CHAPTER 6: FINDINGS & CONCLUSION

This chapter articulates the main outcomes of the research project, examining the extent to which the objectives are met and contribution to the existing literature on celebrity endorsements. This chapter provides the reader with clear justification of the results and direct answers to the research questions. The results will be discussed and compared with the existing empirical research available and directions for the further research are suggested.

6.1. Current State of Students’ Perception about Celebrity Endorsements

Based on the research findings the Researcher accepts that “Celebrity endorsements are a ubiquitous feature of modern marketing” (McCraken 1989). The findings from the research extensively support the statement. All the t-test output support the positive perception about celebrity endorsements. People come across celebrity endorsed advertisement in everyday life. Additionally, the respondents feel that TV advertisements (81%) is the more likely to carry celebrity endorsed advertisements followed by magazines (30.6%), Internet (21.6%) and newspapers (25.2%). This proves that, recent technological advances in the media and satellite television has increased the power of advertisement and made advertising more challenging (Croft, Dean and Kitchen 1999).

The fierce competition between brands has encouraged marketers to use celebrities as endorsers in order to attract more consumer attention (Croft, Dean and Kitchen 1999). Undoubtedly the findings prove that celebrities are very successful at attracting more consumer attention towards the product they are endorsing. When asked 94.4% of respondents agreed that celebrity endorsed advertisement are more effective at attracting their attention. Additionally, the respondents’ state that they find Film celebrities (hollywood actors and actresses) (59.2%) more influential as celebrity endorsers followed by sport stars including cricketers (37.1%) and then others (3.8%).

As Patzer (1985) stated that “attractiveness is an informational cue involves effects that are subtle, pervasive, and inescapable” The results state that celebrity endorsements are more attractive that means celebrities attracts the attention of consumers towards the product by
appearing with them or endorsing them in an advertisement. Attracting the consumer attention is the first step to influence him to buy the product.

The research findings proves this by stating that around 74.9% of the respondents either agree or strongly agree that celebrity endorsed advertisements creates faster awareness about the product, 72.7% of the respondents either agree or strongly agree that celebrity endorsed advertisements captures the consumers’ attention easily and also 66.3% of the respondents either agree or strongly agree that celebrity endorsed advertisements creates a long lasting impact in the consumers’ mind about the product.

Moreover, Celebrity endorsed advertisement deliver higher degree of appeal, attention and recall rate as compared to the non-celebrity advertisements (Cooper, 1984; Dean and Biswas, 2001). The research findings proves this by stating that around 63% of the respondents either agree or slightly agree that celebrity endorsed advertisements enables them to recall and recognise the products more promptly.

Celebrity endorsed advertisement have the potential to influence the cognitive processes of consumers (Wilkes and Valencia 1989). Interestingly the findings state that 94.4% of respondents said that they find celebrity endorsed advertisements more influential as compared to non-celebrity advertisements. Thus it can be said that employing a celebrity in an advertisement can influence the customers to buy the product or service endorsed by him. The findings support the fact that “the power of the celebrities lies in their ability to influence the consumers, even if they are physically and socially far from a common consumer” (Choi & Rifon, 2007).

### 6.2. Relationship of Celebrity Attributes with Purchase Intention

#### 6.2.1. Expertise

*Expertise of the celebrity endorser positively affects the consumers’ intention to purchase products or services endorsed by him.*

Result of the study proves that expertise of the celebrity endorser positively influences the purchase intention of the consumers. The result states that the more expert the celebrity is in the category of product being endorsed by him, it is more likely that endorsed product will be purchased by the consumers. The strength of relationship between expertise and purchase intention is relatively sensible (R= 0.431). The result from the regression analysis shows that
18.5% of purchase intention variability is explained by expertise. That proves if the expertise of the endorser is more it is likely to affect the purchase intention of consumers. The descriptive frequency analysis results state that 42.94% of respondents agreed that expertise of the celebrity endorser affects their purchase intention. Overall it supports that Expert celebrities are more persuasive (Aaker and Myers 1987) and may influence the consumer purchase intention (Ohanian 1991).

6.2.2. Attractiveness

The attractiveness from celebrity to the product endorsed by them positively affects the consumers’ intention to purchase.

