celebrity advertising has been a very popular and effective technique for promoting various products / brands worldwide and especially in India. The same holds good for marketing mobile telecommunication services in India. More often or not we see brands gaining from celebrity endorsements but the reverse cannot be refuted as well. Almost everybody was enchanted with the Zoozoos of Vodafone or for that matter the Pug (Puppy) from the same brand. These advertisement campaigns made celebrities of nobody.

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Celebrities are people who enjoy public recognition and applause by a large section of society. Attributes like attractiveness, glamour and extraordinary lifestyle are some examples of common characteristics of celebrities. Celebrities generally command and enjoy a high degree of public awareness, appreciation and fan following. This is true for classic forms of celebrities like actors (e.g. Amitabh Bachchan, Salman Khan, AmirKhan), models (e.g. Milind Suman, John Abraham, Malaika Arora, Diya Mirza) sports person (e.g. Sachin Tendulkar, Sania Mirza, Saina Nehwal) music stars (e.g. A.R Rahman, Honey Singh, Daler Mehndi) businessmen (e.g. Dirubhai Ambani) and politicians (e.g. Nitish Kumar, Arvind Kejriwal). Celebrities appear in public in many different ways. First, they appear in public while performing their professional duty. Like Sachin Tendulkar is loved by millions for his enthralling performances on the cricket field. Further, celebrities appear in public by attending special celebrity events like cinema and sop awards etc. In addition to this, they are covered in news, fashion magazines and tabloids, which provide additional information on events and private lives of celebrities through mass media channels. Last but not the least celebrities act as spokes people in advertising to promote products and services.

“Celebrity is an omnipresent feature of society, blazing lasting impressions in the memories of all who cross its path.” Kurzman et.al (2007). Indian market is not an easy audience to target for the advertisers. The one billion plus people of the country are diversely marked in terms of beliefs, ethnicity, states, culture, language, dialects, norms and values. Other aspects such as the economic discrepancy in the country separates it in a way which has resulted in a large number of lower and upper middle class, with a very small percentage falling under the middle class. This reflects a vast disparity in the buying power and decision making clout, one which the advertisers should keep in mind. Indian advertisers have been placing a good amount of importance on both recall and persuasion as brand differentiating messages.

(Dixit,2005). Very often, differing advertising styles are used by advertisers to influence consumer brand choice behaviour and among these different available options one very popular choice is Celebrity Endorsements. (Alsmadi 2006). “Traditional celebrity endorsements are as well established as the concept of celebrity itself.”(Anonymous, 2007). The influence of celebrities on consumers appears to be larger than ever before. (Alperstein 1991). When used judiciously, celebrity endorsements have the capability of serving a valuable role in enhancing a brand's competitive position and developing strong brand equity. Some previous researches have highlighted the subtle yet intense impact of celebrities on everyday thinking and living.

In terms of intimacy from a distance, it has been observed that people have a propensity to form mental impressions of a close interpersonal relationship with celebrities. A person who enjoys public recognition and applause from a large segment of a certain group of people and uses this recognition for marketing products by appearing in advertisements is known as a celebrity endorser (McCraken 1989). Celebrities are usually known to the public for their accomplishments in areas other than the product endorsed by them (Friedman & Friedman 1979). This holds good for typical forms of celebrities such as actors like Shah Rukh Khan, models like John Abaraham, Sports person like Sachin Tendullkar and Saina Newal and entertainers like Malaika Arora Khan (Schlecht 2003).

In India, we find an increasing use of celebrities in advertisements as Indians have always been awestruck by the stars of the screen. We as Indians have a tendency to put our full faith in celebrities and presume that they could never go wrong. Many people are seen to appreciate, admire, imitate, and become shadows of their favorite celebrities. This probably becomes the single most important reason for celebrity endorsement being quite a popular advertisement technique (McCutcheon et.al 2003). Today celebrity endorsement is being seen more and more as an

integral part in an integrated marketing communication strategy. Hamish and Pringle (2004) mention three major factors present in the market that in principal justifies the validity of celebrity endorsement as a promotional strategy. The first factor to be mentioned is the increasing opportunity for interaction between brands and their consumers. Second is the “age of consent and will” situation present whereby consumers have more control over the messages they receive. And lastly is the ever increasing media fragmentation and commercial communication clutter. Pappas (1999) evaluated the value of star power in an endorsement and suggested how a well-designed advertising helped celebrities convert their star power into brand equity.

