

Volume: 04 Issue: 12 | Dec -2020 ISSN: 2582-3930

A STUDY ON IMPACT OF CELEBRITY ENDORSEMENT ON CONSUMER BRAND PREFERENCE IN SPORTS FOOTWEAR

Adesh Mulkalwar Balaji Institute of Management and Human Resource Development Sri Balaji University, Pune

Abstract

Today celebrity endorsement has become a multi-million industry in the world. Marketers endorsescelebrities with their products and brands to increase their sales and alter theimpression of the consumers regarding their brand, which impacts positively on the consumer brandpreference. This research study focuses on the celebrity endorsement and its impact on the consumers brand preference in the sports footwear segment. A quantitative method is used in this research in order to investigate the impact of celebrity endorsement on consumer brand preference. A data of 120 respondents is collected through questionnaire. Age group of 18-50 respondents has been taken using multiple choice questions and Likert scale questions. Further, the results of the study provethatthere is a significant impact if celebrity endorsement on consumer brand preference in sports footwear.

Key words:

Celebrity Endorsement, Brand Preference, Sports footwear

Introduction

Admired personalities can convert into great salesmen. Giving the world a well-recognized and well-known face is taken into account to be the fastest and safest way for brands to develop an association and abond within the mind of its consumers. Whenever the consumers see an actor or the foremost loved sports figure endorsing a product, immediately that product attains attentionand credibility in the minds of the consumer because celebrity endorsement is a technique that features celebrities to endorse a product.

Celebrities needn't be necessarily a world superstar, but they ought to be extremely familiar to their audience. We see celebrities in television, film, radio, magazines and social media where celebrity endorsements earn billions and trillions yearly and are highly recommended within the dreamy world of advertisements to market their products.

And from consumer's perspective, they require to possess that brand which enjoys a huge reputation within the market and then when it's involving a well-known celebrity with the brand, it becomes all the more alluring and consumers feel that by using such brands they're going to gain some status because celebrity endorsed products satisfy this longing of enjoying a brand that comes with symbol of status.

Marketers make use of celebrities to endorse their products so as to administer their brand advantage and edge over its other competitor. But employing a celebrity to satisfy the very purpose require deep understanding and lots of other considerations need to be weighted.

In today's world the celebrities and sports athletes are being treated as a role model. People are changing their lifestyle according to their favourite celebrity. This thing creates a huge impact on the brand preference



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of the customers. This attracts the consumers and ultimately increases the businesses productivity. Celebrities don't seem to be always creating a effect on persons mind in terms buying of the consumer. But usually it gives a huge impact on perception of preferring any product. We are always thinking that if our favourite celebrity is using them, then we should always use that to be like them.

From last 150 years advertising is changing in several phases from the classical to modern. Now a days it's the most effective strategy employed by marketers to influence customers by showing celebrities with their products because it gains credibility within the minds of the customer. The major aim to try and do advertising and adopt this strategy is to influence customers towards the products.

Research Problem

Increased consumerism is one of the reason celebrities are increasingly sought after for brand endorsements. This leads to brand visibility, apart from this, due to the availability of a variety of channels, many entertainment programs' advertisements is very poor. To make the advertisement more attractive, advertising companies are using celebrities. An attempt has been made to find out whether the celebrities triggers the brand preference of the consumers in the sports footwear segment. Therefore, the research focuses on answering, do celebrity endorsement impact the consumer brand preferences?

Research Objectives

- 1.To study the impact of celebrity endorsement on consumer brand preferences.
- 2.To study the consumer preferences of sports footwear endorsed by celebrity.

Hypothesis

H0: There is no significant impact of celebrity endorsement on consumer brand preferences in sports footwear.

Ha: There is a significant impact of celebrity endorsement on consumer brand preferences in sports footwear.

Review of Literature

Celebrities are those that enjoy public recognition and who often have distinctive attributes like attractiveness and trustworthiness. (McCracken 1989; Silvera and Austad, 2004). The term "celebrity" refers to an 'individual who is thought to the public, like actors, sport figures, entertainers' for his or her achievements in their respective areas aside from the merchandise endorsed by them (Friedman and Friedman, 1979). Boorstin in 1961, specified the foremost important quality of being a celebrity i.e. not being forgotten and known by people for his or her 'well-knowness'. As per McCracken (1989), it can include people from movies, television, sports, politics, business, artists and persons from the military. Whereas, during this modern age of advertising and marketing, Celebrities can also be an animated character like Fred Flintstone (Miciak and Shanklin, 1994).