According to McCracken (1989) Celebrities can attract the mass and increase the selling of product that can influence consumer purchase intention. The results from the research support the statement and states positive relationship between attractiveness and purchase intention. However the impact of attractiveness on consumer purchase intention is moderate. The strength of relationship between attractiveness and purchase intention is slightly high (R = 0.513). The result from the regression analysis states that 26.3% of purchase intention variability is defined by attractiveness. Attractiveness is the most effective variable to impact the consumers’ intention to purchase. The descriptive frequency analysis results state that 51.96% of respondents agreed that the attractiveness from the celebrity to the product can influence their purchase intention.

6.2.3. Trustworthiness

Trustworthiness of the celebrity endorser positively affects the consumers’ intention to purchase products or services endorsed by him.

The result from the study proves that trustworthiness of the celebrity positively influences the purchase intention of the consumers. Regression analysis supports the positive relationship between trustworthiness and purchase intention (R =0.437). It states that 19% of purchase intention variability is defined by trustworthiness. The result states that if the celebrity is more trustworthy then the consumers are more likely to purchase the product. The descriptive frequency analysis results state that 42.8% of respondents agreed that they consider trustworthiness of the celebrity as a factor to influence their purchase intention. The study therefore supports the experiment by Miller and Baseheart (1969) found out that if the perceived trustworthiness of the source is high; attitude change is more likely to occur.
6. 2. 4. Likeability

*Likeability of the celebrity endorser positively affects the consumers’ intention to purchase products or services endorsed by him.*

The empirical test results of the study have found positive relationship between likeability and purchase intention of the consumer. The strength of relationship between likeability and purchase intention is relatively moderate (R= 0.481). The result from the regression analysis shows that 23.1% of purchase intention variability is defined by likeability. The results state that if the celebrity is more likeable among the consumer, the people are likely to buy products endorsed by him. The descriptive frequency analysis results state that 50.09% of respondents agreed that likeability of the celebrity endorser affects their purchase intention. The result from the study supports that likeability or fondness for the source can bring change in the buying behaviour of the consumer (Belch and Belch 2001).

6. 2. 5. Product Match-up

*The Product celebrity match-up of attributes positively affects the consumers’ intention to purchase products or services endorsed by him*

According to Till and Busler (1998) the existence of perceived 'fit' between the endorsing celebrity and the brand may influence the consumers intention to purchase. The empirical test results of the study state positive but low relationship between celebrity product match-up and purchase intention of the consumer. The strength of relationship between match up and purchase intention is relatively low (R=0.132). The result from the regression analysis states that 1.8% of purchase intention variability is defined by product match up. The regression result state that if the celebrity fits with the product endorsed by him. There is a chance that people may buy that product. The descriptive frequency analysis results state that 32.3% of respondents agreed that the fit between the celebrity and the endorsed product can influence them to buy a certain product or service. The regression result proves the positive relationship between the product celebrity match-up. However its impact is likely to be low as compared to other attributes.
6. 2. 6. **Negative Publicity**

*Negative publicity celebrity to the product endorsed by them positively affects the consumers’ intention to purchase*

The negative publicity about the celebrity may spoil the public image of celebrity that may turn him ineffective as an endorser. The descriptive frequency analysis of results show that majority of the respondents agree (32.5%) that negative publicity about a celebrity is likely to influence their purchase decision. 18% of the respondents also strongly agree to the statement. While 24.5% of respondents are unsure, 4.9% strongly disagree and 20.1% disagree. However the cumulative percentage suggests that more than half 50.5% respondents observe that negative publicity influence their purchase decision. The regression analysis also supports the same thing.

6. 2. 7. **Overshadow Effect**

Overshadow effect of celebrity to the product endorsed by them positively affects the consumers’ intention to purchase.

The descriptive frequency analysis of results show that majority of the respondents agree (24.10%) that Overshadow effect about a celebrity is likely to influence their purchase decision. 16.8% of the respondents also strongly agree to the statement. While 28.50% of respondents are unsure, 12.7% strongly disagree and 17.9% disagree. However the cumulative percentage suggests that more than half 40.9% respondents observe that Overshadow effect influence their purchase decision. The regression analysis also supports the same thing.

