CHAPTER - II

REVIEW OF LITERATURE

Every piece of ongoing research needs to be connected with the work already done, to attain an overall relevance and purpose. The review of literature thus becomes a link between the research proposed and the studies already done. It tells the readers about aspects that has been already established or concluded by other authors, and also gives a chance to the reader to appreciate the evidence that has already been collected by previous research, and thus projects the current research work in the proper perspective.

A large body of literature on celebrity endorsement, branding and consumer purchase decision provides the basis for the present study. This chapter will explain the search process in reviewing these literatures and then examines the theoretical and empirical studies in the field. The theoretical literature was reviewed mainly for providing a basis for empirical review. This was accomplished by reviewing the related articles and reports and by developing a conceptual framework for the study based on the theories. Several articles have been studied to explain the impact of celebrity endorsements on purchase decisions.

ENDORSEMENTS AS A PART OF THE ADVERTISING STRATEGY

McCraeken (1989) celebrity endorsement can be defined as: —any individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement.
Lamb, et al (2000) to communicate the right message, a marketer can make use of advertising which can be defined as a message that is paid and controlled by the advertiser and directed to the masses in an impersonal manner.

Stafford, Stafford & Day (2002) an endorser is an individual who supports or recommends certain products, behaviors, services, and brands to audiences. Matching the right endorser with an appropriate message is a key determinant to gauge the success of brand because an endorser becomes the tangible representation of the brand or organization.

Du Plessis, et al (2003) it is essential to plan the advertising strategy to provide a guide for the advertising activities. Advertising is used to draw the attention to the products and services of the organization and to provide a personality to the brand in order to make the product stand out amongst its competitors. One way to draw attention to the product is to make use of an endorser. The endorser transfers its characteristics onto the product and if the target consumers like or aspire to posses the endorser’s characteristics it will intentionally calls them to action to purchase the product or service.

Schlecht (2003) celebrity as a person who enjoys public recognition by a large share of a certain group of people. A created spokesperson on the other hand is created by an organization for its purposes and means, and by implication the organization has greater control over the endorser than over a traditional celebrity.
Knox (2004) where a celebrity or created endorser in the organization’s advertising material can form part of the brand and can influence the perceptions of the target audience.

Blackwell, Miniard and Engel (2006) Brand image is communicated to consumers through advertising and creates a personality for the product being sold. Stressing certain product characteristics in the advertisement can also influence the consumers’ preference for certain brands. Knowledge about how customers’ perceptions can be influenced by certain stimuli has increased over the time.

**TYPES OF ENDORSER**

Friedman and Friedman (1979) compared a celebrity and a typical person with an expert and found that message believability was higher for an expert endorsing a vacuum cleaner, and the subjects perceived honesty, expertise and sincerity when an expert endorsed a highly technical product.

Freiden (1984) found that experts were more highly rated in terms of spokesperson knowledge than other endorsers and argue that assertions and claims made by an expert are conceivably more factual because experts are assumed highly knowledgeable on the issue. Therefore, expert endorsements are considered more effective for products with higher risk or price.

McCracken, (1989), Experts are defined as individuals who have detailed knowledge about a product/service. Expert endorsers are known for their
ability to present more valid claims about a product than other types of endorsers. Thus, experts are more frequently used more to describe the details of products, particularly when products involve high risks due to their high value and technological complexities.

Biswaś (2006) examined the relationship between endorser types and risk perceptions toward products. The risk perception was defined as the level of audiences’ perceived risk involved with products. The results suggest that audiences perceived lower financial and performance risk when experts endorsed high involvement technological products, as opposed to celebrities, because experts were able to explain the details on the product.

TYPICAL PERSON ENDORSEMENT

Friedman & Friedman, (1979) a typical person is an individual who does not have special knowledge about a product but can speak about the products’ use. Normally, a typical person is used to encourage the purchase of the product as a consumer.

Kamins (1989) examined impact of endorsers in a two-sided context where two types of endorsers (e.g. celebrity and typical person) made positive and negative claims about the product advertised. The results suggest that subjects rated celebrity endorsers more highly on likability and believability scales than typical person endorsers.
CELEBRITY ENDORSEMENT

Friedman and Friedman (1979) Celebrity endorser is an individual who is known by the public for his or her achievements in areas other than that of the product class endorsed. Compared to other endorsers, celebrities always attach a greater degree of attention, recall and loyalty.

Schicke (1985) highlighted the subtle yet intense impact of celebrities on everyday thinking and living. Almost one fifth of the advertisements use celebrities for endorsement. It actually helps in making the product more visible. endorsement as a —ubiquitous feature of modern marketing.