Variables Associated with Celebrity Endorsement

Jafar et al. (2011) study the relationship between celebrity endorsements and the customer based brand equity of high end fashion garments. Their results indicate that celebrity endorsement does have potential to create and strengthen customer based brand equity for high end fashion garments. Sivesan (2013) deducts positive association between celebrity endorsement and customer based brand equity. Zafar and Rafique (n.d.) enquire about the impact of celebrity endorsement on customers' brand perception and purchase intention. Their findings indicate that celebrity endorsement has more than substantial impact on customers' brand perception.

Senthilnathan and Tharmi (2012) empirically examine the relationship between customer based brand equity and purchase intention in relation to branded baby soaps and the results reveal that there is a positive significant linear relationship between customer based brand equity and purchase intention. Anjum et al. (2012) indicate the impact of celebrity endorsed advertisements on consumers and on sales and also find out the reasons of using the celebrities in advertisements. Their results indicate that celebrity endorsers have

been used by various companies for enhancing brand equity. Companies are in the practice of appointing celebrities as brand ambassadors so as to enhance the brand image, brand awareness, brand recall, brand retention and brand purchase intention.

Sharma and Kumar (2013) indicate that celebrity endorsement when in harmony with customers' tastes can lead to brand loyalty. Moschis et al. (1984) suggest that brand loyalty is influenced by customers' perceived value, brand trust, customer satisfaction, repeat purchase behavior and commitment. Further, celebrity endorsement improves the perceived quality of the brand and is correlated with purchase intention (Kaminset al., 1989; Ohanian, 1991). Jain (2011) suggests that celebrity in advertising positively affects consumer's brand attitude and purchase intention. Spry et al. (2011) reveal that celebrity endorsement has an indirect influence on customer based brand equity, while this relationship is mediated by brand credibility, and this mediating relationship is moderated by type of branding. As such, celebrity endorsement is associated with a higher level of brand credibility (Spry et al.,2011), whereas brand credibility can build customer based brand equity (Erdem & Swait, 1998 & 2004).

2. METHODOLOGY

(a) Research Objectives

The main research issue to be addressed by this study is “the extent and kind of impact of celebrity endorsement on buying behavior of youth with respect to mobile telecommunication service providers.

In this context, the study assessed the following:

- ◇ To gauge the interest of audience in celebrity endorsed campaigns.
- ◇ To ascertain the relevance, uniqueness, believability and likeability of celebrity endorsed campaigns.
- ◇ To map the perceptions and associations of

celebrities with the brands endorsed in mobile telecommunication service provider campaigns.

(b) Research Design

The research design used in the study is Descriptive Design.

(c) Research Method

The research was conducted quantitatively by means of Structured Interviews.

(d) Target Audience

- ◇ SEC A/B/C/D
- ◇ Male/Female
- ◇ Age between 15 years to 35 years
- ◇ Key decision maker in buying the mobile connection

(e) Research Area

Delhi/NCR

(f) Sample Size

200 Respondents

3. FINDINGS

Factors affecting the attitude towards celebrity based advertisements and brands

Thirteen critical factors impacting the attitude towards the service provider are as follows:

- (i) Familiarity with the celebrity who appeared in the ad.
- (ii) Congruence of the celebrity image.
- (iii) Trustworthiness and believability of the celebrity endorsing the service provider.
- (iv) Use of the same product/brand by the celebrity in real life.
- (v) Uncreative, uninformative and bad advertisement.
- (vi) Poor quality and unpleasant associations of the service provider.
- (vii) Whether celebrity based advertisements are persuasive or not?
- (viii) Whether celebrity based advertisements carry entertainment value?
- (ix) Whether celebrity based advertisements are full of lies and misleading consumers?

- (x) Whether celebrity based advertisements tell what others are buying of late?
- (xi) Whether celebrity based advertisements tell about the important features of a product or not?
- (xii) What is the cost and impact of non-celebrity based advertisements?
- (xiii) Would consumers easily start using a particular network service provider if it is endorsed by a celebrity?