6. 3. **Effect of Celebrity Endorsements on Students’ Purchase Intention**

Many researchers have talked about the effectiveness of the celebrities as endorsers. The Researcher in this question tried to find out if celebrities do really impact the purchase intentions of the Student. Many Researchers in the empirical studies have argued that celebrity endorsers produced more positive attitudes and greater purchase intentions towards the product endorsed by them as compared to a non-celebrity endorser (Atkin and Block 1983; Petty et al. 1983; Ohanian 1991).

The findings of this research support the argument. The results from the research state that 70% of people agree that they buy the products endorsed by celebrities. Respondents were
asked to rate celebrities on three different questions. Overall the result from the research approves the relationship between celebrity endorsements and consumer purchase intention. The results state that majority of the people are likely to purchase (70.2%), do purchase (49.6%) and are overall happy with their purchases (58.1%) done under the influence of celebrity endorsers. Therefore, it can be said that celebrity endorsers are likely to have a positive effect on consumer purchase intention (Goldsmith, Lafferty and Newell 2000; Mathur, Mathur & Rangan 1997).

Despite the various benefits, there are still many potential risks involved in using celebrities as endorsers. Negative publicity concerning the celebrity is one of the major risks associated with the celebrity endorsement. Negative publicity about a celebrity endorser not only impacts consumers' perception about the celebrity, but also the endorsed product (Klebba and Unger 1982; Till and Shimp 1995) Therefore, the respondents were asked to state if the negative publicity of a celebrity endorser can influence their intention to purchase the products endorsed by them. The respondents gave very complicated results. Majority of the respondents (50.4%) told that whenever the negative things or publicity about a celebrity endorser comes, they will stop purchasing the products endorsed by celebrity. The descriptive statistical results state that negative publicity about a celebrity affects their purchase intention.

6. 4. Effect of Celebrity Endorsements On Students’ Behavioural Intention

The results obtained in this study, offers partial confirmation of previous results obtained by Bush et al. (2004). The most interesting finding of this study is that Students’ perception of celebrity endorsers has a positive influence on their product switching intentions, complaint intentions, positive word-of-mouth and brand loyalty. This suggests that celebrity endorsers have an impact on Students’ decisions to switch brands, their tendency to talk about brands in a positive manner and their inclination to complain about products.

6. 4. 1. Positive Word of Mouth

Result of the study proves that celebrity endorser positively influences the positive word of mouth intention. The strength of relationship between celebrity influence and positive word of mouth is relatively sensible (R= 0.170). The result from the regression analysis shows that 16.8% of positive word of mouth variability is explained by celebrity endorsements. The
The descriptive frequency analysis results state that 29.18% of respondents agreed that they will say positive things about celebrity endorsed products.

6.4.2. Product Switching & Complain Intention

Result of the study proves that celebrity endorser positively influences the product switching and complaining behaviour. The strength of relationship between celebrity influence and switching and complaining behaviour is relatively sensible (R= 0.270). The result from the regression analysis shows that 10.8% of switching and complaining behaviour variability is explained by celebrity endorsements. The descriptive frequency analysis results state that 27.68% of respondents agreed that they will say switch the product or complain to others if there is any problem in celebrity endorsed products.

6.4.3. Brand Loyalty

Result of the study proves that celebrity endorser positively influences the brand loyalty. The strength of relationship between celebrity influence and brand loyalty is relatively sensible (R= 0.153). The result from the regression analysis shows that 8% of brand loyalty variability is explained by celebrity endorsements. The descriptive frequency analysis results state that 19% of respondents agreed that they will remain loyal to their favourite celebrity endorsed products and never switch or change to other products.

An independent sample T-test results shows that, Females were expected to spread more positive word-of-mouth about a product or brand that is endorsed by their favourite than males (Bush et al., 2004). A later study by Bush et al. (2005) also supported this result, stating that girls were more adept at spreading word-of-mouth, especially for products endorsed by their favourite, than their male counterparts. This finding was also supported by this study. Female students rated the influence of their favourite on positive word-of-mouth behaviour more than male students.