(McCracken 1986) Celebrity endorsement refers not only a portrayal of popular personalities in advertisements but also with the purpose of promoting the product

McCracken (1989) provides a clear definition describing celebrity endorser as “any individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement.

Kamins (1989) Use of a celebrity increases consumers’ attitudes toward a brand and enhance the reliability of advertisement and product. Since presence of celebrity endorsers affects purchase decisions of consumers positively, producers and retailers have always preferred to use celebrity endorsements in order to sell their products.
Ohanian (1991) Celebrity endorsements are popularly used in advertising for several reasons. First, because audiences easily recognize celebrities, it is thought that celebrity endorsements help a brand stand out from ad clutter and draw audiences’ attention towards the promoted products. Second, celebrities’ attractiveness can capture audiences’ attention and, accordingly enhance brand recall, recognition, and attitude towards the brand. Third, celebrity endorsements also draw media attention and create public relations opportunities.

O’Mahony and Meenaghan (1998) Consumers have a tendency to form an attachment to any object that reinforces one’s self identity or desired image, renders feelings of connectedness to a group or to any object that elicit nostalgia, and perhaps the most vivid example of this form of attachment maybe found in the consumers preoccupation with the celebrities.

(Dean 1999) Success of any advertisement is based on so many factors. Ad's influence over the Brand recall value is one of the factors. This factor is found to be effective for celebrity endorsed advertisements

Erdogan, B. Zafer; Baker, Michael J (2000) in his article states that, the use of celebrity endorser is a popular marketing communication strategy. One of the key issues of this strategy is to decide which celebrity to employ. Even though scholars, mostly US-based, have written about the celebrity endorsement strategy and effective endorser characteristics, so far no studies have explored how advertising agencies select celebrity endorsers. To
discover the process by which advertising agencies select celebrities and factors considered during this process, semi-structured interviews were carried out. Findings indicate that there is an unwritten and informal process of selecting celebrity endorsers, in which there are a number of factors affecting decisions.

**Stafford et al (2003)** Stated that using of celebrities in advertisements could have many benefits and advantages including: 1) facilitating of brand identification 2) changing or impressing the negative attitude towards a brand 3) repositioning an existing brand 4) global marketing or positioning of a brand or product 5) affecting purchase intentions of consumers. Although using of celebrity endorsers as brand messengers is impressive, it could have some risks.

**Dukcevich (2004)** Leveraging the endorsement of products by celebrities, as a marketing practice, has a distinguished history. Josiah Wedgwood, the famed eighteenth century potter, was a pioneer in using celebrities to his advantage. Once Queen Charlotte began to use his products, Wedgwood capitalized on his new status by referring to himself as —potter to Her Majesty‖ Centuries later, celebrity usage in brand management strategies has become a familiar scenario.

**Thomaselli and Neff (2004)** the widespread use of celebrity product endorsement in marketing programs is not an accident. Research has found that celebrities are more effective than other types of endorsers, such as —the
professional expert, the company manager, or the typical consumer. To capitalize on this effectiveness, in 2003, Nike spent $US 1.44 billion on celebrity endorsers, two of whom were the basket ball player Michael Jordan and the golfer Tiger Woods (CNN Money, 20034). In 2004, Gillette signed an endorsement deal with soccer celebrity David Beckham worth between $US 30 and $US 50 million.

**Alsmadi (2006)** Suggested that celebrity endorsements are more effective for promoting certain types of products over others and found that celebrity endorsements were more effective when celebrities endorsed luxury products (e.g., jewelry). Celebrities were found to be effective at enhancing brand recall and advertisement recall.

**Choi and Rifon (2007)** the power of the celebrities lies in these influences that they exert on consumers, even though they themselves are physically and socially distant from an average consumer.

**Seno and Lukas (2007)** the use of celebrity endorsement in marketing program is not an accident. So many Researches have proved that the celebrities are the most effective when compared to the other genre of endorsers.

**Amos et al (2008)** some properties like credibility, physical attractiveness and likeability of celebrity endorser influence the ability of one person to impact other person. Source credibility is referred to identifying of communicator's positive properties which influences acceptance of a message by the receiver.
CELEBRITY ENDORSEMENT AND TYPE OF PRODUCT

Furthermore, research suggests that the type of endorser may interact with the type of product endorsed and found that

Atkin and Block (1983) celebrity endorsers are more appropriate where products involve high social and psychological risk

Packard (1991) believes that celebrity endorsement strategy is effective in selling products, and services as status symbols since celebrities are individuals of indisputably high status and in endorsements.

Ohanian (1991) claims that an endorser will be more effective in creating purchase aspirations when the endorser is perceived as a credible messages source.