(a) Standardized Tests

This shows the relative degree of validity and reliability of each factor impacting/affecting the service provider. The results are normalized for the same. After applying the test we come to the finding that the top five factors influencing customers are as follows:

- I. Celebrity based advertisements tell me (consumers) about the important features of a product.
- II. Celebrity based advertisements are persuasive.
- III. Celebrities are using the same service provider in real life as the ones endorsed by them.
- IV. Celebrity advertisements are better than non-celebrity advertisements.
- V. Celebrity endorsing the service provider is trustworthy and believable.

(b) Correlation Analysis

A strong direct relationship is found among the variables of trustworthiness of the celebrity and intention to buy, which is 0.84. This shows that there is a significant direct relationship between trustworthiness of the celebrity endorsing the brand and consumer's intention to buy the same brand. The second critical relationship that has been found is between the persuasiveness of celebrity based advertisements and customer's intention to buy with a correlation score of 0.52. The third important relationship is found between the fun and entertainment value of celebrity based campaigns and subscriber's intention to buy at a correlation score of 0.46.

Table 1
Correlation

		Trustworthy and believable	Persuasive	Fun and entertainment	Intention to buy
Trustworthy and believable	Pearson coefficient	1	0.45	0.37	0.84
	Sig 2 tailed test	000	000	000	000
	Sample Size	200	200	200	200
Persuasive	Pearson coefficient	0.45	1	0.40	0.52
	Sig 2 tailed test	000	000	000	000
	Sample Size	200	200	200	200
Fun and entertainment	Pearson coefficient	0.37	0.40	1	0.46
	Sig 2 tailed test	000	000	000	000
	Sample Size	200	200	200	200
Intention to buy	Pearson coefficient	0.84	0.52	0.46	1
	Sig 2 tailed test	000	000	000	000
	Sample Size	200	200	200	200

4. CONCLUSION

The key findings obtained after a rigorous analysis of data from the research lead us to the following conclusion :

- (i) Celebrity endorsed advertisements for mobile telecommunication service providers are more attractive for consumers than non-celebrity endorsed advertisements.
- (ii) Advertisement is the key source of information for subscribers followed by referral from friends, family and colleagues. Promotional activities undertaken by the company has minimal influence.
- (iii) There is a strong relationship existing between trustworthiness of the celebrity and subscriber's intention to buy the service.
- (iv) There is a good amount of relationship which could be taken as significant between the persuasiveness of celebrity based communications and people's intention to purchase the service provider's connection.
- (v) There is also some amount of relationship between the fun and entertainment value of celebrity based campaigns and consumer's intention to buy.

So, it could be safely concluded that there is a significant relationship between celebrity endorsements and buying behavior of consumers (youth) as far as mobile telecommunication service providers are concerned. Consumers especially the youth agree that they do purchase those products and services which are endorsed by celebrities. Familiarity with the celebrity, congruence of the celebrity image with the brand endorsed, trustworthiness and believability of the celebrity with reference to the endorsed brand, all have an impact on customer's perception about the advertised mobile telecommunication service provider.

The research paper leads us to the fact that the modern day youth as consumers are very informed and wise. Emotional associations are important to them. But, it is not only those emotional associations that will spur a purchase on their part. Youth want to find a connect with the celebrity endorsing the brand. This is where the individual achievements of the celebrity become important. The celebrity should serve as an inspirational role model for youth. He/she should also be perceived to be a realist in terms of using

the brand endorsed in his/her real life. A celebrity should cut across the clutter of modern day overload of communications and must be persuasive. There is no argument that the celebrity should have a complete entertainment proposition. However, at the same time, he/she should be perceived to be believable and trustworthy. A tarnished or tainted celebrity could do more harm than good to the brand endorsed. It would be better on part of the company/service provider not to sign a tainted celebrity for endorsing the brand or to discontinue

him/her if there are reports that could inflict disrepute to the celebrity and subsequently the brand/network.

It could be said that although celebrity based advertisements create a stronger and immediate impact, they should not be seen as “be all and end all”. Celebrity is a means to an end and not the end in himself/herself. After all, we must not forget that the youth/consumer is ultimately buying the service/product and not the celebrity.

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