Research Methodology

The Literature Review undertaken on the subject – Celebrity Endorsement and Its Influence on Consumer Behaviour, revealed that there is a need to study the said subject in Indian Context. It was also revealed that the impact of source credibility and physical attraction on purchase intentions, attitude towards the advertisement and brand play an important role in selecting a celebrity to endorse a brand. This study has explored these aspects in the context of Indian Market.

In this Chapter, the methodology associated with each of the research objectives has been discussed in detail covering areas like questionnaire development, validity and reliability, respondents of the study, increasing response – quality and quantity, data analysis and limitations.

3.1 Purpose of the Study

The literature review highlighted gaps in the research relating to celebrity endorsement in Indian Context. This study aims to fill up the same gaps and investigate the influence of physical attraction, source credibility of the endorser, on the consumer's attitudes towards the advertisement, brand and the purchase intentions of the endorsed product.

The study also intends to bring out the most recalled celebrities and their most recalled campaigns. The researcher has tried to know the favourite
media vehicle and the preferred vehicle on which the respondents would prefer to attend to the advertisement.

3.2 Research Objectives

The main objective of the study is to know whether celebrity endorsement has an influence on consumer behavior.

The sub objectives are: -

1) To study whether advertising campaigns using celebrities increase the recall rate of the advertisement and thus increase brand awareness.
2) To find out the favourite media of the respondents and the media on which they prefer to view the advertisement.
3) To find whether the celebrity-product matches from consumer’s point of view.
4) To study the impact of endorsement on the attitude towards the advertisement and attitude towards the brand.
5) To find whether products endorsed by celebrities influence purchase intention.

3.3 Research Hypothesis

On the basis of the objectives of the research study, the following hypotheses have been developed:

H1: The source credibility (expertise, trustworthiness) and physical attractiveness play a significant role in influencing the purchase intention of the consumer.
H2: The source credibility (expertise, trustworthiness) and physical attractiveness play a significant role in creating a positive attitude towards the advertisement.

H3: The source credibility (expertise, trustworthiness) and physical attractiveness play a significant role in creating a positive attitude towards the brand.

3.4 Research Design

All research approaches can be classified into one of the three categories of research: Exploratory, Descriptive and Casual. These categories differ significantly in terms of research purpose, research questions, precision of the hypothesis that are formed, and the data collection methods that are used.

In this study the researcher has used the descriptive research design. A questionnaire was developed, to understand the influence of celebrity endorsement on consumer behaviour. The questionnaire measured the attitude towards the advertisement featuring a celebrity, attitude towards the brand being endorsed by the celebrity and the purchase intention towards the product being endorsed by the celebrity.

3.5 Data Collection

The data for fulfilling the objectives of the study has been collected through secondary and primary sources as outlined below:

Secondary Data Collection

The secondary data for understanding the various aspects of celebrity endorsements and its influence on consumer behaviour has been
collected and reviewed from the books, journals, periodicals, magazines, newsletters, research reports as well as from the Internet. These sources have been highlighted in the bibliography. To collect the secondary data, the researcher has personally visited the library of various management institutes in Gujarat.

**Primary data Collection**

To gain fresh insights into the impact of celebrity endorsements on the young generation, the graduate / postgraduate students, from Institute of Petroleum Management, Gandhinagar (IPMG), T N Rao Institute of Management (Rajkot), Christian College of Management Studies (Anand), Ganpat University, Mehsana and Som Lalit Institute of Management Studies (Ahmedabad), were chosen as the respondents.

The celebrities selected were on the basis of ADEX- TAM report 2007-08. Amitabh Bachhan, Shahrukh Khan, Sachin Tendulkar and Ashwariya Rai were the celebrities with highest number of endorsements in that year. As per the TAM ADEX data, Shahrukh Khan had endorsed 25 categories of products in the year 2007. Followed by this was Amitabh Bachhan had endorsed 23 categories of products in the year 2007. Sachin Tendulkar had endorsed 12 categories of product in the year 2007. Ashwariya Rai had endorsed 6 categories of products in the year 2007. The brands selected, from the FMCG Category, were amongst the highest spenders. The brands are Sun feast, Pepsi, Dabur and Lux, which have been endorsed by these celebrities during the year 2007-08.

The questionnaire method was used to collect primary information from the respondents. A structured questionnaire was prepared and administered to the concerned respondents. The questionnaire was floated to different places in Gujarat and the respondents were
requested to fill up the questionnaires based on their own set of beliefs and memory. The respondents were requested, to fill up the first 6 questions based on their instant memory, before responding to the questions related to the source credibility and physical attraction.

