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## A STUDY ON IMPACT OF CELEBRITY ENDORSEMENT ON BRAND PERCEPTION AND BUYING BEHAVIOR OF CONSUMER WITH REFERENCE TO UDUMALPET TALUK

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### ABSTRACT



A large number of factors affect the consumer buying behaviour. But, today the firms or marketers are using the celebrity endorsement as a major tool to affect the consumer buying behaviour and mold in their flavour. A vital question regarding use of celebrities always lingers in the minds of companies that sign celebrities for a whopping sum of money and the type cast and type cast answer for, the question would be their reach, coverage and above all their influence on society or a particular target consumer group. Yet, the direct relationship between the celebrities influence and the soaring of sales figures remain elusive, there could be other factors influencing consumers to buy a product / service endorsed by the celebrities. Is it the primary or trivial factor that influences the buying behaviour of is if a neere brand recall that may or may not lead to sales. Would the celebrities be a mere indirect salesman A question of why are the celebrities roped in always from the mass media i.e film industry, and sports, why not the leading personalities from Neros, politics corporate world? Would not the companies be able to gain the mind share of potential consumer's by using these personalities.

The answer to the question is both yes and no few personalities like Narayana Murthy of Infosys endorsed Windows XP and Rajeev Bakshi, CEO of Pepsi featured in its



company's ad by offering testimony of the quality of its products. Meanwhile, Pepsi's rival Coca-cola, in its commercials, used film personalities Aamir Khan and Radhika to prove its products hygienic condition. It shows that the celebrities, could even be used to repair the damage of the company's reputation.

But there is always a question when it comes to their direct influence on sales or acting as a salesman/women to induce target group to buy. Hence, studying the influence of celebrities on the consumer's buying decision is the need of the hour and therefore, and an attempt has been made to find out the consumer's perception and purchase decision based on impact of celebrity endorsement.

## INTRODUCTION

The modern day market place is very attractive in terms of purchasing power but equally competitive. Marketing is essentially about identifying customer needs and responding to those changing needs with appropriate product offers. Basically, customer needs are the starting point for marketing activity. Marketing is basically an exchange process. It involves, understanding the customers interest and developing products to satisfy these needs. The next step is promotion of the products. Grabbing attention, informing people and making a specific place in the mind of the consumer is the actual challenge for the marketers. The market today has become very competitive and in order to survive, marketers have to develop innovative ideas which can impact the consumers.

## CELEBRITY ENDORSEMENT MARKET IN INDIA

Celebrity Endorsement in India started in the late 1980's. Whether it was a film actor or a television actor or a famous sports star, everyone started increasing into the new territory of product endorsement. Many stars were seen advocating some or the other producing during the 1980's and 1990's. It was this period, which saw the beginning of the advertisements of Lux soap, which over a period of time has managed to associate with the leading

female actors of Bollywood. Today, after a period of almost 30 years, the entire celebrity endorsement market has changed.

Today, it is a competitive market wherein the success of a particular celebrity will determine the number of products that he / she will endorse. In the year 2008, popular Bollywood actor Shah Rukh Khan topped the list of endorsing as many as 39 brands.

## CELEBRITY ENDORSEMENT

A celebrity is a person of high credentials peoples such as Movie stars, Sports icons, TV personalities or popular entertainers. They have high attention grabbing power. A large segment of the audience can instantly recognize and identify with the famous person and the affection and goodwill associated with him / her can be transferred to the products.

A celebrity endorser is a celebrity who endorses the brand normally over the media. In other words, a celebrity endorser is an individual who is known to the public for his or her achievement in the areas other than that of the product class endorsed. Celebrities are people who enjoy public recognition by a large number of people and enjoy a high degree of public awareness.

**STATEMENT OF THE PROBLEM**

Increased consumerism is one of the reasons celebrities are increasingly sought after for brand endorsements. This leads to brand visibility, apart from this, due to the availability of a variety of channels, many entertainment programs and remote control devices, the reach of advertisement is very poor. To make the advertisement more attractive, advertising agencies and companies are using celebrities.

This study seeks to identify the consumer side of celebrity advertisement. An attempt has been made to find out whether, the celebrities triggers the awareness of the brands, which could be starting point of buying desire, on which category of product, will be bought through the influence from them. And, which section or segment could be influenced by the celebrities on a purchase decision. Further more research has be conducted to know, which personality viz, film star, sport star is having an impact on consumer, purchase decision, whats the opinion of perception of consumers regarding multiple endorsement celebrities, what traits of celebrity viz, image, reliability, glamour etc has impressed them, and whether the consumers are satisfied with the celebrity endorsement.

**OBJECTIVES OF THE STUDY**

The present study was conducted to achieve the following objectives

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

**METHODOLOGY****STUDY AREA**

The study has been conducted in Udumalpet Taluk. This area is chosen for the study as it has relevant variables. Udumalpet is a town and a municipality in the district of Tiruppur. Udumalpet is the nearest place to Thirumoorthi hills and many other hill stations like Moonar etc. Due to its proximity to the Western Ghats, Udumalpet has a pleasant climate throughout the year.

**SAMPLE SIZE**

The present study has been conducted in and around Udumalpet Taluk. These areas have been selected taking into account the following factors.

- Customer base which includes high income, middle income and low income groups. A sample of 200 respondents is selected

**PERIOD OF THE STUDY**

The researcher studied the impact of celebrity endorsement on consumers awareness and purchase decision for a period from December 2012 to April 2013.

