

Consumers' Perception towards Celebrity Endorsement Advertisements: A Quantitative Study

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Abstract

Celebrity endorsement (CE) is a popular strategy in advertising, where famous individuals are used to promote products or services to consumers. The rationale behind using celebrities in advertising is that their fame and popularity can influence consumers' purchasing decisions, as they may associate the celebrity's image and reputation with the product or service being promoted. However, there are concerns about the effectiveness of CE and whether it actually leads to increased sales and brand loyalty. Consumers' perceptions of CE commercials are significantly influenced by the legitimacy of the celebrity endorsement. Customers are more likely to be persuaded by the celebrity endorsement if they believe that they can trust and believe the celebrity. The effectiveness of the endorsement may suffer, though, if the celebrity's credibility is called into doubt or if they have been associated with any unpleasant or contentious incidents. The purpose of this study is to investigate how consumers feel about CE advertisements. The study looks at the variables that affect consumers' perceptions of CE, including as the celebrity endorser's authority, the perceived fit between the endorser and the product, and the consumer's level of participation with the product. The findings of this study provide insights into how consumers perceive CE advertisements and can help marketers to design more effective marketing campaigns.

Keywords – Celebrity endorsement (CE), Consumer behaviour, Marketing Sales Brand, Endorser attractiveness, Endorser expertise, Endorser familiarity, Endorser trustworthiness, Consumer attitudes.

Introduction

Celebrity endorsement is a popular marketing strategy that has been used by brands for decades. It is a technique where a famous individual, such as an actor, athlete, or musician, is used to promote a product or service. The idea behind CE is that the celebrity's fame, popularity, and reputation will positively influence consumers' attitudes and behaviors towards the endorsed brand. However, while CE is a widely used strategy in advertising, there are concerns about its effectiveness and impact on consumers' perception. Consumers' perception towards CE advertisements is an important area of research for marketers. The way consumers perceive CE can have a significant impact on the effectiveness of the advertising campaign. The legitimacy of the celebrity endorser, the perceived fit between the celebrity and the product, and the level of involvement with the product are some of the variables that affect how consumers perceive a brand.

Consumer perception of CE commercials is significantly influenced by the celebrity endorser's believability. If a celebrity is viewed by the public as credible and reliable, consumers are more likely to be swayed by their recommendation. The effectiveness of the endorsement, on the other hand, may suffer if the celebrity's credibility is in doubt or if they have been associated with contentious or unfavourable incidents. Another significant element that affects how well-known figures are viewed by consumers as fitting with their products is their perceived fit. Consumers may be more likely to accept an endorsement if they perceive the celebrity as having expertise or experience in the relevant product category. For example, a professional athlete endorsing a sports drink would be perceived as a more credible endorsement than if the same athlete were promoting a luxury car.

Apart from the factors mentioned in the extended introduction, there are other variables that can also affect consumers' perception towards CE advertisements. One of these variables is the type of product being promoted. Consumers' perception towards CE may differ depending on the type of product or service being promoted. For example, consumers may be more accepting of CEs for products that are considered to be luxury items, such as high-end fashion, watches, or jewellery. However, they may be more sceptical of CEs for products that are considered to be necessities, such as healthcare products or cleaning supplies. Another variable that can influence consumers' perception is the level of exposure to the celebrity endorser. Consumers who are exposed to the celebrity endorser on a regular basis, such as fans, may be more likely to accept the endorsement and view it as more credible. However, consumers who are not familiar with the celebrity endorser may be less likely to accept the endorsement and may view it as less credible.

Moreover, consumers' age, gender, and cultural background can also affect their perception towards CE advertisements. For instance, studies have shown that younger consumers tend to be more influenced by CEs than older consumers. Similarly, gender differences can also influence the impact of CEs, with females being more influenced by CEs in certain product categories such as beauty and fashion. Finally, cultural background can also influence the effectiveness of CEs. In some cultures, CEs may be more effective in promoting a product or service than in other cultures. For instance, in collectivist cultures, where group norms and conformity are highly valued, CEs may be more effective than in individualistic cultures, where personal preferences and opinions are more valued.

Finally, the level of involvement with the product is a key factor in determining consumers' response to CE. Consumers who have a higher level of involvement with the product may be more critical and sceptical of CEs, as they may have a more informed opinion about the product. This extended introduction highlights the importance of consumers' perception towards CE advertisements in advertising. By understanding the factors that influence consumers' perception, marketers can design more effective marketing campaigns that are tailored to their target audience. The following sections will provide an in-depth analysis of these factors and their impact on consumers' perception towards CE advertisements.

Literature Review

The use of CE has become a popular marketing strategy in the advertising industry (Choi & Rifon, 2012). Previous research has shown that CE can positively influence consumers' attitudes towards a brand, leading to increased sales and brand loyalty (Till & Busler, 2013). However, there are concerns about the effectiveness and impact of CE on consumers' perception. One factor that influences consumers' perception towards CE is the credibility of the celebrity endorser (Erdogan, 2010). Consumers are more likely to accept an endorsement if they perceive the celebrity as credible and trustworthy. According to a study by Ohanian (2010), perceived trustworthiness is closely related to consumers' attitudes towards advertisements and their propensity to make purchases. Similarly, credibility increases consumers' attitudes towards the marketed product and likelihood of purchase, according to a 2012 study by Choi and Rifon.