**Type of questionnaire**

An exhaustive questionnaire for collecting the primary data was prepared keeping into consideration the objectives of the research study.

Open-ended questions were included in the questionnaire to get the five, most recalled celebrities and the brand they endorse. To gauge the importance of the various promotions to the consumer's viz. Direct Pamphlets, advertising (Print and Electronic), word of mouth, the respondents were asked to choose any one preferred option over the rest. To find out the most influencing factor from brand, price, availability, advertisement and emotional attachment, rank order method is used by the researcher. The same method is used to find out the most preferred media vehicle. The respondents are also asked to choose the media vehicle on which advertising is more appealing to them. To understand the credibility and attractiveness of the celebrity under the study, a semantic differential scale is used. The scale is as shown below:

<table>
<thead>
<tr>
<th>Attractiveness</th>
<th>Trustworthiness</th>
<th>Expertise</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attractive – Unattractive</td>
<td>Dependable- Undependable</td>
<td>Expert- Not an expert</td>
</tr>
<tr>
<td>Classy – Not Classy</td>
<td>Honest – Dishonest</td>
<td>Experienced- Inexperienced</td>
</tr>
<tr>
<td>Beautiful – Ugly</td>
<td>Reliable- Unreliable</td>
<td>Knowledgeable-</td>
</tr>
<tr>
<td>Elegant – Plain</td>
<td>Sincere- Insincere</td>
<td>Unknowledgeable-</td>
</tr>
<tr>
<td>Sexy – Not Sexy</td>
<td>Trustworthy – Untrustworthy</td>
<td>Qualified – Unqualified</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th></th>
<th></th>
<th>Skill – Unskilled</th>
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</table>
This scale has been used to evaluate the credibility of the selected celebrity.

To understand the attitude towards the advertisement, attitude towards the brand and the purchase intention towards the selected product, Likert scale is used. The final questionnaire is attached in the Appendix 1.

3.6 Sampling Details

The sampling plan was adopted by the researcher to collect responses from the best possible accurate samples as discussed further.

**Sampling Plan for Primary Survey:**

a) **Universe:** Colleges for Graduate / Post graduate programs in Commerce and Management

b) **Population:** Graduate / Postgraduate students

c) **Sampling Frame:** Graduate / Post Graduate students of the said colleges in Gujarat

d) **Sampling Unit:** A student pursuing graduate / post graduate programme in commerce / Management

e) **Sampling plan and size:** For this research the convenience method under non probability sampling method is used so as to eliminate high cost and decrease the time for the research to be conducted. In this research, the sample consists of Undergraduate and Postgraduate students, owing to their increasing spending power, access to media and their upbringing in a consumer oriented society. To begin with, a class of 60 students was given a first draft of the questionnaire to pretest it. Small errors were then eliminated from the questionnaire, post which, the questionnaire was administered to 400 respondents, which is consistent
with past research. Of these, 353 forms were duly filled and had complete information and hence were used for the analysis.

### 3.7 Instrument for the Research and its Validity

The instrument that was used for this survey was a valid and reliable scale developed specifically for research on celebrity endorsements by Ohanian (1990). It has a reliability of .904 and .903 for attractiveness, .895 and .896 for trustworthiness, and .885 and .892 for expertise. The celebrity, brand congruency was measured by asking the respondents whether they found the celebrity brand match, congruent.

To measure the purchase intentions, a set of three questions used by Pornpitakpan (2003), were administered, which used the 5-point scale (definitely buy - definitely not buy). To measure the attitude towards the advertisement, and brand, the likert scale was used.

### 3.8 Data Analysis

Data was analyzed by using SPSS software. Frequencies of the first, third; fourth, fifth and sixth questions were counted as a part of the analysis. The second question was analyzed using cross tabulation. The independent variables of credibility and attractiveness were measured against the dependent variables of purchase intentions, attitude towards the advertisement and attitude towards the brand. One-way ANOVA and back ward linear regression were used to measure significance and find the source of significance respectively. The independent variables in the study are credibility and attractiveness of the celebrity. The dependent variables are the purchase intention, attitude towards the advertisement and attitude towards the brand. A one Way Analysis of Variance test helps determine, if one given factor has a significant effect across any
group under study. One-way ANOVA was run to measure the significance of the independent variables. Regression analysis refers to techniques and analysis of numerical data consisting of values of a dependent variable and of one or more independent variables. The purchase intentions, attitude towards the advertisement and the brand were measured against the independent variables. Backward linear regression eliminates the variables that have the minimum correlation with the dependent variable and hence the backward linear regression was run.

### 3.9 Assumptions

The following assumptions were made:

1) The respondents will know the celebrity in the advertisement shown to them.

