CHAPTER 3: THEORETICAL FRAMEWORK

This chapter explains theoretical framework developed after review of existing literature & research done in the area of celebrity endorsements. The chapter also identifies definition of key constructs & underlying theories examined to form hypothesis.

Wolburg and Pokrywcynski (2001) emphasized that the youth market is one of the most coveted of all segments due to their: (1) spending power, (2) ability to be trendsetters, (3) receptivity to new products, and (4) tremendous potential for becoming lifetime customers. Conversely, others emphasize that Generation Y is one who is resistant to advertising efforts, individualistic, and anti-corporate (Kapner, 1997; Wolburg and Pokrywcynski, 2001).

Despite these seemingly opposite perspectives, researchers and practitioners argue that this group is an easier target to market to because they have grown up in a consumer oriented society (Brand, 2000). According to Rob Frankel, Researcher of The Revenge of Brand X (2000), “Gen Y is less rooted in traditional social mores and ethics. They are easier targets, because they have grown up in a culture of pure consumerism” (as quoted in Manning-Schaffel, 2002). Because of this, “they are way more tuned into media because there is so much more media to be tuned into” (as quoted in Manning-Schaffel, 2002). Thus, members of Gen Y, and in particular young members of this generation, represent a viable group to study in terms of media influences. According to the theory of consumer socialization, as youngsters mature, their drive for independence contributes to establishing their own set of norms and behaviours (Mascarenhas and Higby, 1993). Many of these new behaviours tend to be based on group stereotypes (Bodec, 1981; Graham and Hamdan, 1988). In searching for their independence, influences such as the media become very important to youngsters.

Celebrities are recognised as effective endorsers due to their symbolic aspirational reference group associations (Assael 1984; Solomon and Assael 1987). Taking the account of India where celebrities are idolised (Katyal 2007) and considered as heroes and opinion leaders (Biswas et al 2009). Marketers very cleverly use celebrities to endorse products and services through them. As earlier discussed in the literature review, celebrities possess distinctive attributes such as attractiveness, trustworthiness etc. (McCracken 1989). Many researchers have designed and explained various models regarding celebrity endorsements. Some
Researchers suggested that celebrities lend their image or attributes to the products by appearing together in an advertisement. In this research the Researcher has tried to find out how the attributes defined in these models influence the consumers purchase decision. Marketing communication represented in the model act as a mediator to transfer the celebrity-product message in order to influence consumers purchase decision.

Celebrity endorsement is no more a new phenomenon in this world almost every brand is using celebrities to endorse their products. Today Consumers are well aware of these marketing techniques used by marketers in order to influence their purchase decision. Moreover, due to its extremeness and aggressive approach consumers might change their attitudes and perceptions about celebrity endorsements. Instead of all these controversies celebrity endorsements is a pervasive part of advertising industry. With reference to this, in this model the Researcher has tried to find out the impact of celebrity endorsements on consumers buying behaviour.

Source credibility is the extent to which the consumer sees the endorser as having relevant knowledge, skill or experience and trusts the source to give unbiased, objective information (Byrne et al. 2003). Trustworthiness refers to the general believability of the endorser and, expertise refers to the product knowledge of the endorser which is linked with his/her claims regarding the product. Expertise is believed to be a factor that increases the persuasiveness effects of trustworthiness (Amos et al. 2008). According to Seno and Lukas (2007), consumers evaluate expertise and trustworthiness as the principal ingredients of celebrity credibility, which is reflected by the validity of the assertions made by the celebrity (expertise) and their confidence in the celebrity’s intent to represent the most valid assertions (trustworthiness). Trustworthiness refers to refers to the honesty, integrity, and believability of an endorser as perceived by the target audience; and expertise is defined as the extent to which a communicator is perceived to be a source of valid assertions (Erdogan et al. 2001). Attractiveness encompasses factors including similarity, familiarity, and likeability (Triandis 1971). Similarity is referred to the resemblance between the source (celebrity) and the receiver (consumer). Similarity arises through knowledge of the source via repeated exposure. Hence, celebrities have high familiarity power with consumers due to their exposure in different media. Likeability occurs from affection of consumers for the source due to their physical appearance, behaviour or other characteristics (Byrne et al. 2003). According to Kamin’s (1989) two-sided study, a celebrity endorser was more likeable and
believable that a non-celebrity. Source attractiveness leads to persuasion through identification, where the consumer adopts the beliefs, attitudes, preferences and behaviour of the celebrity as they are motivated to seek a relationship with the celebrity (Friedman and Friedman 1979). Celebrity attractiveness could be referred to as physical attractiveness as well as non-physical attributes such as the sportsmanship, charm, grace and intelligence of a sports celebrity (Seno and Lukas 2007). The more attractive the celebrity, the more brand’s image benefits from the celebrity endorsement (Liu, et al. 2007).