The perceived compatibility between the celebrity and the product is another element that affects buyers' perceptions. (Erdogan, 2010). If consumers believe a celebrity has knowledge or experience in the appropriate product sector, they may be more likely to accept their recommendation. According to a study by Erdogan et al. (2011), customers' attitudes towards the advertisement and likelihood of purchase are positively influenced by perceived knowledge. In addition to the above factors, the level of involvement with the product can also influence consumers' perception towards CE (Till & Busler, 2013). As they may have a more educated opinion about the product, consumers who have a greater level of connection with the product may be more critical and sceptical of CEs. The degree of involvement modifies the association between CE and purchase intention, according to research by Erdogan et al. (2011).

Furthermore, the type of product being promoted can also influence consumers' perception towards CE (Till & Busler, 2013). A study by Roy (2016) found that consumers perceive CE to be more effective for hedonic products than for utilitarian products. Hedonic products are those that provide emotional benefits, such as luxury items, while utilitarian products are those that provide functional benefits, such as cleaning products. Age, gender, and cultural background are

other variables that can influence consumers' perception towards CE advertisements (Till & Busler, 2013). For instance, a study by Ahluwalia et al. (2013) found that younger consumers are more influenced by CEs than older consumers. Similarly, gender differences can also influence the impact of CEs, with females being more influenced by CEs in certain product categories such as beauty and fashion. Additionally, cultural background can influence the effectiveness of CEs. A study by Liu et al. (2012) found that CE is more effective in collectivist cultures, where group norms and conformity are highly valued.

The usage of CE by marketers to increase brand identification and sales has been a common practise. The study of how CE affects consumers' perceptions of the promoted products has drawn more and more attention in recent years. Several recent research on CE and its impact on customer perception are highlighted in this literature review. The effect of CEs on consumers' purchase intentions in the Pakistani mobile phone industry was the subject of one study by Iqbal, Malik, and Kaur (2020). According to the data, CEs significantly increase consumers' inclination to buy. The study also demonstrated that customers' perceptions of the recommended brand are significantly influenced by celebrity credibility and attractiveness.

Another study conducted by Khan, Khattak, & Hameed (2021) aimed to explore the influence of CEs on consumers' attitudes towards food products. According to the study, CEs have a favourable effect on consumers' perceptions of the food product they are endorsing. The study also showed that consumers' attitudes towards the recommended brand are significantly influenced by their perceptions of the celebrity endorser's knowledge. Similar to this, Wang, Zhou, and Liu's study from 2021 looked at how CEs affected Chinese consumers' awareness of and propensity to buy premium fashion brands. The findings showed that CEs significantly improve brand awareness and buying intent. The study also showed that perceived celebrity competence and dependability are important elements that improve consumers' perceptions of the endorsed brand.

In contrast, a study conducted by Yin, Zhang, & Zhao (2020) explored the negative effects of CEs on consumers' perception towards the endorsed brand in the context of online shopping in China. The results indicated that CEs have a detrimental effect on customers' perceptions of the endorsed brand when the celebrity's behaviour conflicts with the brand's reputation. Last but not least, Zhao, Chen, and Chen's study from 2022 sought to determine how consumers' perceptions of the endorsed brand were impacted by the celebrity's and the product's congruence. The research revealed that customers' attitudes towards the endorsed brand are significantly influenced by how well the celebrity and the marketed product fit together. The study also showed that customers' perceptions of celebrity endorsing brands are significantly influenced by their perceptions of the celebrity's credibility and attractiveness.

Objective:

To find the consumers' perception towards celebrity endorsement advertisements

Methodology:

This study is descriptive in nature in which the data were obtained from the 180 respondents to find the consumers' perception towards celebrity endorsement advertisements. The major business area covered in the study were FMCG companies, electronics, Transportation, Tour and Travel. A checklist question was used to analyse and interpret the data. In a checklist question respondents choose "Yes" or "No" for all the questions.