In today's dynamic and competitive environment, customers are continuously exposed to different types of brands, that offer a largenumber of products and services that are promoted through different marketing strategies (Kumar, 2010) to influence the brand preference that results in the ultimate purchasing



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decision. This being the case, since the late 19th century onwards, marketers round the world started using celebrities from the film industry to sports athletes to endorse their products to capture the buyer base (Roy, 2006).

Celebrity endorsements is said to be a "ubiquitous feature of recent day marketing" (McCracken 1989. It has been seen that a celebrity that endorses a product or brand feature in one quarter of all advertisement. It has the potential to reinforce audience attentiveness, make the advert more memorable, credible, and desirable and add glamour to the endorsed product(Spiel-man, 1981). A report found out that celebrities are more effective than other kinds of endorsers, like the professional expert, the corporate manager, or the standard consumer(Friedman and Friedman, 1979). The use of celebrities in advertisements is a traditional phenomenon (Kaikati, 1987). Celebrity endorsement, as a marketing practice, contains a very distinguished history. Around the eighteenth century, a famous potter ceramist pioneered in using celebrities to his advantage. Once when Queen Charlotte began to use his products, Wedgwood gained on his new status by referring himself as the "Potter to Her Majesty" (Dukcevich, 2004).

Celebrity endorsements are used by brands to create distinct image, to change or focuson the brands positioning, to generate interest in the market, and to help consumers remember advertisements (Sengupta, 2014). The greater the compatibility between celebrity and brand the greater the success of creating a powerful brand identity and positioning the brand in the market (Sengupta, 2014). No single celebrity can fit every brand. For this particular reason sportswear brands should choose celebrities that are in the sports industry or with those that have superior popularity in that particular industry which can be tailored to the needs of the brand (Sengupta, 2014). Brands will chose a celebrity based on their marketing budget as well as their target audience (Mukherjee, 2009).

From marketing communication perspective, it is more important for firms to outline strategies which give competitive differential advantage to its products and services. It attempts to form positive effects within the mind of consumers. To attain this, celebrity endorsement could be a commonly used marketing communication strategy (Erdogan, 1999). Companies spend great deal of cash to endorse their brands through these celebrities. These celebrity endorsers are perceived and gifted with dynamic, attractive and likeable qualities and businesses try to align these qualities to their products through marketing communication strategies (Atkin and Block 1983). Many researchers believe that a hoarding or a poster containing a celebrity delivers a better degree of appeal, attention, recall rate and possibly a customer that wants to buy compared to the ads without celebrities (Cooper, 1984; Dean and Biswas, 2001) and thereby creating an impact on financial returns for the businesses (Farrell et al. 2000; Endorgan, 2001).

Research Gap

Various researches have been conducted related to impact of celebrity endorsement on consumer buying behaviour and brand preference. However, no such research has been conducted in Pune to determine the impact of celebrity endorsement on consumer brand preference in sports footwear segment. In this research, certain factors of celebrity endorsement that impact the consumer brand preferences were taken which were not explored in other research papers.

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Research Methodology

Quantitative approach is used to collect data related to this research. Quantitative research can be defined as "a systematic investigation of phenomena by gathering quantifiable data and performing statistical, mathematical or computational techniques".

Primary Data

Data is collected through various respondents within Pune City. Data is collected by using structured questionnaire.

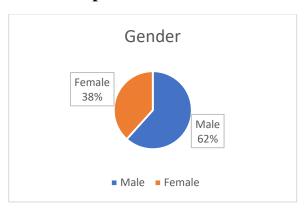
Dependent Variable

Brand Preference

Independent Variable

Celebrity Endorsement

Data Interpretation



From the research, it is found that 62% of respondents the are male and 38% of the respondents are female. From the above we can see that majority of the respondents are male.

It consisted of Multiple choice and questions and likert scale questions on a 5 pointer scale.

Sample Size

A sample size of 120 respondents was taken for this research.

Sampling Method

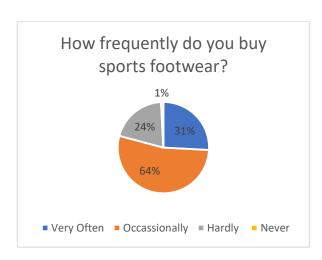
Convenience Sampling method was used to take a sample of 120 respondents.