Source credibility is closely linked to meaning transfer theory which was introduced by McCracken (1986). The basic tenet of the theory is that a celebrity encodes a unique set of meanings which are transferred from the celebrity to the product and consumer (Kamins and Gupta 1994). The theory proposes that the higher the perceived match between symbolic properties of the product and the celebrity’s meanings drawn from his/her assumed roles, the more likely consumers assign meaning to the celebrity and the brand (Biswas et al. 2009).

The meaning transfer theory suggests that celebrities develop a persona through the types of roles they play in society as well as how they are portrayed in the media. Society then assigns meaning to celebrities, in terms of what they represent according to consumer perceptions (Amos et al 2008).

Match-up hypothesis is defined as the consistency between the characteristics of a celebrity endorser and the attributes of the product that they endorse (Misra and Beatty 1990). Celebrity/product fit or match-up hypothesis is thought to function as a key determinant of endorsement effectiveness (Friedman and Friedman 1979). The greater the perceived fit between the relevant products attributes and characteristics of the celebrity, the more quickly an associative link can be established between the two by consumers (Seno and Lukas 2007).

The perceived fit between the celebrity/product combinations can be related to physical attractiveness, expertise or other highly relevant characteristics. Empirical studies of a single endorser have shown that endorser and product congruity positively affect consumers’ perceptions of celebrity credibility, attitudes, recall, recognition, purchase intention, and willingness to pay higher prices (Kamins and Gupta 1994).

Consumer socialization is the process by which "young people acquire skills, knowledge, and attitudes relevant to their functioning as consumers in the marketplace" (Ward, 1974, p. 1). Consumer socialization emphasizes sources of influence or “socialization agents” that
transmit norms, attitudes, motivations, and behaviours to the learner (Moschis and Churchill, 1978). A socialization agent may be any person or organization directly involved with the individual. Socialization agents commonly used in the literature include parents, peers, mass media, school, and television viewing. The concept of consumer socialization has been utilized to determine, among other things, how consumers learn thought processes and consumption behaviours through modelling (Moschis and Churchill, 1978). Celebrities can be anyone the individual consumer comes in contact with who can potentially influence the consumer's consumption decisions (Bandura, 1977). In fact, many recent research studies have analyzed how parents and/or peers influence the consumption attitudes of individual consumers (Bush, Smith, and Martin, 1999; Carlson, Walsh, Laczniak, and Grossbart, 1994; Keillor, Parker, and Schaefer, 1996; Laczniak, Muehling, and Carlson, 1995). Many research studies, however, have not specifically investigated the impact of celebrities with which the adolescent has little or no direct contact. A recent study examining the impact of celebrities on the self - views of young adults recognized that "individuals of outstanding achievement can serve as celebrities to others," motivating young adults to adopt certain self-images and lifestyle patterns (Lockwood and Kunda, 1997, p. 91). Included in this category of celebrities would be models from electronic or print media that influence consumer consumption attitudes and patterns without ever directly contacting or meeting the consumer. These celebrities are the vicarious celebrities acknowledged by Bandura (1986). Thus, a celebrity for an adolescent can be anyone the individual comes in contact with, either directly or indirectly, that potentially can influence the individual's consumption decisions (Bandura, 1977). Research has examined the impact of vicarious celebrities on a variety of different dependent variables. For example, the influence of television celebrities has been examined in terms of their impact on adolescent occupational goals (Christiansen, 1979) and career aspirations (King and Multon, 1996). Even superstars have been analyzed to determine if they influenced self-views of young adults (Lockwood and Kunda, 1997).