Data Analysis and Interpretations:

Table 1 Consumers' Perception Towards Celebrity Endorsement Advertisements

SL No.	Consumers' perception towards celebrity endorsement advertisements	Yes	% Yes	No	% No	Total

1	Credibility of the celebrity endorser influences consumers' perception	163	90.56	17	9.44	180
2	Trustworthiness is closely related to consumers' attitudes towards advertisements	158	87.78	22	12.22	180
3	Celebrity endorsement increase brand identification and sales	169	93.89	11	6.11	180
4	Age, gender, and cultural background can influence consumers' perception	171	95.00	9	5.00	180
5	Perceived compatibility between the celebrity and the product is another element that affects buyers' perceptions	153	85.00	27	15.00	180
6	Celebrity endorsement for luxury brands have greater consumer's perception	174	96.67	6	3.33	180
7	Fame and popularity of the celebrity	161	89.44	19	10.56	180
8	Celebrity and marketed product fit together can influence consumers' purchasing decisions	159	88.33	21	11.67	180

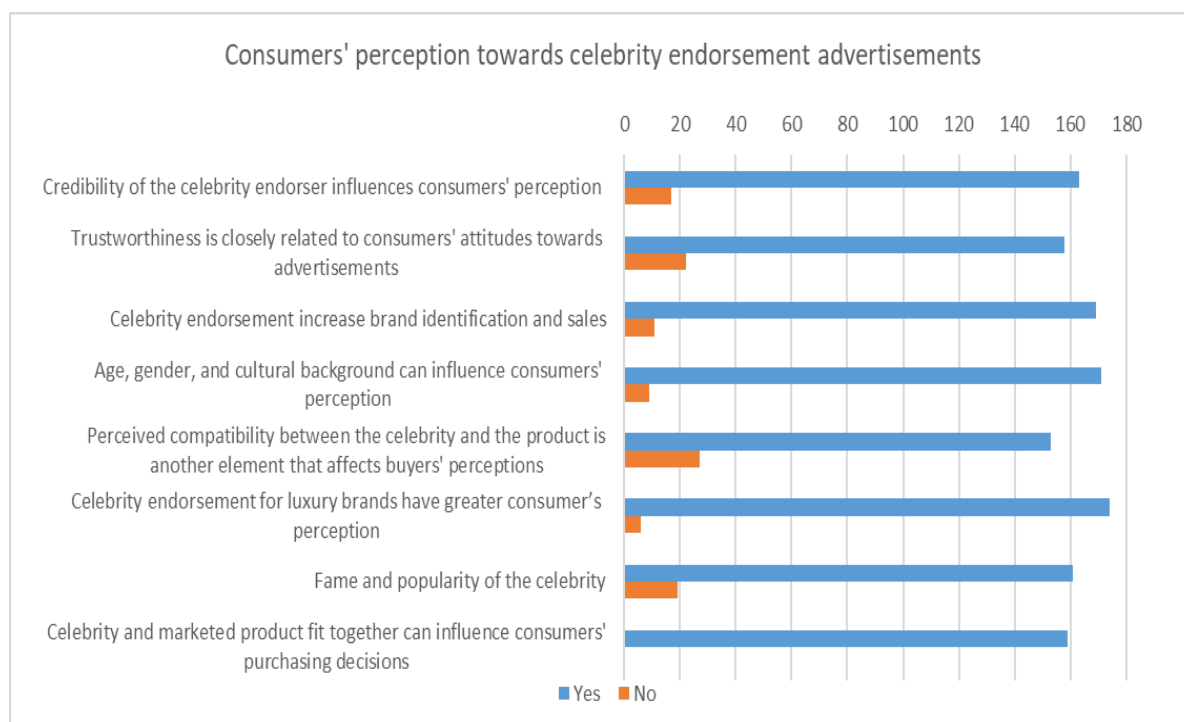


Figure 1 Consumers' Perception Towards Celebrity Endorsement Advertisements

Table 1 and Figure 1 show the consumer's perception towards celebrity endorsement advertisements. It was found that around 96.6% respondents accept that the celebrity endorsement for luxury brands have greater consumer's perception, Age, gender, and cultural background can influence consumers' perception (95.0%), celebrity endorsement increase

brand identification and sales (93.8%), credibility of the celebrity endorser influences consumers' perception (90.5%), fame and popularity of the celebrity (89.4%), celebrity and marketed product fit together can influence consumers' purchasing decisions (88.3%), trustworthiness is closely related to consumers' attitudes towards advertisements (87.8%) and perceived compatibility between the celebrity and the product is another element that affects buyers' perceptions (85.0%).

Conclusion

In conclusion, CE has been a widely used advertising strategy to enhance brand recognition and sales. Recent studies have focused on examining the impact of CE on consumers' perception towards the advertised products. The reviewed literature suggests that CEs have a significant positive effect on consumers' perception towards the endorsed brand. However, the perceived expertise, trustworthiness, and attractiveness of the celebrity endorser are important factors that enhance consumers' perception towards the endorsed brand. Moreover, the reviewed literature also suggests that the negative effects of CEs on consumers' perception should be considered by marketers when selecting a celebrity endorser. The perceived credibility and congruity between the celebrity and the advertised product are crucial factors that affect consumers' attitude towards the endorsed brand. Overall, the reviewed literature provides valuable insights for marketers to make informed decisions regarding the selection of celebrity endorsers and the development of effective CE campaigns. The findings highlight the importance of careful selection of celebrity endorsers and the importance of considering the target audience, the endorsed product, and the desired image of the brand. Future research can further explore the underlying mechanisms of CE effects on consumer behavior and evaluate the effectiveness of various CE strategies.

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