

# Impact of Celebrity Endorsement on Consumer Behaviour



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**Abstract -** The concept of celebrity endorsement is frequently used by the marketers for promoting their brand and thus enhances sales and ultimately increase market share. Celebrity endorsement is widely used in various advertisements in the present media world. The popular thought on celebrity endorsement is that has a positive impact on consumer behaviour. Question arises that whether there is any negative impact of celebrity endorsement or is there any impact of a negative celebrity on the brand and consumer behaviour. Another reason of the study is to sort out the characteristics of consumer behaviour and impact on a brand when scandal affects the celebrity's image. The purpose of this research study is to evaluate whether the process of celebrity endorsement is still effective or not and to measure the degree of relationship that a celebrity's persona has with his or her creditability after the impact of a scandal. A very comprehensive approach towards the entire process has been presented through the use of both qualitative and quantitative data.

**Keywords:** *celebrity endorsement, brand, product, consumer behaviour*

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## I INTRODUCTION

Celebrities are the personalities that are well known in public either because of their credibility or of their attractiveness or because of both of these. In simple words, celebrity is referred to an individual who is known to public as actor, sportsperson or entertainer. To leverage this, advertisers use celebrities in their advertisement to increase the effectiveness and heighten the credibility of commercials. Among advertisers there is general belief that any brands endorsed by celebrity have higher degree of appeal, attention to target customers and brand recall compared to brands delivered by non- celebrities. There are several factors, affecting the consumer behaviours. Firms are using celebrity to endorse their brands and affect the consumer behaviours to get more benefits.

Celebrity branding or celebrity endorsement is a form of advertising campaign or marketing strategy used by brands, companies or a non-profit organization which involves celebrities or a well-known person by paying that person to reach their target market in order to promote their brand or product. Firms use the social status or the fame of the celebrities not only to promote a product or service, but also to raise awareness on environmental or social matters. Celebrity endorsement is usually used by fashion or beauty brands. Now-a-days, nonprofit organizations also rely on celebrities' mass communication skills to attract people's attention. Thus, celebrity endorsement is helpful in reaching a wider audience to raise the awareness

towards a certain organization, product or an issue, thus making celebrities effective fundraisers.

## **II REVIEW OF LITERATURE**

Klebba and Unger (1983), indicated that the cognitive and affective dimensions of credibility are influenced differently by negative information. Agarwal and Kamakura (1995), said that on average, the impact of celebrity endorsement on stock returns is positive and suggest that celebrity endorsement contracts are generally viewed as a worthwhile investment in advertising. Biswas and Das (2006), showed that the stronger effects of celebrity endorsers for high technology-oriented products are somewhat neutralized for certain types of perceived risks when there is a high congruency between the celebrity endorser and the product. Choi and Rifon (2007), found that celebrities bring their own distinctive images to an advertisement and its associated brand and that can create, enhance and change brand images. Carrol (2009), disclosed that a new approach to celebrity campaigns has been adopted in fashion branding, reflecting the need to move away from traditional campaigns and to focus more on visual signals rather than written cues. Mukherjee (2009), in his paper analysed the impact of celebrity endorsements on brands and found that Celebrity endorsement is always a two-edged sword and it has a number of positive impacts. If properly matched, it can do wonders for the company, and if not, it may produce a bad image of the company and its brand.

## **III RESEARCH QUESTION**

Whether the consumer behaviour is affected by celebrity endorsement or not?

## **IV OBJECTIVES**

To study and analyse the effectiveness of celebrity endorsement on consumer buying behaviour.

## **V METHODOLOGY**

### **Type of study:**

The study is descriptive as well as analytical in nature.

### **Nature of Study:**

The descriptive and analytical study is 'qualitative' in nature

### **Source of study:**

Data has been collected from primary as well as from secondary sources.

### **Primary Source:**

Primary data are collected through a structured questionnaire, a set of close-ended questions.

### **Secondary sources:**

The secondary data are collected from previous works related to my study like – journals, advertisement and relevant electronic media like TV, Mobile and relevant Websites.