Walker et al. (1992) conclude that consistency between the endorser’s image and the desired product image may be more crucial for a technical, complex and information-dependent product than for a nontechnical, simple, commodity-type product.

Callcoat and Phillips (1996) found that consumers are generally influenced by spokespersons if products are inexpensive, low-involving and few differences are perceived among available brands.

SUCCESS RATIO FOR CELEBRITY ENDORSEMENT

McCracken (1989) suggests that endorsement is successful, when the properties of the celebrity are made the properties of the endorsed product.
Walker et al. (1992) found that the endorser, which may have certain attributes that are desirable for endorsing the product, then again, he or she might also have other, even more closely associated attributes that are inappropriate for a specific product. The paper indicates that in the selection of a celebrity endorser, one has to consider not only the product attributes that are to be established, but also the broader meanings associated with an endorser.

Erdogan (1999) suggests that companies have limited control over the celebrity’s persona as they have created their own public persona over the years. The author explains that a linkage is strong in created spokespersons by the company, as it is unique, whereas the linkage is weak in the case of celebrity endorsement because of other associations. On the other hand, a research review may provide a clue to some of the failed endorsements of the past.

Newsom et al. (2000) take the view that it is vital that any prior promotion campaign endorsed by a celebrity should not conflict with the preferred image. Thus, before implementation, the totality of the celebrity endorser’s symbolic meaning should be carefully investigated.

MANAGERIAL IMPLICATIONS FOR EFFECTIVE USE OF CELEBRITY ENDORSEMENTS

Till (1998) proposed 10 managerial implications for a more effective use of celebrity endorsers. The purpose of his article was to demonstrate how
associative network and associative learning principles could be the base for understanding how the celebrity endorsement process can be more effectively managed. A detailed review of associative network and learning principles is beyond the scope of this study and will not be described in depth below. However, the details described below are the managerial implications and explanations suggested by Till (1998) and they are stated as follows:

1. Celebrity endorsements will be more effective when used consistently over time to increase the strength of the link between the celebrity and the endorsed brand. Repeated pairings of the endorser with the brand increases consumers’ recognition that the brand is a good predictor of the presence of the celebrity, which strengthens the link between the brand and the celebrity. Sometimes companies use a celebrity endorser sporadically, but return on the investment in the celebrity endorsement comes from using the celebrity regularly over time. Such repetition both strengthens the associative link for those consumers already aware of the celebrity endorsement as well as increase the pool of consumers who begin to become aware of the link between the brand and the celebrity.

2. When using a celebrity endorser, keep the advertisement execution simple, clean, and free of irrelevant design elements. Focus on the brand and the celebrity together. The advertising execution should be single-minded in communicating the brand-celebrity pairing. The
brand and the celebrity should be the two strongest elements in the advertisement. Advertisement executions that are cluttered with many different devices distract from the brand-celebrity pairing and can be expected to weaken the potency of the celebrity endorser.

3. When selecting a celebrity endorser, choose a celebrity who is not already strongly associated with another product or service. Celebrities already strongly associated with a brand will not so readily form associative links with other brands. Using a celebrity endorser who is already established as an endorser for other products or services inhibits forming an association between the celebrity and a newly endorsed product.

4. When selecting a celebrity endorser, consider carefully the –fit‖, –congruence‖, or –belongingness‖ of the celebrity and brand. Marketers need to question how well the celebrity and the brand belong together and how appropriate the choice of a celebrity endorser is. The greater the perceived fit between the brand and the celebrity, the more quickly an associative link between the two can be expected to develop.

5. Test potential brand-celebrity combinations to ensure that the impression and image of the celebrity is positive for the target audience. It is important to consider fit with the target audience, the brand-celebrity target audience fit. It is critically important that the associations the advertiser believes the celebrity has are associations that the brand’s target audience actually has of the celebrity. Different
groups of people may have different associations for any given celebrity. It is necessary, therefore to test the possible use of any celebrity with the brand’s target group to ensure that the associations that the celebrity has in the minds of the target audience are meaningful, positive, and consistent with the advertisers expectations.

6. Celebrity endorsements will be more effective for less familiar brands. Classical conditioning research has shown that unknown brands, that are relatively unfamiliar to many people, have more to benefit from a celebrity endorser than familiar brands have. This suggests that it is more difficult to condition a response to a familiar stimulus than to an unfamiliar stimulus.

7. Celebrity endorsers will be more effective for brands for which consumers have limited knowledge/facts. This is known as the \~fan effect\ and suggests that celebrity endorsements will be most valuable for brands that have relatively small associative sets. The size of the brand association set will affect the likely value of a celebrity endorsement. The value of an endorsement comes, in part, through thoughts about, or exposure to, the brand activating the association with the celebrity. However, the degree of activation of any particular attribute depends, in part, on the number of competing attributes associated with that attribute. As the size of an association set for a brand increases, the likelihood of the celebrity attribute also being
activated is reduced; the more concept that are activated, the less intensively each will be activated.