Research tool

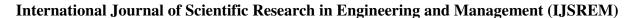
SPSS, Excel, Google Forms

Statistical Tools

Reliability Test, Regression



From the above, we can see that 64% of the respondents occasionally buy sports footwear and 31% of the respondents buy sports footwear very often. From this, we can say that majority of the

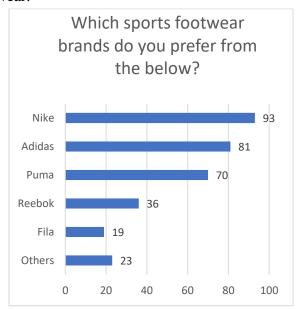




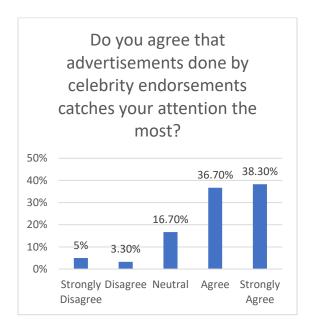
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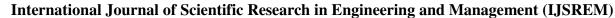
respondents are inclined towards buying sports footwear.



From the above, we can see that Nike and Adidas were the most preferred brands followed by Puma, Reebok and Fila.

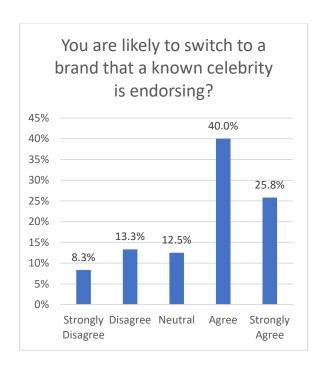


From the above, we can see that majority of the respondents agree that advertisements done by celebrity endorsements catches their attention the most.

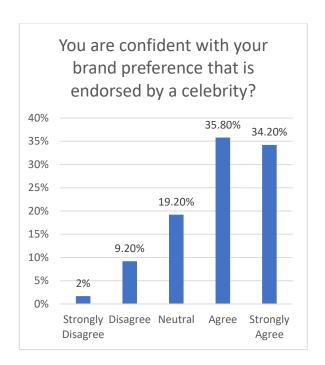




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From the above, we can see that majority of the respondents are likely to switch to a brand that a known celebrity is endorsing. This shows how much celebrity endorsement impacts the brand preference of the consumers.



From the above, we can see that majority of the respondents are confident with their brand preference that is endorsed by a celebrity.

Data Analysis

Reliability Statistics						
Cronbach's Alpha	N of Items					
0.944	16					

Cronbach Alpha is a reliability test conducted within SPSS in order to measure the internal consistency i.e. reliability of the measuring instrument (Questionnaire). It is most commonly used when the questionnaire is developed using multiple likert scale statements and therefore to determine if the scale is reliable or not. The value is .944 so we can say that the data is very reliable.



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Hypothesis Testing

Regression Analysis

All sub-variables under Independent variable were computed as one variable by using SPSS. Here my 6 factors 'Expertise', 'Credibility', 'Familiarity', 'Likeability', 'Product-Celebrity Matchup, 'Meaning transferred to product' were computed as one variable named 'Celebrity_Endorsement'.

Computed independent variable and dependent variable were then analyzed by using relevant statistical tools. Here we are studying impact of one variable on another that is impact of celebrity endorsement on consumer brand preferences which is computed and transformed it in one independent variable and one dependent variable, thus we are applying linear regression by using SPSS.

Model Summary									
R Adjusted R Std. Error of the Change									
Model	R	Square	Square	Estimate	Statistics				
					R Square	F			Sig. F
					Change	Change	df1	df2	Change
1	.550 ^a	0.303	0.297	1.056	0.303	51.28	1	118	0
a Predic	a Predictors: (Constant), Celebrity_Endorsement								

	ANOVA ^a								
Model		Sum of Squares	df	Mean Square	F	Sig.			
	Regression	57.13	1	57.13	51.28	.000 ^b			
	Residual	131.462	118	1.114					
1	Total	188.592	119						
a Dependent Variable: Brand Preference									
b I	b Predictors: (Constant), Celebrity_Endorsement								

Coefficients ^a								1
	Standardized Colinearity							
		Unstandardized	Coefficients	Coefficients			Statistics	
Model		В	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	1.234	0.345		3.574	0.001		
1	Celebrity_Endorsement	0.674	0.094	0.55	7.161	0	1	1
a. Dependent Variable : Brand Preference								

In Anova table, F > Sig (51.280 > 0) thus that means celebrity endorsement has a significant impact on consumer brand preference.

R square is called the coefficient of determination which explains the proportion of variance in the dependent variable that can be explained by the independent variables which in our case is 0.303.

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In Coefficients table, we can see that Sig is 0.00, which means p value is < 0.05 so we **reject** null hypothesis (There is no impact of celebrity endorsement on consumer brand preferences in sports footwear).