### **Data Collection Place:**

Howrah city

### **Sampling Method:**

Convenience sampling method

### **Sample Size:**

30

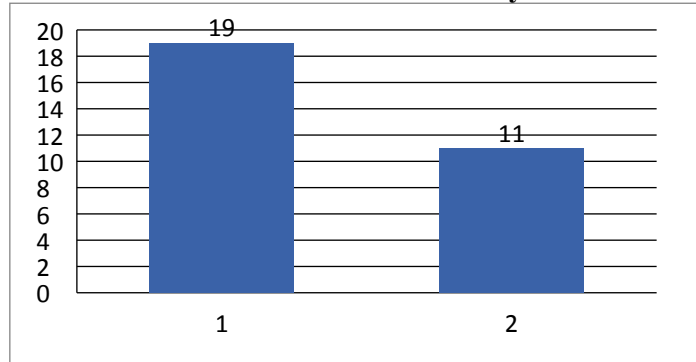
## **VI DATA ANALYSIS AND FINDINGS**

The collected data are analyzed by using MS-Excel. Several graphs and charts are prepared with the help of the above charts such as Pie Chart, Line Chart, Bar Chart etc.

1) **Do you think that ads having celebrities are more effective than which don't?**

- Yes – 19
- No – 11

**Table No. 1- Effectiveness of Celebrity Endorsement**



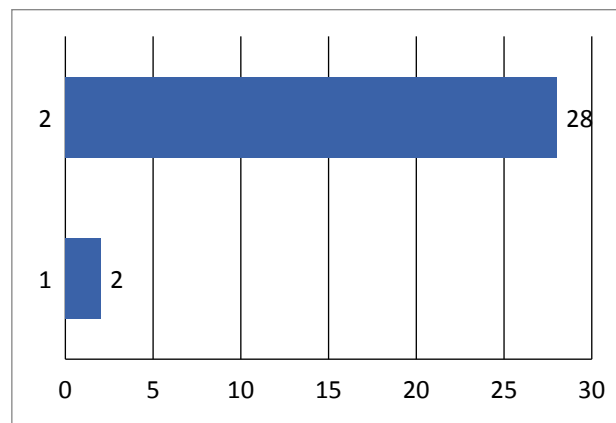
[Source – Primary data]

**Findings** – According to 19 (63.33%) respondents, the advertisements having celebrities are more effective than which don't.

2) **Do you think that the celebrities use the product they endorse?**

- Yes – 2
- No – 28

**Table No. 2- Endorsed Product Used by Celebrities**

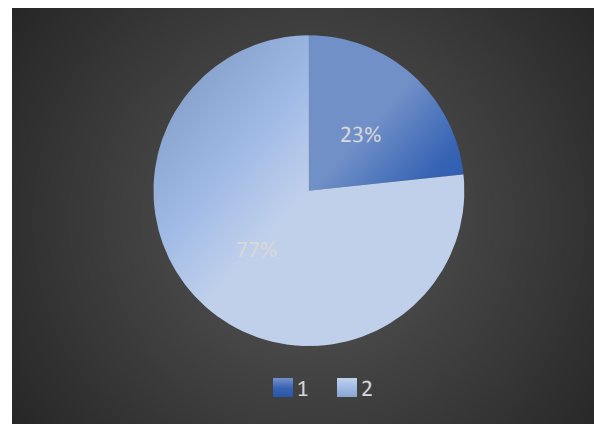


[Source – Primary data]

**Findings** – It is found that most of the respondents (93.33%) thought that the celebrities do not use the product they endorse.