With their growing purchasing power and increased participation in sports, females were expected to display more susceptibility to endorsements and to be more influenced by these in their behavioural intentions than males. Contrary to this in product switching & complaining behaviour and brand loyalty, female and male behavioural intentions were not significantly different as a result of a celebrity’s influence.
Further, also found that females agreed more than male that celebrity influences them to buy certain brands – this is a key insight for marketers seeking to develop brand loyalty among women at an early age.

6.5. Effect of Celebrity Endorsements on High and Low Involvement Product

Petty, Cacioppo, and Schumann (1983) have proposed the Elaboration Likelihood theory in which they have discussed the two process model of response to the advertising stimuli for high and low involvement, the results shows that for the low involvement products celebrities in an advertisement plays more important role to effect consumer perception compare to high involvement products.

The key finding emerges from the current research also support the same. The descriptive statistics of high involvement products shows that only 9.2% students’ find celebrity expert for the product, 5.2% students’ found congruency between product and celebrity and only 6.6% people are ready to purchase the product. While the descriptive statistics of low involvement products shows that 25.5% students’ find celebrity expert for the product, 23% students’ found congruency between product and celebrity and only 39.9% people are ready to purchase the product. The One way ANOVAs and Regression analysis proves that celebrities have positive impact on consumer perception when they appear in low involvement products or services advertisements. The results showed that there is no significant difference in consumer perception for celebrity advertisements for high involvement product or service.

6.6. Effect of Celebrity Endorsements On Students’ Buying Behaviour

The result of Structural equation Model on celebrity endorsements on consumer buying behaviour shows the positive relationship of celebrity endorsements on students’ buying behaviour. The summary exposed in the aforementioned results support the causal relationship proposed for H7.1, H7.2, H7.3, H7.4, H7.5 and H7.6. Furthermore, the result follows the hypothesized model and thus the extracted dimensions between independent variables. The direct significant effect of the expertise (β = 0.63; ρ < 0.01), attractiveness (β = 0.54; ρ < 0.01), trustworthiness (β = 0.68; ρ < 0.01), likeability (β = 0.52; ρ < 0.01), product match up (β = 0.82; ρ < 0.01) as well as negative publicity (β = - 0.71; ρ < 0.01). The construct of expertise, attractiveness, trustworthiness, likeability as well as product match up
have direct effect toward the dependent variable buying behaviour while negative publicity has indirect effect toward the dependent variable buying behaviour.

Thus, the findings show the importance of product match up, trustworthiness, expertise, attractiveness and likeability toward buying behaviour.

6. 7. Suggestions

- The marketer should identify the target customer for the product and the age of the customer. The perception of the customer regarding celebrity physical attraction varies with the age of the customer. If the target market is the students, the marketer should give more importance to celebrity characteristics when selecting a celebrity endorser, as the students have a greater exposure to celebrities than the others, watch television advertisements and movies more often, and hence are more familiar with celebrities.
- The marketer should attach more importance to the celebrity’s characteristics. If the marketer selects a celebrity with a high degree of Physical Attractiveness, Trustworthiness, Expertise, Meaningfulness and Likeability, the customer is certain to have a positive opinion of the celebrity and the purchase intention created by the celebrity will also be high.
- The marketer should select movie stars as celebrity endorsers for products like silk saris, jewellery, toothpaste, soft drinks and clothes; similarly, Sportspersons would be most suitable for health drink products, as are advertising models for toiletries.
- The marketer must be ensured that a celebrity with a high attention gaining potential is selected if the target customers are students, because, this age-group is particularly influenced by persons capable of capturing the attention of viewers during the advertisement.
- While designing the advertisement and selecting the celebrity, the marketer should bear in mind the attitudes of rural and urban people as these peoples are completely differ from each other, not to mention their culture, lifestyle and traditions that diverge widely from other counterparts.
- The marketer has to exercise great care in selecting a celebrity for product endorsement; before selecting the celebrity, the marketer has to check whether the celebrity has made a favorable impression on consumers, for if the marketer selects a
celebrity who is not very popular with consumers, it will have an adverse impact on consumer purchase intention.

