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IMPACT OF CELEBRITY-ENDORSED PRODUCTS ON CONSUMER'S PURCHASE INTENTION

Syeda Hiba Badar

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INTRODUCTION

- Celebrity Endorsement is when a company hires famous person for their advertisements.
- It has three categories: professional or recognized expert, typical consumer and celebrity itself.
- Celebrity endorsements are critical to high brand recall.
- Study contains primary data of consumers to identify the factors critical to success of celebrity endorsements

HYPOTHESIS

- H1:** High brand awareness is not affected by consumer perceptions on celebrity endorsed products.
- H2:** High trust has no effect on consumer buying behavior towards celebrity endorsement.
- H3:** High consumer skepticism has no impact on brand awareness of celebrity endorsements.
- H4:** Low brand awareness does not affect consumer behavior towards celebrity endorsements.
- H5:** Brand awareness has no effect on following celebrity endorser.

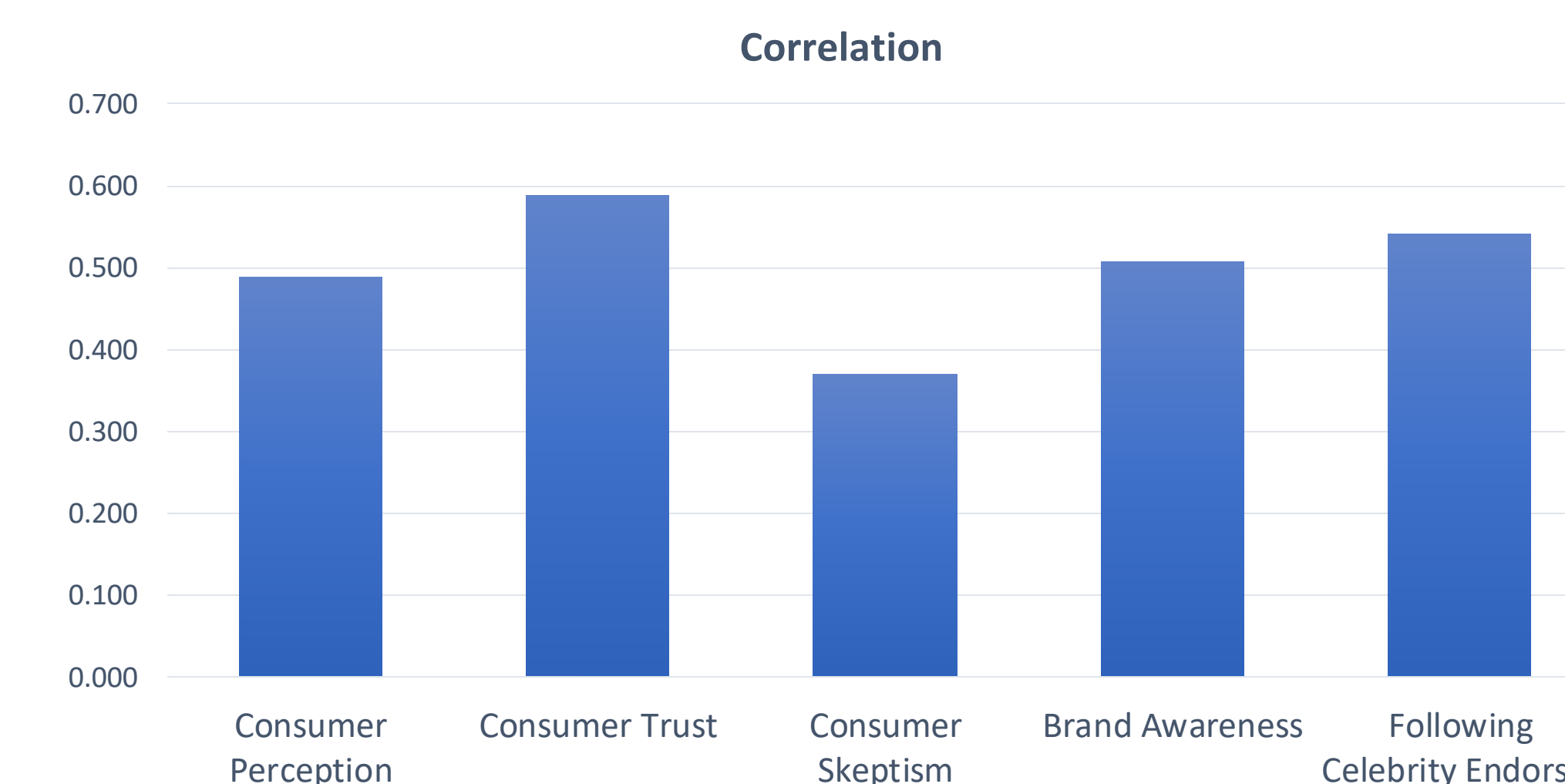
Reliability

Variables	Cronbach Alpha	Status
Purchase Intention	0.671	Reliable
Consumer Perception	0.673	Reliable
Consumer Trust	0.837	Reliable
Consumer Skepticism	0.260	Not Reliable
Brand Awareness	0.802	Reliable
Following Celebrity Endorser	0.686	Reliable

KEY FINDINGS

1. Consumer Perception about the brand does not create a significant impact on Purchase Intention if the brand is endorsed by a celebrity. ($P > 0.05$)
2. Consumer's Trust upon a celebrity is 33.6% effective with respect to their Purchase Intention.
3. Consumer Skepticism does not have a significant impact on Purchase Intention.
4. Brand Awareness does not have a positive impact on Purchase Intention of consumers when it is endorsed by a celebrity.
5. Consumers' Purchase Intention is influenced 22.4% to Follow the celebrity Influencer.