3) **Do you think that celebrities convey all the true features of a product?**

- Yes – 7
- No – 23

**Table No. 3- Celebrities convey the entire true features of a product**

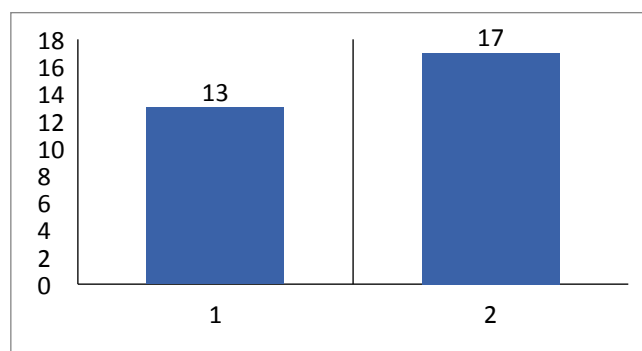
[Source – Primary data]

**Findings** – 77% of the respondents thought that the celebrities do not convey all the true features of a product.

4) **If a celebrity whom you dislike, starts to endorse a brand that you often purchase, can change your consumer interest?**

Yes – 13

No – 17

**Table No. 4- Impact on purchase of a brand endorsed by a celebrity you dislike**

[Source – Primary data]

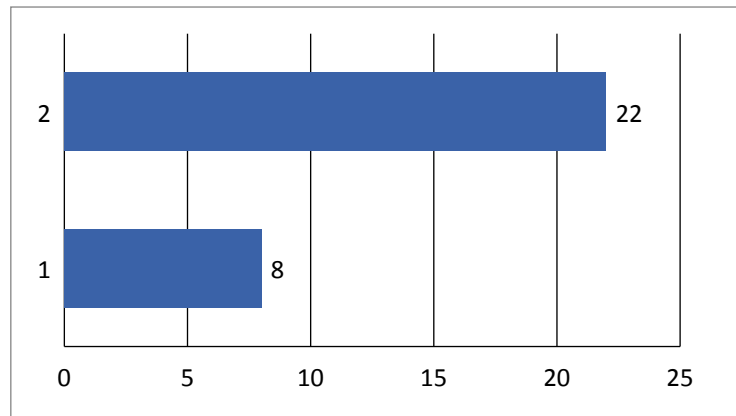
**Findings** – More than half of the respondents (56.67%) do not change their consumer interest on a brand, they often purchase, though a celebrity they dislike starts to endorse that.

5) **Would you switch from your regular product to a new product endorsed by your favorite celebrity?**

I Yes – 8

II No – 22

**Table No. 5- Impact on purchase of a new brand endorsed by a celebrity you like most**



[Source – Primary data]

**Findings** – Few people (26.67%) have said that they switch from their regular product to a new one endorsed by favorite celebrity.

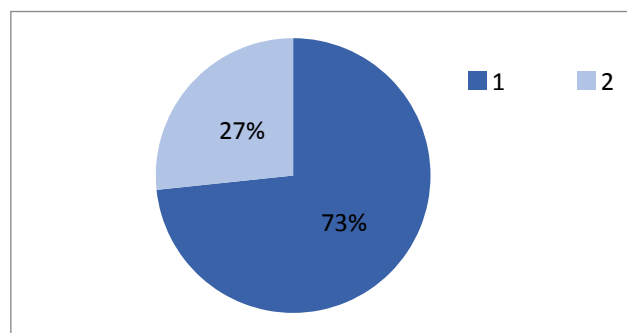
6) **Would you like to buy a product even when celebrity endorsement on it has been stopped?**

7)

A Yes – 22

B No – 8

**Table No.6- Preference to buy a product when celebrity endorsement on it has been stopped**



[Source – Primary data]

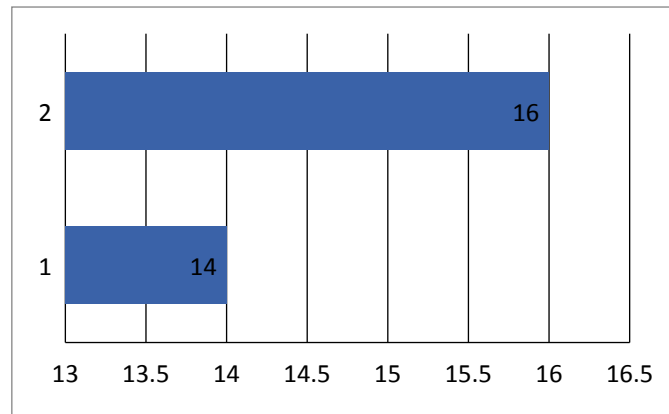
**Findings** – Two-third of the respondents would buy a product, even when celebrity endorsement on it has been stopped.

