

## Celebrity Endorser & Attitude towards Celebrity results in Purchase Intention – A study with reference to Chennai City

**S. Dinesh Kumar**

Research Scholar, Bharathiyar University, Coimbatore  
Assistant Professor, Sri Sai Ram Institute of Management Studies, Chennai.

**Dr.V. Hemanth Kumar**

Professor, Sri Sai Ram Institute of Management Studies, Chennai.

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### ABSTRACT

The current hustle & bustle scenario in product promotion every product promoter and manufacturer are forced to promote themselves in a colossal way to attract the target audience. Though advertisements have been an imperative medium of promoting using of opulent stars in ads will fetch them the extra mileage which they anticipate. To prove this there has been a revolution of celebrity endorsements which happens in wide spectrum of products promotion. By travelling on this ideology this study aims to consider the roles of individual perception on celebrity endorser & attitude towards celebrity and also its relationship with corporate credibility and product attractiveness which yields in Purchase Intention. The study has been conducted among diverse people living in Chennai city via structured questionnaire framed with the sample of 500 and the descriptive study suggests that Purchase Intention is influenced by celebrity endorser and attractiveness of the celebrity.

**KEY WORDS:** *Purchase Intention, Celebrity Endorsers, Attitude towards celebrity, Product Attractiveness, Corporate Credibility.*

### INTRODUCTION

The products promoters and manufacturers research out to the target audience in many ways to position themselves in mind of the customers ahead of the competition they are facing among the rivals. Many product promoters are blighted by failures of their

promotions some successful are inculcating the habit of using celebrity and using the attractiveness of the celebrity to promote their products. Since India type of countries are celebrity crazy countries the promoters try to capture their momentum by sprucing up the celebrities. So this becomes a vibrant platform for the promoters to use the celebrity, audience attitude towards the celebrity, product attractiveness and corporate credibility to result in the purchase intention of their products. Therefore the objective of this study is to test the model that relates PI with celebrity endoser, attitude towards celebrity, corporate credibility and product attractiveness.. In coherence with the study, an extensive research has been conducted on marketing of products which elaborates the variables chosen to represent the conceptual framework that offers the hypotheses. To test the model, we present an empirical study with a sample of cosumers from various walks of life in Chennai region. The conclusion of the study was discussed with the theoretical and managerial implication of the findings on the variables celebrity endorser, corporate credibility, attitude towards celebrity and product attractiveness.

## **REVIEW OF LITERATURE**

In 1997, O'Mahony, S & Meenaghan, T, carried out the research and concluded that celebrity endorsements has strong impact on consumers

According to Biswas, S., Hussain, M., & O'Donnell, K. (2009), proved that consumer perception has direct relationship with consumer perception while purchasing a product.

In 1995, Agrawal, J., & Kamakura, W. A. carried out a research on the economic worth of the celebrity endorsers.

Speck, P. S., Schumann, D. W., & Thompson, C. (1988), carried out the research on celebrity endorsements and formed a theoretical framework on the consumer perception and clelbrity endorsements.

In 2006, Temperley, J., & Tangen, D. suggested the Pinocchio factor in consumer attitude towards celebrity endorsements by choosing the Reebok brand.

Seno, D., & Lukas, B. A. (2007), carried out a research on equity effect of celebrity endorsed products from a co-branding perspective and proved that there is an impact on the equity effect of celebrity endorsements on products.

According to Brain D. Till and Michael Busler (Autumn, 2000), Physical attractiveness has a positive association with Purchase intention.

In 2009, Chi, H. K. Yeh, H. R. , & Huang, M. W, carried out a research and concluded that advertising endoser, celebrity endoser has a mediating effect on Purchase intention

In 2000, Goldsmith, R. E. Laffery B. A., & Newell, S. J. (2000), carried out a research and concluded the corporate credibility has a direct relationship with consumer reaction which results in purchase intention

Till, B.D. and Busler, M. (1998), proved that product attractiveness has a influence on advertising endorser.