8. Increased value from a celebrity endorser comes from utilizing the celebrity across the marketing mix, not just in advertising. The favorable response that has been transferred to a particular brand because of its association with a celebrity may weaken over time, particularly if the brand receives significant exposure without association with the celebrity. While it is unrealistic to expect that the celebrity endorsers image will be present every time a consumer encounters a brand, marketers can work to more fully integrate the celebrity into the brand’s marketing mix. Celebrities can be effective in consumer promotions other than advertising such as giving away related items or trips, which tie into the celebrity. The celebrity can also be used at large trade shows, national sales meetings, and other significant publicity events.

9. Caution in choice of celebrity endorser is warranted given the potential risk of tarnishing the brand’s image. There is always a risk that negative publicity can tarnish the endorsed brand. If the brand is strongly associated with the celebrity then the occurrence of the negative information about the celebrity will also activate in memory, to some degree, the endorsed brand.
EFFECTIVENESS OF CELEBRITY ENDORSEMENTS

Mathur & Mathur (1997) state that the event study methodology is often used to identify valuation effects based on the marketing decision a company makes. The basic principle of the event study methodology is that investors evaluate and use in their investment decisions all relevant new information that becomes available to them.

Farrell et al (2000) celebrity endorsements have focused on theories explaining how celebrity endorsements influence consumer behavior, but few have investigated the link between the evaluation criteria and the firm valuation or stock price. As we mentioned in chapter one celebrity endorsement can be very expensive for the companies.

Shimp (2003) says that before the company chooses an expensive celebrity as an endorser they have to perform a cost benefit analysis. By doing this they can determine whether a more expensive celebrity can be justified in terms of proportions, since it is difficult to project the revenue stream that will be obtained from using a special celebrity endorser. The task is to calculate the returns on investments from a given range of celebrity that correlate with the desired image and its target market.

Surabhi B. Prasad & Ravi Girdhar (2005) have come up with a model that is a function of several input parameters, their priorities and the correlation score between the parameter and endorsement effectiveness. The paper first examines the various facets of celebrity endorsements and the impact on
brand equity. A through literature survey has been made in light of which the arguments have been substantiated.

SELECTING THE RIGHT CELEBRITY

Chaiken (1979) Similarity is a supposed resemblance between the source and the receiver of the message while familiarity refers to knowledge of the source through exposure. Likeability is affection for the source as a result of physical appearance, behavior and other personal traits.

McGuire (1985) argues that the effectiveness of a message depends on the similarity, familiarity and liking of the endorser. Research has shown that physically attractive endorsers are more successful at changing beliefs.

Till and Busler, (1998) explained that even though Micheal Jordon is an attractive endorser, his effectiveness as a celebrity endorser is likely to be greater when endorsing products related to his athletic deftness such as Gatorade or Nike, rather than products that are unrelated to his athletic performance such as WorldCom Communications.

Ferguson (2000) Cost consideration, the cost of acquiring a celebrity's services is an important issue in the advertising industry. Often, marketers have to pay top celebrities huge amounts of money for their endorsement services. Tiger Woods received $54 million for endorsements from 11 companies in 2000.
Shimp (2000) put forward five factors in order of decreasing importance namely, (1) the celebrity credibility, (2) celebrity and audience match-up, (3) celebrity and brand match up,(4) celebrity attractiveness, and (5) miscellaneous considerations, which were considered by advertising executives while making their celebrity-selection decisions.

Alsmadi (2006) The decision to select celebrity endorsers in television advertising is very important, at least partly, due cost consideration. Marketers and advertising makers use variety of select on criteria. Below is a list of the most important ones:

1. Celebrity/audience matchup: compatibility between an endorser and the target audience. It represents the extent to which the target market relates positively to the endorser.

2. Celebrity/brand matchup: compatibility between an endorser and the image desired for the endorsed brand.

3. Celebrity credibility: Researchers in the area of gender matching found gender to have an impact on celebrity appeal. Female celebrities have gained popularity and the marketability of professional female athletes has increased Venus Williams, considered the richest woman in sports, and has received 8 million dollars annually for endorsements on Reebok. Female celebrities are often times also perceived by the consumer to be more credible than male celebrities.
4. Working ease/difficulty: represents how easy/difficult is to deal with an endorser. Some celebrities are arrogant, tough, noncompliant or inaccessible. Many brand managers prefer to avoid the 'hassle' of dealing with them.

