

A Study on Celebrity Endorsements affecting Purchase Intention towards Cosmetics Products

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Abstract: A celebrity endorser refers to a person who is well-known by the community for his/her achievements in an avenue other than that of the product endorsed. Currently, India has a steady 10% CAGR (Compounded Annual Growth Rate) in celebrity branding between the years 2007 to 2021. Apart from the celebs working in the movies, there are many other big names like sports celebrities, television stars and many more so far. Currently, the Indian cosmetics market is mainly dominated by international brands. The top three players in Cosmetic industry are Hindustan Unilever, Colgate-Palmolive India, and L'Oréal India. The present study aims to study about celebrity endorsements in consumer market. The demographic characteristics of consumers buying cosmetic products were done and to study the effect of celebrity endorsements on attitude towards purchase intention. The study concludes that celebrity endorsement is truly a versatile and a very debatable topic for research. Based on the literature review and findings it can be concluded that even though celebrity endorsement as a marketing communication activity is viewed in a positive light, it's influence over the purchase intention of the consumers are not so effective.

Keywords: *Celebrity endorsements, purchase intention, marketing.*

1.1 Introduction:

The word is 'celebrity' derived from the Latin 'celebritas' which means 'multitude' or 'fame' and 'celeber' which meant crowded or famous was initially implied not an individual. Celebrity is an omnipresent feature of society, blazing lasting impressions in the memories of all who cross its path" Kurzman, et al., (2007). Before the 1990s, the use of the term 'celebrity' would illuminate the image of actors and actresses in one's mind. Now, celebrated sports personalities, authors, influencers, chef also walked into the arena. A celebrity endorser refers to a person who is well-known by the community for his/her achievements in an avenue other than that of the product endorsed Friedman & Friedman (2009).

Advertising has become the most effective and efficient technique for conveying product information to consumers. Everyday consumers are presented with a large number of voices and pictures in magazines, papers, boards, locales, radio and television, and so. Every brand tries to take at least a fraction of an individual's time to acquaint him/her of the unique attributes of the product at hand. The marketer has to uncover a snare that will hold the strike consumer's attention. In assisting to accomplish this, the use of a star for endorsement of a brand name is a widely utilized marketing methodology. Celebrities are often mobilized to decoy a consumer's purchasing motivation. Celebrity endorsements not only draw in customers to purchase a product but also affect product image in the mind of consumers. Celebrity endorsement is defined as a marketing ploy to use one or more celebrity allure or popularity to distinguish a product or services and achieving sales endeavor in any region in the country of interest. It is a strategy of a company to market or advertise to market their product through celebrities Harbor, (2009).

1.2 Current market of celebrity endorsement:

Currently, India has a steady 10% CAGR (Compounded Annual Growth Rate) in celebrity branding between the years 2007 to 2021. Apart from the celebs working in the movies, there are many other big names like sports celebrities, television stars and many more so far. Though in India, movies stars have the maximum audience reach hereby making them the most popular choice for the endorser. According to a 2019 report issued by TAM Media Research that personal care/ personal hygiene, food and beverages, and hair care ads are dominated by celebrities. The segments like personal care, jewelry and banking segments are predominantly occupied by female endorsers while the e-commerce, auto, real estate, and smart phone segments are occupied by male endorsers. Figure 1.1 clearly shows that the sector in which there have been a huge number of celebrity endorsements is Personal care. Food and beverages amount to 19% with the lowest standing at 3% i.e. in the Personal Accessories segment.

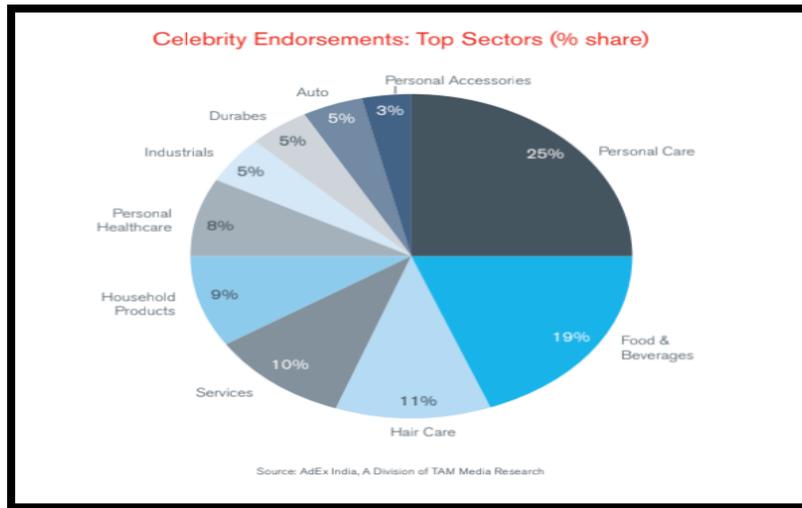


Figure 1.1: Celebrity endorsements top sectors (%share)