**REVIEW OF LITERATURE**

**Maninder Singh and DR.kuldip Kaur (2011)<sup>14</sup>**, have conducted a study on "Risks associated with celebrity Endorsements- An empirical analysis from Punjab". The samples were selected using judgment sampling technique and collected data were analyzed using the factor analysis statistical method. Besides this Kaiser-Meyar-Olkin measure of sampling adequacy (MSA) for individual variables is also studied. To sum up, the study has revealed that gap there are some potential risks related to the use of celebrity endorsements. The study has also

suggested that, advertisers should analyze all the risks associated with celebrities before the contract is signed and the advertisers should select only those celebrities who are not involved in multiple product endorsements.

**Amit Kumar (2011)**<sup>15</sup>, in his paper "celebrity endorsements and their impact on the consumer behavior" focus on the perception of Indian consumers about celebrity endorsements the celebrity attributes likely to influence consumer purchase intentions. The practice of celebrity endorsements has proliferated over time. Nowadays has become a pervasive element of advertising industry especially in India. Celebrity

endorsements have become a multi-million industry in India. Marketers use celebrity endorsers to influence the purchase decision of consumers in order to increase their sales and extend their market stores. This made the author curious to exposure impact of celebrity endorsements on consumer buying behavior.

### CONSUMERS LEVEL OF SATISFACTION TOWARDS THE TRAITS OF CELEBRITY ENDORSEMENT IN ADVERTISEMENT

The table 1 shows the details about the consumer's level of satisfaction towards the traits type of celebrity endorsement

**Table 1- Level of Satisfaction**

Aspects	HS	S	N	DS	HDS	SCORE	MARK
The message conveyed	116	35	0	-7	-10	134	V
Dynamism of the celebrity	120	32	0	-6	-8	138	II
Physical attractiveness	124	28	0	-10	-8	134	IV
Celebrity image	122	34	0	-7	-6	143	I
Celebrities expertise	94	43	0	-9	-20	108	VII
Creating uniqueness to the product	106	37	0	-7	-10	126	VI
Celebrity trust worthiness	110	42	0	-7	-10	135	III
Celebrity & brand association	66	45	0	-12	-4	95	VIII

HS - Highly satisfied, S-Satisfied, N- Neutral, DS - Dissatisfied, HDS-Highly Dissatisfied

The table 1 clearly shows that, out of 120 respondents, majority of consumers have stated that, they are satisfied with the image of the celebrities and the mean score is 143 and ranked I, the consumers have given second rank to the dynamism of the celebrity and the mean score is 138, the consumers have ranked celebrities trust worthiness third with a mean score of 134, the consumers have ranked Physical attractiveness fourth, they have given fifth rank to the message conveyed by the celebrities, they have given sixth rank for

Creating uniqueness to the product and have given eighth rank for the Celebrity & brand association.

### INFLUENCE OF MONTHLY INCOME OF THE CONSUMERS TOWARDS PURCHASE OF PRODUCTS

With a view to find the degree of association between Monthly income of the respondents compared Purchase of product.

**H<sub>0</sub>:** Influence of Monthly income of the consumers towards purchase of products

**Table-2 Influence of Monthly Income of the Consumers towards Purchase of Products**

Monthly income	Purchase of product		Total
	Yes	No	
Less than Rs.10, 000	12	12	24
Rs.10, 000-Rs.20000	32	16	48
Rs.20001-Rs.30000	32	14	46
Rs.30001-Rs.40000	44	6	50
Above 40,000	26	6	32
<b>Total</b>	<b>146</b>	<b>54</b>	<b>200</b>

Source: Primary data

**Table-3 Inference**

Factor	Calculated	Table	Degree of	Remarks
	Value	Value	Freedom	
Monthly income & Purchase of product	14.506	9.48	4	Not Significant 5%

It could be observed from the above table 3 the calculated Chi Square value (14.506) is less than the table value (9.48) and the result is no significant. Hence the hypothesis from the above table, it is found that, the calculated value is less than the table value, at 5% of the level of significance. Therefore, it is concluded that the monthly income of the respondents, does not have an influence over the purchase of a product.

#### FINDING

- 25% of the respondent's monthly income are in the range of Rs15001-Rs20000.
- 38% of the respondents were spending Rs2001-Rs4000 for household per month.
- 100% of the respondents like to watch Television.
- 41% of the respondents say that they watch television for 1-3 hours per day.
- 73% of the respondents say that celebrity endorsement influence them to purchase a product.
- 62% of the respondents say that film

celebrities endorsement influence them to purchase a product.

- 58% of the respondents say that it creates a position affirmation in multiple endorsements of celebrities for a single brand has a high level of influence over consumers buying behavior.
- 46% of the respondents say that leads to confusion in multiple endorsements of celebrities for a single brand have a high level of influence over consumers buying behavior.

#### CONCLUSION

There is no doubt about a celebrity's power in popularizing brands. Celebrities attract the attention, create interest to see the particular advertisement can provide a point of differentiation, increase the advertising impact and if delivered in the correct manner can be quite effective. The most crucial issue related to celebrity endorsements is the choice of the right celebrity- audience match. For a successful celebrity advertisement, the focus should be on the celebrity and the brand.

Celebrity advertising has become a significant tool for creating awareness of products. The important point in celebrity advertising is the connection between the endorser and the product they endorse. By the mere presence of celebrity the product will not make a sale. It can be concluded that, the use of celebrity will have influence to some extent only and their endorsement is required only for certain products. And they may not change the attitude of consumers significantly. The use of celebrities in the ads is 50 percent costlier but 100 percent more effective.

Finally, the use of celebrity in advertising is like a double-edged weapon. It is to be carefully planned. Thoroughly analysed and properly executed it may not be always effective, as it depends on the celebrity, the product, the message, the execution and the media.

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