Impact of celebrity-endorsed products on consumer's purchase intention

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INTRODUCTION

Celebrity Endorsement is when a company hires a 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 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.

CONCEPTUAL FRAMEWORK

CONSUMER PERCEPTION

CONSUMER TRUST

CONSUMER SKEPTICISM

BRAND AWARENESS

FOLLOWING CELEBRITY ENDORSER

Purchase Intention

DATA ANALYSIS

DEMOGRAPHIC PROFILE

Males

Females

Income:

Below 10,000 PKR

10,000-19,999 PKR

20,000-30,000 PKR

30,000-50,000 PKR

50,000-79,999 PKR

80,000-100,000 PKR

Age:

35-44

15-24

25-34

35-44

45-54

55+

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.

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.

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REFERENCES