- The marketer has to choose celebrities who are familiar to the populace so that the customer can easily recollect the celebrity. The marketer should select celebrities who have been famous for a period of time or are at the peak of their careers. If the marketer selects a celebrity who can be easily recognized by the consumer and is also popular, it will have a greater impact on the consumer’s purchase intention.
- The marketer should not select unpopular or unfamiliar celebrities, as also those who charge hefty fees for their services, since the fee paid to the celebrity is factored into the product’s price that has to be borne by the consumer.
- The marketer should choose a celebrity with clean public image, as otherwise it will affect the brand image of the marketer.
- The marketer has to select a celebrity whose culture resonates well with that of the target customers. Otherwise, the customer may not have a positive attitude to the celebrity, leading to a low purchase intention.
- The marketer has to select a celebrity whose image has a close match with the product. If the celebrity’s image does not match with the product, it will automatically affect the consumer’s purchase intention.
- The marketer advertises the product-utilizing celebrities on television in the appropriate television channels and at a time when viewership by target customers is at its peak.

6.8. Scope for Further Research

The Researcher has come across many interesting topics while conducting this research. In fact, some of the results from the current research generated important questions to be explored.

As mentioned in the conclusion as well, consumers tend to think and act differently because when asked to rate the attributes independently the consumers came up with different answers. That is why the Researcher has not claimed the results to be accurate. Hence, Research should be done on the psychological and practical aspects of consumer buying behaviour that will provide marketers with deeper understanding of the topic.
In this study, the researcher has restricted the respondents’ age to the Students only. A comparison of respondents of age lying outside this range for their attitudes towards celebrities and the purchase intention created by them may be undertaken for further research. Moreover, a research can also be conducted on similar lines with children as respondents. Future research can be undertaken targeting different age groups in India which would probably bring to light different perceptions regarding the topic in hand. Also by including people who are working, the housewives and even kids would help get an overall perception of the Indian consumers. Moreover future research would bring interesting insights if conducted using the lower and middle class segments.

Another major area to explore is demographical area. Attitudes and perceptions of people differ on various different bases for instance age, gender, country, income level etc. From the marketer point of view it is important to understand that consumers are governed by their culture and values. Hence, more research should be done on this. Moreover, the limitations highlighted in the earlier section provide a broad platform for future research.

The usage of focus groups in future studies could also aid in obtaining consumers thoughts and beliefs from varied angle, hence apart from the conducting survey method, focus group as a data collection method seems very promising. Future research in this area can challenge what kind of celebrities work best with what type of products? Also whether all the products are suitable for being endorsed by celebrities or they need to be categorized accordingly.

Further research could examine the effect of different endorsers across media i.e. Television, Radio, Internet, Hoardings, etc. The researcher can find out which celebrity has more influence on various media, besides determining the degree of fit between the celebrity and media.

In this research, the researcher has chosen only movie stars as celebrities for the study. In the future, research will have to be done on choosing sportspersons and movie stars, as also a comparative study to assess the effect of these individuals as celebrities. Besides, a comparative study across different regional channels featuring various Indian movie stars and sports persons has to be carried out.

In this research, the researcher concentrates only in the five cities of Gujarat in India. It is, therefore, suggested that future research should focus on the other states of India; similarly, a comparative study of two states in India, or of nations in the world, could also be explored.
There may also be a need for further research using respondents of different cultural/ethnic backgrounds to compare the effects of the spokespersons on attitudes and purchase behavior.

In this research the researcher has only considers high and low involvement products as the products endorsed. Further research can be conducted on from other categories like Fast Moving Consumer Goods, Apparel and Jewellery, Automobiles, Finance, insurance etc.

The researcher in the present study has analysed the effect of celebrity endorsement through the medium of Television alone. Therefore, further research on the effect of celebrity endorsement through various other media can be carried out. Besides, a comparison of celebrity effect across various media and identifying celebrities with the highest effect could also be explored.

In this study, the researcher has only examined the relationship between celebrity characteristics and attitudes of consumers on the one hand and purchase intention on the other. Future research can focus on identifying the relationship between celebrity characteristics and attitudes of consumers on the one hand and purchase decision on the other.

Further, research could be conducted to look at the effect of celebrity endorsements on the sales of the products endorsed. This could take the form of a panel data analysis, but would be a worthwhile study as it would answer the crucial question of the effect of celebrity endorsements.