2) The respondents will answer the questions with honesty, completely, and without intentional bias.

3) The respondents will understand the questions asked and the scales used.

4) The respondents will not use prior opinions, attitudes or feelings about the product or celebrity when answering the questions.

5) The products under the study are assumed to be used by both genders, and hence, the research does not include gender-based inferences.

### 3.10 Limitations

1) The study was done using a convenience sampling method and in a limited time frame.

2) The study was done for FMCG products only and hence cannot be generalized for high involvement products and other product
categories.
3) The study has not attempted to understand the influence of a common man / Expert endorser on the consumer behaviour.
4) From a varied list of products under the ambit of the FMCG basket, only four products are included for the study and hence, a thorough study for other product categories is required.

3.11 Research Framework

Table 3.1 Research Frame Work

<table>
<thead>
<tr>
<th>Phase</th>
<th>Chapter</th>
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<tbody>
<tr>
<td>1) Problem Discovery and</td>
<td>Chapter 1 : Introduction</td>
</tr>
<tr>
<td>Definition</td>
<td>Chapter 2 : Literature Review</td>
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<tr>
<td>2) Planning the Research and</td>
<td>Chapter 3 : Methodology</td>
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<tr>
<td>Design</td>
<td></td>
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<td>3) Sampling</td>
<td>Chapter 4 : Results</td>
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<tr>
<td>4) Data Collection</td>
<td>Chapter 5 : Conclusions and Discussions</td>
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<tr>
<td>5) Data Processing and Analysis</td>
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The table reflects the research process developed by Zikmund (2003). As shown in the above table, chapter 1 and chapter 2 contribute towards the problem discovery with definition. Chapter 3 proceeds to discuss the methodology associated with each of the research objectives. Chapter 4 gives out the research results. Chapter 5 presents the conclusions, drawn from the study.
3.12 Definitions of the Terms used in the Thesis

**Advertising:** "Sharing of information about a specific product in the most dramatic, compelling, persuasive, and memorable fashion possible" Harding (1991).

**Attitude:** "An individual's internal evaluation of an object" Mitchell & Olson, (1981).

**Brand:** "A distinguishing name and/or symbol (such as a logo, trademark or package design) intended to identify the goods or services of either one seller or group of sellers and to differentiate those goods or services from those of competitors" Aaker (1997)

a) **Brand equity:** "A set of assets such as name awareness, loyal customers, perceived quality, and associations that are linked to the brand (its name and symbol) and add (or subtract) value to the product or service being offered" Aaker (1991)

**Celebrity:** An individual who is known to the public (actor, sports figure, entertainer, etc.) for his or her achievements in areas other than that of the product class endorsed" Friedman & Friedman (1979)

**Compliance:** When an individual accepts influence from another person or from a group because he hopes to achieve a favorable reaction from the other, either approval or disapproval from the influencing agent. Kelman (1996)

**Credibility:** Credibility connotes the perceived level of expertise and trustworthiness of the endorser.
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**Expertise:** "The extent to which a communicator is perceived to be a source of valid assertions" Erdogan, Baker & Tagg (2001)

**Fishbein Attitude theory:** "Specifies the relationship between the set of salient beliefs about a concept and an overall evaluation of, or attitude toward, the concept" Mitchell & Olson (1981)

a. Aad- "Attitude toward the ad-predisposition to responding in a favorable manner to a particular advertising stimulus during a particular exposure situation" McKenzie, Lutz & Belch, (1986)

b. A act- "Attitude toward the act of purchasing and using each brand" Mitchell & Olson (1981)

c. Ao- "The overall evaluation of, or attitude toward the concept". Mitchell & Olson (1981)

d. Salient Beliefs- "Are those activated from memory and "considered" by the person in a given situation". Mitchell & Olson (1981)

e. B l- "Behavioral intention to purchase each brand". Mitchell & Olson, (1981)

**Intention:** "Type of judgment about how in the present context, a consumer will behave towards a particular brand" Biehal et al (1992)

**Judgments:** "An explicit evaluation of each alternative typically using a continuous or multilevel scale" Biehal et al. (1992)

**Identification:** When an individual adopts behavior derived from another person or group because this behavior is associated with satisfying self-defining relationship to this person or group. Kelman (1961)
Internalization: When an individual accepts influence because the induced behavior is congruent with his value system. Kelman (1961)

Match-Up Hypothesis: "Generally suggests that the message conveyed by the image of the celebrity and the image of the product should converge in effective advertisements, implies a need for congruence between product image and celebrity image on an attractiveness basis" Kamins (1990).

Trustworthiness: "The honesty integrity and believability of an endorser as perceived by the target audience" Erdogan (2001).