Purchase intention has a positive association with the brand image (Shukla 2010).

## **RESEARCH OBJECTIVES**

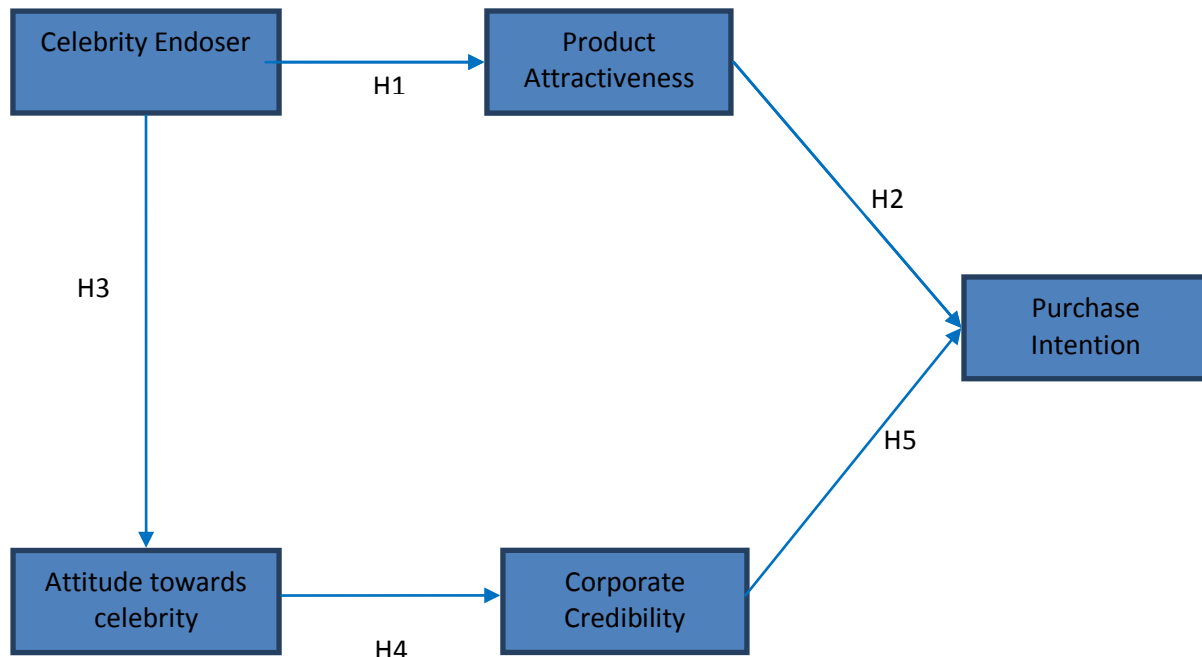
- To study the impact of celebrity endoser on Purchase Intention through product attractiveness
- To study the impact of celebrity endoser on corporate credibility through at attitude towards celebrity
- To study the impact attitude towards celebrity on Purchase Intention through corporate credibility

## **RESEARCH MODEL**

The data was carried out for the study is discriptive for which 500 people were randomly selected across Chennai region. A structure questionnaire was constructed for this research from the items adopted from the previous studies carried out in this area with slight alteration. Various measures were adopted to meet out the reliability & validity of the items used. The questionnaire was structured using five-point Likert scale ranging from 1 (strongly agree) to 5 (strongly disagree) for all the items. Hypothesis was developed based on the data collected. To test the goodness of the framework, path analysis is used.