In this research the researcher has done research in the five cities of Gujarat. Only a limited study has been conducted in terms of concerning the effect of celebrity endorsers. Hence, further research could be done on similar lines in other districts across the state. It could also be conducted at the national or international levels by increasing the sample size to enable generalizations to be made.

A few celebrities endorse more than one brand i.e. Multiple-product endorsement. Further research can be done using such celebrities to identify the celebrity characteristics dimensions, the image of the celebrity match with the product, and purchase intention. It is important to realize that a celebrity who succeeds with one brand does not necessarily succeed in endorsing another. Moreover, ineffective advertising may impair the effectiveness of a celebrity in endorsing a product. Therefore, this is another potential area for future research.
6.9. Conclusion

Celebrity endorsements has changed the way advertising used to be few decades ago. It is been accepted to be a “ubiquitous feature of modern day marketing” (McCracken 1989). Celebrity endorsements business has become a multi-million dollar industry in India (Malhotra 2005). As a result, a greater understanding of consumers’ reactions towards celebrity endorsements can help the marketers to use it more effectively. This research project explored the current state of Indian consumers’ perception about celebrity endorsements. Empirically identified and tested the celebrity attributes specific to influence purchase intention, behavioural intention towards celebrity endorsements and finally examined the effect of celebrity endorsements on buying behaviour of college students. In accordance with the study objectives, the following conclusions are drawn.

Firstly, the research project examined and explored the current state of consumers’ perception about celebrity endorsements. Research outcomes reveal extremely high degree of familiarity across all respondents. Results reveal that students find celebrity endorsements more attractive. Further, on the basis of attractiveness people find actors and actresses from Bollywood and films more influential as endorses. Results reveal that using a celebrity in an advertisement increases the recognition and recall rate of the endorsed product. Overall the people believe that celebrity endorsements are more attractive, and effective at influencing their purchase decision. Interestingly, people know and agree that celebrities don’t really use the products endorsed by them. Even though, celebrity endorsements have a very positive effect on consumers’ perceptions and attitudes towards the endorsed product.

Secondly, the positive relationship of different celebrity attributes and purchase intention of the consumers demonstrates the effectiveness of celebrities as successful endorsers. Although some attributes are very effective at influencing purchase intention of consumers some are relatively low or moderate. For instance, “attractiveness” of the celebrity has the highest impact on purchase intention followed by “likability”, “trustworthiness” “expertise”, “product match up” and “overshadow effect”. The least important attributes to have impact are product-celebrity “match-up” and “overshadow effect”. Controversially, in a separate test people ranked “expertise” to the most important attributes likely to impact their purchase decision. Accordingly the other attributes were ranked as trustworthiness, attractiveness, likeability, and product match-up. This shows that there is a difference between what Indian consumers actually do and think. It is also crucial to keep in mind that selection of a celebrity
endorser should not only be done over the two most important attributes but also consider the remaining as a priority, since these may strengthen the impact of a celebrity over purchase intention. Overall it can be said that the different attributes of the celebrities positively affect consumers purchase intention.

Thirdly, the most interesting finding of this study is that students’ perception of celebrity endorsements has a positive influence on their product switching intentions, complaint intentions, positive word of mouth and brand loyalty. This suggests that celebrity endorsers have an effect on students’ decisions to switch brands, their tendency to talk about brands in appositive manner and their inclination to complain about products. Females were expected to spread more positive word of mouth about a product that is endorsed by their favourite celebrity endorsers.

Finally, empirical test of relationship between celebrity endorsements and buying behaviour satisfied the final objective of this research project. It was empirically tested and found that celebrity endorsers positively affect the buying behaviour of the students as compared to non-celebrity endorsers. It was found out that people are more “likely to buy”, “already buy” and are “happy” with the purchases done under the influence of celebrities. Regarding “negative publicity” of the celebrity not many people think about it or are still unsure. The fact depicts that they actually follow their celebrities regardless of negative publicity while some are slightly considered about it. Overall, the results proved the effectiveness of celebrities as endorsers.

In overall, all research objectives have been achieved leading to better understanding of celebrity endorsements in context to India. Furthermore, the limitations, implications and suggestions for further research are articulated in subsequent topics.