**Behavioural Intentions: Outcomes of Socialization**

The end result of the socialization process is based on the learning of consumer behaviours and is termed "outcomes" or consumer skills. Behavioural intentions is an outcome of socialization that may be of particular importance to advertisers because it is related to favourable and unfavourable behaviours consumers may exhibit toward a brand. For example, when consumers praise the brand and express preference for one advertiser over others, these favourable intentions may ultimately lead to increased sales of the brand, paying
premium prices for the brand, spreading positive word-of-mouth for the brand, etc. Conversely, unfavourable intentions can lead to switching brands and spreading negative word-of-mouth. Therefore, gaining a better understanding of the behavioural intentions of youngsters may help advertisers better communicate to this important target. Traditionally, behavioural intentions have been theorized and operationalize in a uni-dimensional way rather than looking at specific types of behaviours. In fact, several research studies have used one- and two-item scales to operationalize behavioural intentions (cf. Anderson and Sullivan, 1990; Cronin and Taylor, 1992). More recently, Zeithaml, Berry, and Parasuraman (1996) developed a multidimensional behavioural intentions construct that included several aspects of behavioural intentions that have not been incorporated into previous research. This construct includes both favourable (i.e., word-of-mouth communications, purchase intentions, price sensitivity) and unfavourable (i.e., negative word-of-mouth, complaining behaviour) dimensions of behavioural intentions. A multidimensional construct and measure of behavioural intentions fits well into the socialization process for the youngster market because it deals with facets of behavioural intentions related to friends, peers, and celebrity spokespeople such as saying positive things about a company or brand to others or recommending a brand name to a friend. For the present study, behavioural intentions will be defined based on the following three dimensions: (1) product switching or complaining behaviour, (2) favourable or positive word of mouth, and (3) brand loyalty.

The conceptual framework for the research is depicted in Figure 3. The figure below represents the framework for understanding the effect of celebrity endorsements on student buying behaviour. The framework has been adapted from the integrated model for understanding celebrity endorsements and consumers perception to study cross cultural consumer behaviour (Biswas et al. 2009) and modified according to requirement of present study. It represents how celebrities are used to influence students’ purchase decision. Marketers’ actions serve as a medium to transfer meanings or values from the culturally constituted world to consumer goods (McCraken 1986).
<table>
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<th>Models explaining Celebrity Endorsements</th>
<th>Basic Tenet</th>
<th>Source of influence on Consumers</th>
<th>Consumer Perceptions</th>
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<td>Source Attractiveness Model (McGuire 1985)</td>
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<td>Match-up hypothesis (Kamins and Gupta 1994)</td>
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<td>Effect of Negative publicity &amp; Meaning transfer model (McCracken 1986)</td>
<td>Process of transfer of meaning from celebrity to product and to consumer</td>
<td>Transfer process of meaning from celebrity to product to consumer</td>
<td>The higher the perceived match between symbolic properties of the product and celebrities meanings drawn from his/her assumed roles, the higher the likelihood of consumer’s consumption and appropriation of product’s meanings.</td>
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3.1. Theoretical Framework

Figure 3:

- **H₂**: Exploratory Factor Analysis & Confirmatory Factor Analysis
- **H₃**: Correlation, ANOVA & Regression
- **H₁**: T-Test
- **H₄ & H₅**: Correlation & Regression
- **H₆**: ANOVA
- **H₇**: (SEM Model Fit using AMOS)

- **CELEBRITY ENDORSEMENT**
  - PERCEPTION
  - HIGH & LOW INVOLVEMENT PRODUCT
  - EXPERTISE
  - ATTRACTIVENESS
  - TRUSTWORTHINESS
  - LIKEABILITY
  - PRODUCT MATCHUP
  - NEGATIVE PUBLICITY

- **PURCHASE INTENTION**
  - BEHAVIOR INTENTION
    - POSITIVE WORD OF MOUTH
    - COMPLAIN & SWITCHING BEHAVIOR
    - BRAND LOYALTY

**Proven Relation**