5. Saturation factor: refers to whether an endorser is overexposed to the media (multiple brand endorsement). If a celebrity endorses several brands, his/her perceived credibility will suffer.

6. The trouble factor: refers to the evaluation of the likelihood that a celebrity will get into troubles after an endorsement. Due to these unfortunate incidents, coupled with the high cost of endorsement, many brand managers and advertising makers consider celebrities as high risk endorsers.

**CONSUMER'S ATTITUDE TOWARDS THE CELEBRITY ENDORSED ADVERTISEMENTS**

*Basil (1996)* described a model connecting parameters like attitude towards celebrity endorser, attitude towards advertisement and attitude towards brand and tried to establish a link between them. The findings showed that attitude towards celebrity endorser can have a direct or indirect influence on the attitude toward the brands.

In an indirect approach, attitude toward advertisement acts as a mediator between the aforesaid mind-set towards the celebrity Endorser and the brand.
But the study concluded that attitude toward celebrity endorser has no significant effect on purchase intention.

**Daneshvary and Schwer (2000)** refer to individuals with higher levels of education might be less influenced by any form of advertising than those with less education, because education provides individuals with analytical skills allowing them to decipher information from several sources prior to making a purchasing decision, making them less likely to purchase a product based on one source.

**Severin and Tankard (2001)** Attitude is a disposition in advance to react in a particular way towards certain things. Attitude towards a particular object or act shows whether that one is liked or disliked. Attitudes have three basic components: affective, cognitive and behavioral. Affective is related to liking or feeling about an object. Cognitive is referred to belief about an object and behavioral component refer to actions taken about that object.

Marketers‘ keenly watch the consumers‘ attitude towards advertisements and celebrities. As both the attitude towards the celebrity who appears in advertisements and the attitude towards the advertisement decide the consumer‘s attitude towards the brand and their purchase decision, it is imperative to review the studies related to both.

**Du Plessis et al (2003)** Attitude towards a celebrity endorser refers to consumer‘s positive or negative feelings developed towards the particular
celebrity used to endorse a product. Attitude towards a product refers to the positive or negative affiliation that a customer has towards the particular product which is being advertised. Attitude towards an advertisement refers to the positive or negative feelings toward the particular advertisement.

Haghirian (2004) Perception and assessment of a brand could be influenced by the attitude towards advertisement The factors that determine the attitude of consumers towards the advertisement consist of attitude towards the advertiser, assessment of the advertisement execution itself, the mood evoked by advertisement, and the extent to which the advertisement affect viewer's encouragement.

Seno and Lukas (2005) stated that a consumer holds positive attitude towards celebrity endorsements. Studies confirm that the celebrity endorsement can also have an impact on the consumers recall evaluations, attention and purchase intentions. At the same time it needs to be taken into consideration that although consumers might have a favorable disposition towards celebrities, this does not necessarily always translate into purchase intentions.

Usman et al (2011) attempted to examine the perceptions of youth towards the use of celebrities in advertisements and effectiveness. Results show that celebrity endorsement has the potential of being noticed and liked by the viewers but it does not influence the purchase decision. The purchase decision has been found to be influenced by other factors like quality and price of the product. Firms may see positive outcomes when using a celebrity as an
endorser: an instant recognition by the consumer with an immediate cut through of the clutter of other advertisements, an implicit preference by the celebrity, a potential cool factor, a competitive advantage of brand recall, and an increase on company market value.

MODELS ON EFFECTIVENESS OF CELEBRITY ENDORSEMENT STRATEGY

Kelman (1961) when a product is endorsed by a celebrity, consumers’ attitude towards it changes. The process of attitude change is said to happen by the following three processes. (a) Source attributes of credibility, (b) attractiveness and (c) power.

THE SOURCE CREDIBILITY MODEL

Hovland et al (1953) the effectiveness of a communication is commonly assumed to depend considerably upon who delivers it.

Ohanian (1990) the expression source credibility is used commonly to entail the communicator’s positive attributes that affect the recipient’s acceptance of a message.

Erdogan (1999) stated that Trustworthiness is the degree of confidence in the communicator’s intent to communicate the assertions he considers most valid and consists of honesty, integrity and believability. The advertisers by selecting endorsers who are widely regarded as reliable, believable and dependable can capitalize on the value of trustworthiness.
Shank (2004) An expert is a person with a unique social status due to his/her profession, special training, or extraordinary experience that allows him/her to provide opinions. An expert spokesperson aims at making consumers believe that the expert’s identification with a product comes from professional and correct judgment.

INTERNALIZATION

Belch and Belch (2001) Information from a credible source such as a celebrity has the power to influence the opinions, belief, attitude and behavior through a process called internalization based on the assumption that the information from the source is accurate.