## CONCEPTUAL FRAMEWORK & HYPOTHESES

Fig 1. Conceptual Framework



*H1: Celebrity Endoser has a direct, positive effect on Product Attractiveness*

*H2: Product attractiveness has a positive impact on Purchase Intention*

*H3: Celebrity Endoser has a strong influence on Attractiveness towards celebrity*

*H4: Attitude towards celebrity a direct, positive relationship with Corporate Credibility*

*H5: Corporate Credibility has strong, direct influence on Purchase Intention*

## RESULTS AND DISCUSSION

**Table 1.** Reliability and AVE

Construct	Composite Reliability	AVE	Cronbach Alpha
CE	0.715374	0.378301	0.557208
AC	0.759641	0.296352	0.628510
PA	0.794532	0.452890	0.599811
CC	0.752089	0.448921	0.628134
PI	0.770816	0.518743	0.503689

**CE** – Celebrity Endoser, **AC** – Attitude towards Celebrity, **PA** – Product Attractiveness, **CC** – Corporate Credibility, **PI** – Purchase Intention

### RELIABILITY AND AVE

Reliability and validity tests were conducted for all the constructs in the conceptual mode. The reliability of the constructs used in this study was carried out using Visual PLS software. The reliability of the constructs refers to the accuracy with which the constructs repeatedly measure the same phenomenon with permissible variation. The composite reliability for internal consistency of the constructs was tested and was above 0.7. The Cronbach Alpha scores were found to be greater than 0.5 which is good reliability for social science research (Nunny 1978). The AVE scores for all the constructs are greater than 0.25 indicating sufficient convergent validity.

**Table 2.** Correlation and latent variables

	PA	AC	CC	PI
CE	0.134	0.399		
AC			0.450	
PA				0.088
CC				0.176

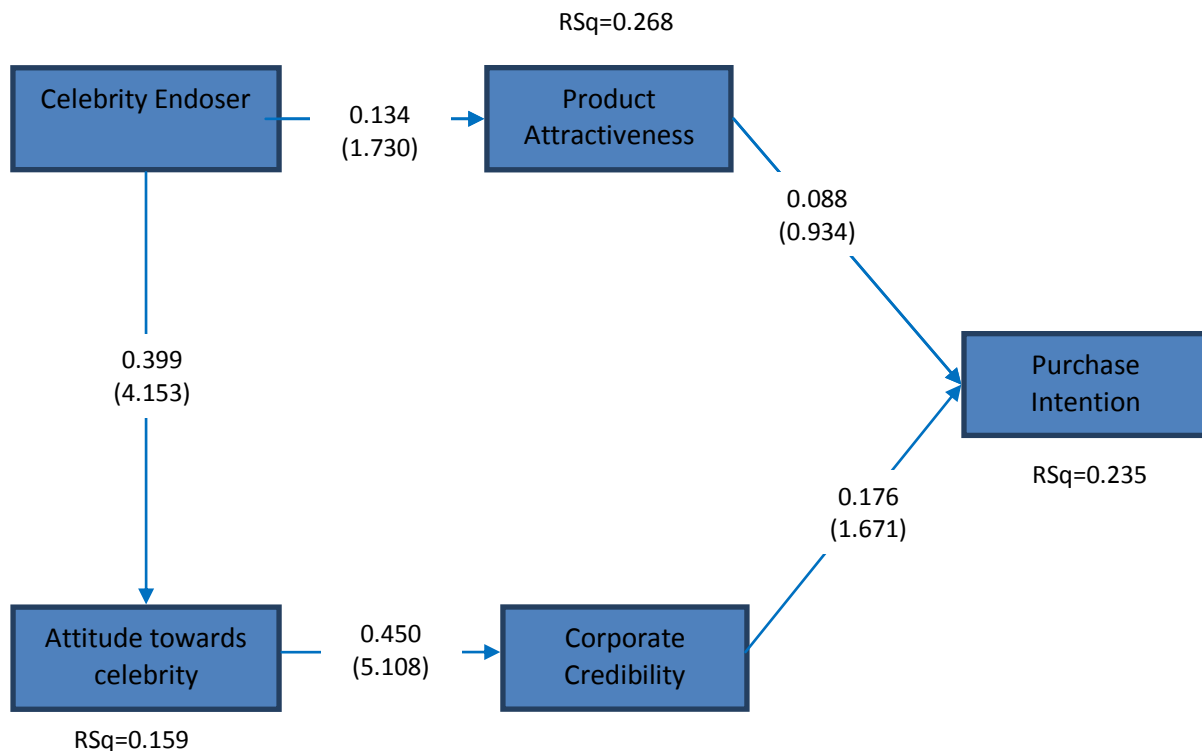
**CE** – Celebrity Endoser, **AC** – Attitude towards Celebrity, **PA** – Product Attractiveness, **CC** – Corporate Credibility, **PI** – Purchase Intention