7) **Do you think that celebrity endorsement is the main reason of profit and popularity of a product?**

I Yes – 14

II No – 16

**Table No. 7-Perception of celebrity endorsement on profit and popularity of product**



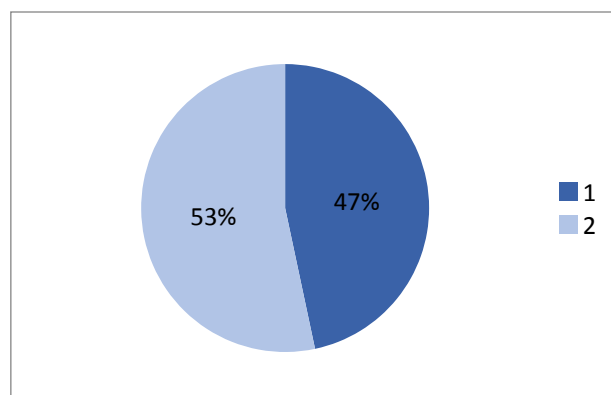
[Source – Primary data]

**Findings** – 46.67% of respondent thought that celebrity endorsement is the main reason of profit and the popularity of a product in market whereas the rest (53.33%) of them opined the opposite celebrity endorsement is the main reason of profit and the popularity of a product

8) **Do you think that scandals attached with celebrity destroy the brand image of a good quality product endorsed by that celebrity?**

- Yes – 14
- No – 16

**Table No. 8- Scandal of celebrity and brand image**



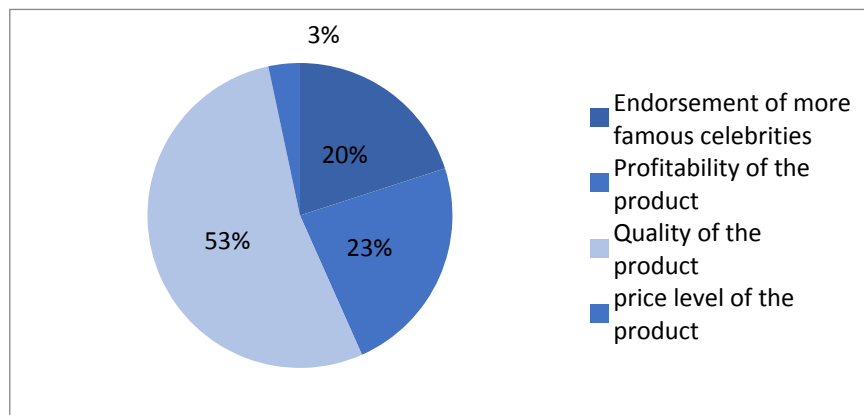
[Source – Primary data]

**Findings** – 53% of the respondents thought that scandals attached with celebrities do not destroy the brand image of good quality products endorsed by that celebrity.

9) **Rank 1 of the fact on which the company should give more attention and importance?**

- Celebrity endorsement -6
- Profitability of the product -7
- Quality of the product -16
- price level of the product –1

**Table No. 9- Rank 1 of the fact on which the company should give more attention and importance**



[Source – Primary data]

**Findings** – More than half of the respondents (54%), the company should give more attention and importance on the quality of products rather than profitability (23%), celebrity endorsement (20%) and price of the product (3%).

## VII CONCLUSIONS

On the basis of the analysis of primary & secondary data we found that the celebrity endorsement is not at all effective on consumer buying behaviour. In our study, we found that in most of cases, consumers are more interested in the quality of the product, affordability, goodwill of the company and what type of services the company is providing before and after sales rather than the mere celebrity endorsement.

Henceforth, the study concludes that every company should pay attention to their products first, so that consumers stick with that company in spite of having same kind of options of the product in other competitive companies.

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