Anonymous (2008) consumers are more likely to purchase a product when the perception of corporate credibility is high and when endorser credibility which maybe a celebrity, is again perceived to be high. But it is seen that once the consumer has the product in his or her hands, however, the design, quality, and price of the product are what consummates the sale, not the association with a celebrity, which enlighten us with the verity that celebrities get consumers to try products, not to necessarily buy products."

IDENTIFICATION

According to Kelman (1961) Identification refers to the change that occurs when the target conforms to the attitude behavior advocated by the source because they derive happiness from the belief that they are like the source.
Trail et al (2005) defined identification as “an orientation of the self in regard to other objects including a person or group that results in feelings or sentiments of close attachment.”

THE SOURCE ATTRACTIVENESS MODEL

“Beauty is a greater recommendation than any other introduction.” This quote by Aristotle is suitable in this context of source attractiveness for appreciating the efficacy of pleasant appearance since most societies place a high premium on physical attractiveness.

Singer (1983) Advertisers have made choices of selecting celebrities on their foundation of their attractiveness to gain from dual effects of physical appeal and celebrity status.

Ohanian (1990) Affirms that physical attractiveness is an informational cue which involves effects that are inescapable, persuasive and subtle.

Belch and Belch (2001) Similarity refers to the resemblance between the receiver and the source of the message whereas familiarity refers to the acquaintance. While talking about similarity, it is mentioned that consumers are more likely to be influenced by a message coming from someone they feel a sense of similarity.

MATCH-UP HYPOTHESIS

Katyal (2007) there are certain parameters that postulate compatibility between brand image and the celebrity, which are as follows:
• Celebrity popularity.
• Celebrity physical attractiveness.
• Celebrity credibility.
• Celebrity prior endorsements.
• Whether celebrity is a brand user.
• Celebrity profession
• Celebrity’s fit with the brand image.
• Celebrity—Target audience match
• Celebrity associated values.
• Costs of acquiring the celebrity.
• Celebrity—Product match.
• Celebrity controversy risk.

**The Meaning Transfer Model**

McCrae**ken (1989)** the previous models discussed above are not capable of capture the success factors of the endorsement process, hence he proposed the meaning transfer model as a rich and all-inclusive portrayal of the same, the central premise of which is that celebrities encodes unique sets of meanings which might be transferable to the endorsed product, provided the celebrity is used well. Celebrity Endorsement is a special example of the universal process of meaning transfer which witnesses a conventional movement of cultural meaning in consumer societies.
CONSUMER BEHAVIOR

Blackwell, Miniard, and Engel, (2006) Consumer behavior referred to _the_ study of the processes involved when individuals or groups select, purchase, use, or dispose of products, services, ideas, or experiences to satisfy needs and desires_, If the company can understand consumer behavior well, they will able to develop good business. For instance, they must understand the way to satisfy the consumers‘ needs, gain more knowledge and data about customers. So they could define the market and identify threats or opportunities to a brand easier.

CONSUMER DECISION PROCESS & MODEL

Blackwell, et al. (2006) the consumer decision process model illustrated a roadmap of consumers‘ minds that the marketers and managers could use to help and guide product mix, communication as well as sales strategy. The model captured the activities which would occur when decisions are made in a schematic format. It also showed how different internal and external forces would interact and affect consumers‘ thinking, evaluation, and acts. Furthermore, it could help people to solve the problems which lead them to make a purchase and consume the products. Thus, culture, social class, personal factors, group association, celebrities and celebrity endorsement advertising were some of the examples of external forces. For the internal forces, it included own attitudes, personality, perceptions, self-concepts, emotions, knowledge, value and lifestyle.
Meanwhile, the steps of consumer decision process included, problem recognition, information search, evaluation of alternatives, and product choice. After that were consumption, post purchase evaluation and divestment.

**NEED RECOGNITION**

Blackwell, et al. (2006) significant differences were existed between the current state of affairs and the ideal state. So consumers recognized there was a need to find the product or service which could deliver some benefits. For instance, the product or service had the ability to fill consumers' needs or to solve the problems which was worth more than the cost of buying it. On the other hand, opportunity recognition could be occurred when consumers were exposed to different or better quality products.

Solomon (2006) in fact, need recognition could occur naturally or induce by marketers' efforts. The marketers created primary and secondary demand for the consumers. Primary demand referred to the consumer was encouraged to use a product or service regardless of the brand which they chose. Secondary demand referred to the marketer persuaded the consumer to use specific brand of product. For example, when consumers were exposed to the advertisement which the celebrity endorser wear the latest fashion and look beautifully, it might enlarge the difference between consumers' current state and ideal state. Then a need was created. As a result, they would like to make a purchase on
the apparel products which featured in the advertisement which endorsed by the celebrity.

