

IMPACT OF CELEBRITY ENDORSEMENT ON CONSUMER BUYING BEHAVIOUR: A CASE STUDY OF BATHINDA CITY

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ABSTRACT

Indian people are very fond of fashion so that they follow the famous celebrities which is their icons. In today's scenario Bollywood celebrities actively participating in advertising. In our country companies or firms prefers celebrities endorsement as a major tool for marketing, which increases the sale of their products. Simple Random sampling method was used for the present study with the sample size of 250 customers; the primary data for the study have been collected with the help of survey and questionnaire, structured survey questionnaire constructed in using 3 points likert- scale. The secondary data have been collected from the books, journals, research reports, magazines, articles, newspaper and websites. The data obtained from survey was analysed (percentage, correlation, Mean, Standard error) using SPSS version 21. The main purpose of this study is to analyses and understands the impact of celebrity endorsement on consumer buying behavior.

Keywords: Advertisements, Celebrity, Perception, Endorsement, Generation.

1.INTRODUCTION

It is known fact that the best endorsement achieves an elated balance between the product and the celebrity. Giving a brand a face is more than just a marketing strategy to increase sales or gain market share, it is decision that can change the future of the brand forever. Choice of the celebrity hence is of utmost importance and is usually done based on many different parameters appeal, looks, popularity or even just a fantasy figure to endorse a brand. In today highly competitors markets, big brand are a logger-heads when it comes to products, each having a similar product to that of a rival. Where does one brand gain that quintessential advantage-advertising, service, promise of trust, or even the all-important price factors? Advertising seems to be best platform where brand prefer to competition-right from hiring the best advertising agencies to getting the biggest celebrities. What would be the formula to success then? Well ,a good creative agency, a large enough promotional budget and a huge star to endorse your brand would definitely ensure in the mind of a brand management team a feeling of security ,success and a achievement over the competitors brand. The different models applied by brands to achieve the full potential of such endorsements, highlight the need for a convergence between the theoretical and pragmatic approaches of brand building and effective advertising. The importance of a celebrity brand match and the various roles played by them as brand associates show the momentum this strategy has gained in the last decade or so. We put forward certain ideas like „positioning by association „diminishing celebrity utility “and the multiplier effect which show the triangular relationship between the brand, the consumer and the celebrity.

India is a country where people are star-struck by film stars, cricketers, politicians, and even criminals why? Populations of 1 billion and ticking, everyday people need something or someone to look up tp. A sense of security, admiration, comport, familiarity, and above all, someone they aspire to be at

some hidden level in their lives, And clever marketers leverage this very celebrity appeal and are successfully carrying out their jobs by giving the bottom lines of all the brand what they want-profit, market share and even recall. But how much star power is too much? Does Amitabh rely use Tide? “Asked a 6 year old to her mother. Her mother laughs and says, “No way, just a gimmick. “What does that do to the brand? Now, despite the potential benefits derived from celebrity endorsement, they increase a marketer risk manifolds and should be treated with full attention and aptitude. Does anyone buy a product because a boll wood or TV actor/actress stands up and reads a script in somewhat convincing manner?

2.OBJECTIVES OF THE STUDY

The objectives of the research are:

- To analyses relationship between various demographic variables with factors affecting consumer buying behavior.
- To study out pros and cons of celebrity endorsement.

3. REVIEW OF LITERATURE

A literature review is an evaluative report of information found in the literature related to our selected area of our study. The review describes, summarizes, evaluate and clarify the extracted literature. It gives a theoretical base for the research and helps us determine the nature of our research. The title of the study was selected after continuous review of related literature along with the discussion between professors, teachers and colleagues. Literature search was done in every step of the thesis. The related information was obtained and extracted from different sources. World statistics as well as from the national and international journal articles through Google scholar and Google.

A study on Impact of Celebrity endorsement on consumer buying behavior: A case study of Durable products in district Udhampur J&K, Rakesh Kumar& Narinder Singh (2015) It is observed from the study that majority of consumers have accepted that there are various factors which leads to purchase of durable products. Quality and price of the product are main factors behind any purchase. It is clear from the research that the quality of durable goods advertised by celebrities is not of good quality are being used by celebrity which they endorsed. The study further indicates that celebrity endorsed ads is the effective means of advertisement to persuade customers to purchase durable products. The study also depicted that the film stars are more successful to persuade customers to purchase products.