Correlation



Correlation of Each causal construct with Purchase Intention

Regression

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.675 ^a	.456	.444	.74229

a. Predictors: (Constant), Following Celebrity Endorser, Consumer Perception, Consumer Skepticism, Consumer Trust, Brand Awareness

The collective impact all predictors have on Purchase Intention is 67.5% and shows a good model fit.

Model	B	Unstandardized Coefficients	Std. Error	Standardized Coefficients	Beta	Sig.	Status
(Constant)	-.013	.222	.057	-.057	.955		
Consumer Perception	.146	.070	.133	2.081	.039		Reject
Consumer Trust	.336	.057	.351	5.869	.000		Reject
Consumer Skepticism	.053	.075	.041	.702	.483		Retain
Brand Awareness	.104	.072	.104	1.447	.149		Retain
Following Celebrity Endorser	.224	.071	.214	3.159	.002		Reject



- Majority agrees to the statement and says that celebrities influence the brand image to a greater extent.
- People follow their favorite celebrities and want to become more like them.
- Brand Awareness doesn't matter much for consumers if their favorite celebrity endorses it, they are likely to buy due to celebrity's influence.

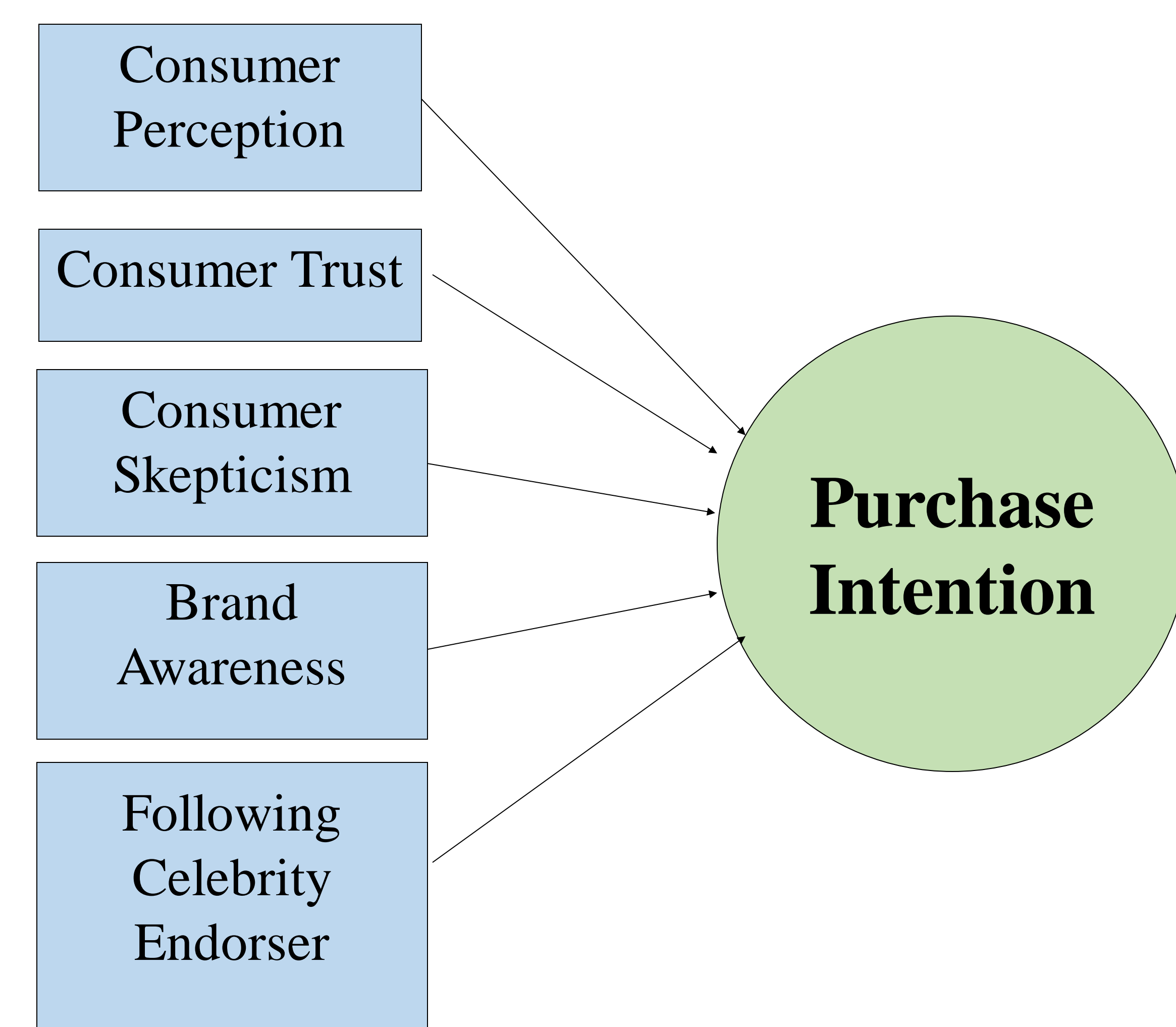
ACKNOWLEDGMENTS

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References

Aurangzeb, Sami, G., Asrar, Z., & Bhutto, S. (2017). Impact of Celebrity Endorsement on Customer's Purchase Intention. *Journal of Marketing and Consumer Research*, 31, 15-21.

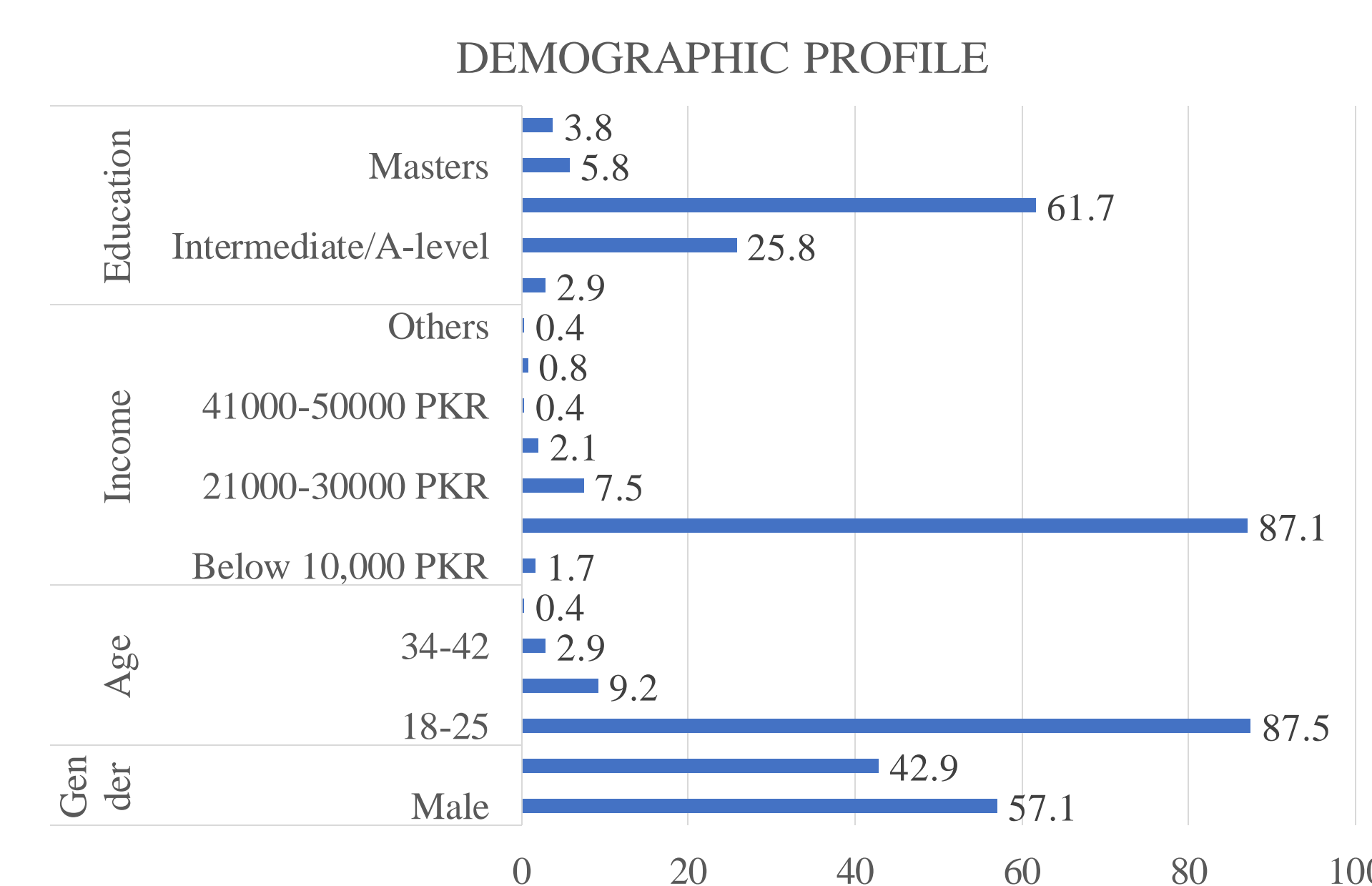
CONCEPTUAL FRAMEWORK



Source: Business Insider

DATA ANALYSIS

Demographics



METHODOLOGY

Sampling Technique: Non-Probability Convenience Sampling

Sample Size: 240.

Instrument: A survey questionnaire was used as the data collection instrument and was adopted embedded with 5 point likert scale.