INFORMATION SEARCH

Park and V. Parker (1977) Consumers After the consumers recognized a need was existed, they needed to acquire sufficient information to resolve it. So the process of information search was necessary for them to survey on their environment to collect appropriate data to make a reasonable decision.

Information could be searched internally or externally. Internal search of information referred to scan and retrieve the decision-relevant knowledge which stored in our memory, such as experience. External search referred to the information was collected from the external environment. Consumers were able to gather information from the source which was non-marketer-dominated and marketer-dominated. Non-marketer-dominated source was simply come from word-of moth, which was considered as an objective source. For instance, it included family, friends, opinion leaders, reference group, consumer reports and government and industry reports. On the other hand, marketer-dominated source was anything that the marketers did for the purpose of persuasion, which included advertisement in fashion magazines, catalogs, books and newspaper, salespeople, fashion show, web-site and window and in-store displays (Blackwell, et al. 2006). Besides, the intensity of information research depended on the risk which consumer perceived, such as the cost of wrong choice.
**Alsmadi (2006)** Consumers might imitate the behaviors of their admired celebrities in order to enhance self-esteem through identification with certain desirable images. So celebrity endorsement was one of the persuasive sources of information which might affect consumers‘ purchase decision.

**PRE - PURCHASE EVALUATION OF ALTERNATIVES**

After the search process, there would be possible amounts of alternative options which generated by the consumers. They believed the selected products or brands were able to resolve their needs. Because of limited resources, consumers had to narrow down their choices by assessing some standards. They might use pre-existing evaluations, prior purchase or consumption experience which stored in memory to assess the selected options that could provide the greatest satisfaction with the purchase and consumption. They could also rely on the experiences or impressions gained second-hand. Moreover, they could construct new evaluation standards base on the information they search in the previous process. Although different consumers had different standards in the evaluation process, the decision rule was usually based on appropriate to personal style, economy, aesthetics, quality, other-people-directed, country of origin and so on. For example, the consumer was totally enthralled by the celebrity which endorsed in the advertisement. Then the consumer would evaluate the products based on the celebrity endorser.
Purchase

After narrowed down the product choices, consumers could purchase the products by choosing a specific retailer and in-store choice. Meanwhile, consumers must decide whether, where, what, when and how they buy. Usually, they would like to choose a store which the image matched with their personality and purchase characteristics. Their past experience was able to influence their store choice too. Even in the stage of purchasing, consumers’ purchase intention still could be influenced by several factors. For example, in-store promotions, discounts, persuasion of salespeople, failure to find the product in a store or lack of financial resources. As a result, if consumers saw an in-store advertisement with their admired celebrity, it could reinforce their purchase intention.

Consumption

After the consumer purchased and owned the product, consumption would be occurred. Consumption was the process of utilizing the purchased product or service to satisfy the needs of consumer. However, it did not guarantee consumers’ needs could be satisfied. It is because positive and negative feeling could be resulted from consumption. Positive feeling resulted in positive reinforcement, which occurred when consumer received positive outcome from product usage. Besides, negative reinforcement could occur when consumption helps to avoid negative outcomes. On the contrary, negative feeling resulted in punishment, which referred to consumption lead
to negative outcomes. As a result, it was a key for the companies to enhance positive feeling while eliminate negative feeling. So a pleasant and positive experience could be created.

**Post-consumption evaluation**

Consumption was an important determinant of the level of satisfaction. Consumer was satisfied by the product, if their expectation was matched by the perceive performance. On the contrary, consumers felt dissatisfaction if their experiences and performance fell short of expectations. In other words, customer satisfaction was very important because it might affect whether consumers would remain loyal and repeat buying the product or not. So the company must ensure the product performance by creating positive consumption feeling to the consumers. Furthermore, satisfaction was an important determinate factor for shaping word-of-mouth and word-of-mouse communication. As a result, consumers could communicate with others about their consumption experiences, no matter positive or negative. Finally, it might affect the purchase decisions of the others. In sum, companies must try their hardest to meet and exceed consumers’ expectations to avoid losing good views.

**Divestment**

At the end, consumers would dispose the product after its useful life. Normally, there were three types of divestment, which included disposal,
remarketing and recycling. Since the fashion trend was always changing, so disposal of apparel items were commonly found. Besides, there were some celebrities in Hong Kong who engaged in the business of selling second-hand clothes. Many consumers, especially the young people were adored to these clothes. It is because the clothes were from their favorite celebrities, the price was attractive and to support environmental protection.