A study by Rizwan Raheem Ahmed et all(2015) on Impact of Celebrity Endorsement on Consumer buying behavior (2015) There is a significant relationship among all attributes of the celebrity. It is finally concluded that there is a significant relationship between celebrity endorsements and buying behavior. Respondents clearly conveyed that they do purchase those products and services, which are endorsed by the celebrities. Results show that the celebrity endorsement has reasonable impact on customers as per their attitude and buying intention. Physical attractiveness, credibility and congruence of the celebrity with the reference to endorsed advertisement all have impact on customer perception about the advertised product. It has also been highlighted that celebrity endorsement advertisements boosting up the sales and purchase of product, people like to buy the products more if endorsed by the celebrity and it shows that today’s customer is aware and influenced by media.

Afshen Khan & Samrun Lodhi (2016) conducted a Study on Influence of Celebrity Endorsement of Consumer Purchase Decision: A Case Study of Karachi. Celebrity endorsed advertisement are more reliable than non-celebrity endorsed advertisement due to which they preferred trustworthiness of celebrity to be the influencing factors in their mind. Consumers always try to choose the product that matches with his/her image that is why majority of the respondent preferred style and attractiveness of the celebrity that influence their purchase decision and increase

the effectiveness of the celebrity endorsed advertisement. According to the respondents it is concluded that celebrity endorsed advertisements have the influence on their purchase decision.

4. NEED OF THE STUDY

Nowadays lot of advertisements is endorsed by the celebrities. Even celebrities are endorsing multi brands. It has created a great confusion in the mind of the customers regarding the purchase of the product. This study will help to know whether celebrity's endorsers are able to influence the buying behavior of the customers or not. Further, the study will also cover consumer perception towards celebrity endorsement with special emphasis to the customers of Bathinda city. The focus is to analyse the behavioural pattern and the impact of celebrity endorsements on the purchase attitude of the consumers towards various products.

5. HYOTHESIS OF THE STUDY

Ho: There is no significant relationship between demographic variables and factors affecting consumer buying behavior.

H1: There is significant relationship between demographic variables and factors affecting consumer buying behavior.

6. RESEARCH METHODOLOGY

➤ Study Design

Descriptive cross sectional study design was used to fulfil the objectives.

➤ Study Area

Study was conducted in Bathinda city.

➤ Sampling Techniques

Simple Random sampling method was used for research purpose.

➤ Sample Size

The sample size considered for research was 250 respondents.

➤ Data Collection Tools and Technique

Structured interview schedule form was used for face-to-face interview of the participants.

➤ Validity and Reliability

The questionnaire was constructed by doing extensive review of related literature and by taking reference of various research papers. Experts' opinion was also incorporated in every aspect of the study.

➤ Data Analysis

Survey was conducted among current 250 customers by face-to-face interview in Bathinda city, Punjab, India. Data were analyzed by SPSS 23 version. The overall results of the study have been presented in tabular, graphical and narrative form. The result of the research has been presented and discussed under following sub- heads:

7.RESULTS AND DISCUSSION

Table No. 7.1

Socio-demographic information of respondents

Sr. No.	Socio-Demographic Traits	Frequency	Percentage %
1)	Age(Year):		
	Below18	Nil	Nil
	19-36	87	34.8
	37-54	137	54.8
	55 and above	26	10.4
2)	Gender:		
	Male	125	50.0
	Female	125	50.0
3)	Education		
	High School	44	17.6
	Graduate	140	56.0
	Post graduate	59	23.6
	Other	7	2.8
4)	Profession		
	Private Employee	58	23.2
	Government Employees	111	44.4
	Business	37	14.8
	Other	44	17.6
5)	Monthly Income(Rs):		
	Less than or 20,000	101	40.4
	20,001-40,000	132	52.8
	40,001-60,000	16	6.4

	60,001& above	1	0.4
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Sources: Data collected through questionnaire.

Table 7.1 shows that majority of the respondents i.e. 54.8% of the respondents were falls within the age group of 37-54 years, majority of the respondents i.e.56.0% were graduate, Majority of the respondents i.e. 44.4% o were engaged in government sector and Majority of the respondents i.e.52.8% had their monthly income within the range of 20,001-40,000 Rs.