## CORRELATION OF THE MODEL CONSTRUCTS

The correlation values were generated using the Visual PLS software for the constructs in the model. The results of the correlation analysis are shown in Table 2. The correlation values of CE and AC, CE and PA, PA and PI, AC and CC, CC and PI are found to be significant at 0.05 levels.

## TESTING THE CONCEPTUAL MODEL

**Fig 2.** The Role of Purchase Intention in the effects of other variables



The result of the Visual PLS structural equation model is given in the Fig. 2. Tests of significance for all paths were conducted using bootstrap procedure. The test of each link is mapped to each path in the model. The estimated path coefficient along with their t-statistic is shown in the model. All the paths are found to be significant and important in magnitude (Table 3).

**Table 3** Structural Model Bootstrap

Hypothesis	Standardized Path Coefficient	t-Statistic
CE->PA	0.134	1.7299
PA->PI	0.088	0.934
CE->AC	0.399	4.153
AC->CC	0.450	5.108
CC->PI	0.176	1.671

**CE** – Celebrity Endoser, **AC** – Attitude towards Celebrity, **PA** – Product Attractiveness, **CC** – Corporate Credibility, **PI** – Purchase Intention

From the figure, the R-squared variation of PI with PA, CC, and AC is 26%. Hence the PI is influenced to a greater extent by PA, CC and AC with a *standardised path coefficient* of 0.088, 0.450 and 0.176 and *t-static* of 0.935, 5.108 and 1.6706. Since the *t-value* of AC with CC is greater than 3.0, it is evident that CC has a direct, positive impact on PI and the hypothesis ((H4) is accepted. The *t-value* of PI with PA, CC is less than 3.0, and it is evident that PA and CC has a negative influence on PI and the hypothesis (H2 & H5) is rejected. The figure illustrates that, the R-squared variation of PA with CE and AC is 15%. Hence the PA is influenced to a greater extent by CE and AC with a *standardised path coefficient* of 0.134 and 0.399 and *t-static* of 1.7299 & 4.153. Since the *t-value* of CE with AC is greater than 3.0, it is evident that AC has a positive impact on CE and the hypothesis (H3) is accepted. The *t-value* of PA with CE is less than 3.0, it is evident that PA has a negative impact on CE and the hypothesis (H1) is rejected.

The empirical results of the model show that all the five hypotheses H1, H2, H3, H4 and H5 are verified. It can be seen that the H3, CE has a direct, positive impact on AC, likewise the H4, AC has a direct, positive relationship with AC and all H3 and H4 are significant and positive. Similarly the H1, CE on PA, H2, PA on PI and H5, CC on PI are negative and non – significant. Purchase Intention (*path coefficient* 0.134, 0.088 and 0.176 and *t-static* 1.7299, 0.934 and 1.6706) are influence by AC. The empirical investigation supports the PI and also supports the fact that Purchase Intention is influence by AC.

## CONCLUSION

In the current rough-and-tumble culture of promoting FMCG products, many firms face immense competition to attain a competitive advantage and this proves that the current study proves an importance on factors affecting the PI. The study shows that different conventional paths like AC, CE influence the PI and the proposed path of PA and CC too has a vibrant influence on PI. The promoting mechanism of products is happening at a blistering pace and the present study of the variables like AC, CE and CC makes important by adding more teeth to the attack so as to attain competitive advantage.

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