Hence from the findings we can conclude that the null hypothesis can be rejected and we accept the alternate hypothesis that is there is a significant impact of celebrity endorsement on consumer brand preferences in sports footwear.

Findings

- Among 120 respondents, 61.7% are male & 38.3% are female
- It was found that consumers prefer sports footwear brands Adidas and Nike the most.
- Most of the respondents agree that celebrity endorsements catch their attention the most.
- Consumers are confident with their brand preferences that is endorsed by a celebrity.
- ➤ Majority of the respondents agree that they are likely to switch to a brand that is endorsed by a celebrity. This shows how much celebrity endorsement impacts the change in the consumer brand preference.
- ➤ Out of 120 respondents, 102 respondents agree that the products endorsed by a celebrity are of a better quality.
- Majority of the respondents are likely to use products that are endorsed by professional athletes.
- ➤ Factors that influence consumer brand preferences were tested statically which showed that those factors had a significant impact.

Limitations

- The research is restricted to Pune city only, therefore, the opinion of the consumers outside this area will be left unnoticed.
- As majority of the respondents are young people therefore responses and opinions above age 40 would go unnoticed.
- ➤ The respondents are only 120. Therefore, it would be incorrect to assume that the sample is an accurate representation of the population. The results could have been better with a larger sample size.

Recommendations

➤ Celebrity endorsements will effective when used consistently over time to increase the strength of the link between the celebrity and the endorsed brand.

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- ➤ Celebrity endorsements will be more effective when the ad execution is simple, focused on the celebrity and the brand together.
- ➤ Celebrity endorsements will be more effective for less familiar brands.
- Celebrity endorsers will be more effective for brands for which consumers have limited knowledge/facts.

Conclusion

- ➤ This research project explored the current state of consumer brand preferences in sports footwear; identified and tested the celebrity attributes specific to influence brand preferences and finally examined the impact of celebrity endorsements on consumers brand preferences.
- Results reveal that celebrity endorsements catch the consumers attention the most, particularly in the age group of 18-25 years. Overall it is believed that celebrity endorsements are more attractive, and effective at influencing consumer brand preferences.
- ➤ Using a regression analysis we studied the impact of one variable over another and hence proved that there is a significant impact of celebrity endorsement on consumer brand preferences.
- ➤ In overall, all the research objectives have been achieved leading to better understanding of celebrity endorsements.

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Appendix B – Questionnaire

1.	Email addı	ress *
2.	Name *	
3.	Gender *	
		Mark only one oval. Male Female Other:
1 .	Age *	Mark only one oval.
		18-25 26-35
		36-45



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5. How f	requently do you buy sports footwear? *
	Mark only one oval.
	Very often
	Occasionally
	Hardly
	Never
6. How f	requently do you encounter celebrity endorsed advertisements? *
	Mark only one oval.
	Very often
	Occasionally
	Hardly
	Never
7. Which	n sports footwear brands do you prefer from the below? * pply.
Nike	
Adidas	
Puma	
Fila	
UnderA	
Reebok	
Other:	



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8. Do you agree	that the	advertis	sement	s done l	by cele	brity endo	rsement	catches	our attent	ion the
most? * Mark	only one o	val.								
Strongly Disa 8	gree					Stror	ıglyAgree			
	1	2	3	4	5					
9. You are confid	dent with	your b	rand pr	eferenc	e that	is endorse	d by a ce	ebrity? '	*	
Лark only one oval.										
	1	2	3	4	5					
Strongly Disagree						StronglyAg	ree			
10. In your opinio	n, are pro	oducts	that are	endors	ed by	a celebrity	of a bett	er qualit	y? *	
Mark only one oval.										
	1	2	3	4	5					
Strongly Disagree						StronglyA	gree			
11. Do you agree	that your	brand	prefere	ence is i	nfluend	ed by cele	brity end	orsemer	t? *	
Mark only one oval.										
	1	2	3	4	5					
Strongly Disagree						StronglyA	gree			



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12. Please select the options	below	according to	the scale *	٠
Markonlyoneovalperrow.				

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Celebrityen dor sement makes younoticeabrand.					
Youbuyaproductifyour favouritecelebrityisendorsing it.					
Youarelikelytoswitchtoa brandthata known celebrityisendorsing.					
Youarelikelytousesports footwearbecausethe celebrityisusingit					
Youarelikelytouseproducts endorsed by professional athletes					

13. Rate below factors of celebrity endorsement that influence your brand preference in sports footwear products.(1 being the lowest and 5 being the highest) *

Markonlyoneovalperrow.

1	2	3	4	5