7.2 ASSOCIATION OF DEMOGRAPHIC VARIABLES WITH THE FACTORS INFLUENCEING OF CONSUMER BUYING BEHAVIOUR.

Table 7.2

Association of demographic variables with the factors of consumer buying behavior.

Table 7.2 showing the association of demographic variables with the factors that influencing consumer buying behavior i.e. Social factors, personal factors, cultural factors, psychological factors. After calculating the association the result and the inference was also discussed:

	Gender	Age	Education	profession	Income
Social factor	0.036	0.019	0.025	-0.062	0.045
Personal factor	-0.036	0.037	0.133*	0.034	0.004
Cultural factor	0.018	0.020	-0.075	-0.024	0.021
Psychological factor	-0.019	0.070	0.125*	0.009	-0.022

Source: Data collected through questionnaire.

**Significance level at 0.01

*Significance level at 0.05

Inference: Overall, there was a negative correlation of gender with personal factor, and psychological factor. There was a positive correlation of Education with personal factor, and psychological factor. (Table 7.2).

Table No. 7.3

Pros of celebrity endorsement

Mean& standard error of the pros of celebrity endorsement.

Sr. No	Statement	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Mean±SE	Rank According to mean
1	Credibility	85(34.0)	39(15.6)	26(10.4)	3(1.2)	97(38.8)	2.95±0.11	111
2	Ensured attention	31(12.4)	96(38.4)	27(10.8)	91(36.4)	5(2.0)	2.77±0.07	V
3	High degree of	26(10.4)	20(8.0)	169(67.6)	30(12.0)	5(2.0)	2.87±0.05	1V

	recall))))	2	
4	Association benefits	9(3.6)	84(33.6)	23(9.2)	113(45.2)	21(8.4)	3.21±0.070
5	Mass appeal	99(39.6)	11(4.4)	59(2.0)	13(5.2)	122(48.8)	3.19±0.120

Sources: Data collected through questionnaires.

Majority of the respondents were selected to association benefits (Mean= 3.21,S.E=0.070).Mass appeal (Mean=3.19,S.E=0.120),Credibility (Mean=2.95,S.E=0.111).

Table 7.4:

Cons of Celebrity Endorsement.

Mean & Standard error of the cons of celebrity endorsement

Sr. No.	Statement	Rank 1	Rank 2	Rank 3	Mean±SE	Rank According to mean
1	Negative reputation	111(44.4)	46(18.4)	93(37.2)	1.93±0.057	111
2	Over shadowing the product	32(12.8)	160(64.0)	58(23.2)	2.10±0.037	1
3	Confusion	107(42.8)	44(17.6)	99(39.6)	1.97±0.057	11

Sources: Data collected through questionnaire.

Majority of the respondents were selected to Over shadowing the product (Mean=2.10,S.E=0.037), Confusion(Mean=1.97,S.E=0.057), Negative reputation (Mean=1.93,S.E=0.057).

Table No. 7.5

Response after watching the celebrity endorsement.

Sr. No.	Statement	Frequency	Per cent (%)
1	Positive	199	79.6
2	Negative	51	20.4
	Total	250	100.0

Sources: Data collected through questionnaire.

Table 7.5 illustrates that, consumer responses after watching celebrity endorsement.79.6 percent respondent positive responses after watching celebrity endorsement,20.4 percent respondent negative responses after watching celebrity endorsement.

8. CONCLUSION AND SUGGESTIONS

8.1 Conclusion

On the basis of data analysis H1 hypothesis is accepted as there is significant relationship between demographic factors with consumer buying behavior factors.

Association benefits (mean 3.21) was most influential pros of celebrity endorsement and over shadowing the product (mean 2.10) is most influential cons of celebrity endorsement

There was a positive correlation of Education with personal factors and psychological factors.

A majority of the respondents (79.6%) has positive impact of celebrity endorsement.

8.2 Suggestions

Advertisements should be more effective when the ads execution is simple, clean and free of irrelevant design elements.

Celebrity endorsements should be more effective when using a celebrity who is not already strongly associated with another product or service.

Celebrity endorsements should be more effective when there are not frequent changes in celebrities who are endorsing the products.

Celebrity endorsements should be more effective when film stars, cricketers used rather than other famous personalities.

Celebrity endorsements should be more effective when used consistently over time to increase the strength of the link between the celebrity and the endorsed brand.

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