**TYPES OF CONSUMER BUYING BEHAVIOR**

Assael (1981), there are there are four types of consumer buying behaviors that can affect the purchase decision making of a consumer based on the level of consumer-product involvement, interest in a product, situation and difference between the products available. The four types of models are explained as under:

**Complex buying behaviour:** It usually takes place when the customer is highly involved in the product purchase decision. The high product involvement occurs when product to be bought is expensive, infrequently bought, and highly expressive. Since, these types of products are not bought frequently the consumer doesn’t know much about the products and observes substantial differences among the brands available for instance buying a luxury sedan. Consumers make this type of buying decisions very carefully after collecting a lot of information about the product features, quality and performance.
According to Assael (1981) consumers tend to experience cognitive dissonance while making such complex product decisions due to increased risk perception in this type of buying behaviour. There are certain risks also involved while making such decisions for example high may result in monetary loss, highly expressive product nature may lead to psycho-social loss and lack of product knowledge will result in increased uncertainty.

From a marketing perspective, marketers need to make sure that they use the effective differentiation strategies to stand out the product from other brands available. And also, try to educate the customers about the importance, application and features of the product offered.

**Dissonance-reducing buying behavior:** It occurs when the buyer is highly involved with the product purchase and observes little difference among the options available. After buying the product, the consumer tends to gather the favorable information about the purchased product that assures and validates his product purchase decision. By doing this the customer tries to reduce the dissonance or losses involved in the purchase. This type of buying behaviour involves establishment of trust, belief and attitude towards a brand. However the customer may also end up with time loss, or more likely, psychological loss and social loss. It happens due to the difference between actual purchase performance and expected purchase performance of the product.

**Habitual buying behavior:** In occurs when the consumer buy the same product on regular basis over a period of time. Under habitual buying
behavior consumer – product involvement is low and there is little difference between the brands available, for instance buying salt, sugar etc. The consumers buy these products out of their habit or due to their trust or brand loyalty. According to Scott (2007) consumers don’t go through the process of belief, attitude and purchase decision nor look for deep information and compare the available products. Consumer buy the brands they have used and aware of However, It is interesting to see marketers constantly trying to move these type of product especially (FMCG products) from a low involvement to a higher involvement status by differentiating them on various bases like health, safety etc. For instance marketers are involved in developing —low calorie sugar —cholesterol free oil etc. and selling them at higher prices.

**Variety seeking behavior:** This type of consumer behavior originates if the customer is not happy with its earlier product purchase or out of the boredom. It specially happens with the consumers who like to shop around and try-out with different type of products. In this buying behavior consumer–product involvement is low but the differences among the brands are significant. These types of consumers change their brand frequently, not due to dissatisfaction, but out of boredom.

Scott (2007) Variety seeking behavior is identified as a key determinant factor for brand switching in consumer product category.
**Assael (1981)** consumers having variety seeking consumer behavior purchase the brands which have higher degrees of perceived risk associated with them and are generally not perceived as brand loyal.

**CELEBRITY ENDORSED ADVERTISEMENT AND PURCHASE DECISION**

**Subhadip Roy (2006)** raises three questions and attempts to provide tentative explanations for them. The first two questions relate to locating the relative position of Indian celebrities and brands on a set of personality attributes in the consumer's perceptual space. The third question relates to determining the fit between the celebrity and the brands endorsed by her/him. The results suggest that consumers differentially rank both celebrities and brands. The study further shows that although celebrities may endorse several brands, their personality does not fit well with the personality of the brand they endorse. Evidence offered here supports the basic assumptions of the celebrity product congruence model.

**Irene Roozen (2008)** analyzed two aspects: one was to find the implication that the celebrity endorser brings to the product and to the consumer for different product categories and the other was the extent to which these effects vary across different product categories. The research was based on written questionnaires and the study analyzed the impact of female international celebrity endorsers in respect of three different product categories namely, high involvement, low involvement and the beauty products and concluded that the celebrities are considered to have the highest
expertise for beauty products with much lower scores for candy bars (low involvement) and lap-tops (high involvement).

**Kalliny et al (2009)** the research has investigated into the use of celebrity in TV commercial endorsements. The study has compared the use of celebrity endorsement in terms of two fundamental cultural dimensions: 1) low versus high context and 2) individualism versus collectivism. This paper has also an attempted to find out the frequency of celebrity use and identify the characteristics of celebrities used and the products their use is associated with.

The above studies present the views of celebrity endorsements and its effect on brand image and purchase decisions. It can be noted in this context that the above studies attempted to empirically verify the theoretical relationship between various areas of study. These studies differed in their conclusions due to the differences in the methodology adopted, period of the study, more specifically due to the differences in the sampling methods, number of samples selected and nature of sectors chosen.