A report “Celebrity Brand Valuation Study 2021” by Duff & Phelps, identified Virat Kohli as the most valuable celebrity in the country for the fourth straight year. Cricket and Bollywood celebrities continue to rule the perch when it comes to brand endorsements in the country, as indicated by data & insights company, Kroll’s latest report on “Celebrity Brand Valuation – a study of India’s most powerful celebrity brands”. Figure 1.2 shows Cricketer Virat Kohli retained the top position for the fifth consecutive year with a brand value of \$185.7 million. Bollywood superstar Akshay Kumar was the third rank holder in terms of celebrity brand value. Among the females Alia Bhatt and Deepika Padukone were among the top ten in terms of Celebrity Brand value.



Figure 1.2: Celebrity Brand Value

1.2 Cosmetics industry:

Cosmetics and humans have an extended history together. Cosmetics are products or substances which are used to alter or enhance the appearance of an individual. Cosmetic is applied externally to the body. India Cosmetics mainly comprise moisturizer, face wash, scrubs, deodorants, shaving and grooming, soaps, and body lotion. Indian cosmetic industry can be categorized into fragments: - Chemical based cosmetics brands such as Ponds, Lakme, HUL, etc, and Herbal/Organic based Cosmetics brands such as Emami, Vicco and Dabur etc.

1.3 Current market of cosmetics in India:

Currently, the Indian cosmetics market is mainly dominated by international brands. The top three players in Cosmetic industry are Hindustan Unilever, Colgate-Palmolive India, and L’Oréal India. Some other noteworthy international players include Gillette India, Johnson & Johnson (India), and Procter & Gamble Home Products. However, some of the domestic players are also catching up to keep pace with international players. There has been a swing in the number of consumer preferring to buy herbal or ayurvedic products. The recent trend towards natural, herbal, and Ayurvedic products has proven to be a boom for them. The most significant

domestic players are Dabur India, Marico, Emami, and Patanjali Ayurved. The improving socioeconomic conditions, demographic growth, and development of digital sectors have boosted personal care, to the point that assessed growth for the 2018-2023 periods before the pandemic was 9.7%.

1.4 Celebrity endorsement in cosmetics industry:

Though the Indian cosmetic industry is booming with expecting an increase of more than 8% in the year 2022 and a favorable consumption pattern yet there is a high threat of substitutes. Consumer preferences in cosmetics can be easily influenced by heavy marketing and advertisements. Often celebrities are held high as God if not equal. People aspire to be like celebrity and use the products and services endorsed by celebrities. In modern marketing roping, a celebrity as a spokesperson is the easiest way to stand out in chaos and create difference where none exists.

2.1 Review of Literature:

Amores, L. A. (2021). in their paper “Influence of Celebrity Endorsement on Mature Female Luxury Cosmetic Consumers” researcher found that mature female prefers celebrities of same age who communicate that they actually use the endorsed product rather than just appearing with it in an advertisement. Celebrity who is not in synch with the brand might have an off-putting effect. They have clearly perceived what an ideal self is and desire to appear younger to other. They are more inclined to ads that target self than ideal self. Though they purchase celebrity endorsed products yet are not directly influenced by the celebrity. Negativity around celebrity endorser did not seem to have any impact on their purchase decision.

Khurana, A., Aggarwal, A., Kaur, P., Garg, S., Garg, V., & Aggarwal, Y. (2020). In their paper “Impact of using Celebrity and Non-Celebrity in an Advertisement on Consumer Purchase Behavior in Cosmetics Category” researcher concluded that low income and middle-income families use products endorsed by a celebrity and perceive them as status symbol. With a non-celebrity face, they relate the story of the advertisement to their own life. The product image is imprinted in memory of the customer in same way which helps the consumer to recall at time of purchase decision.

Babu, M. N., & LavanyaLatha, K. (2018) in their paper “Does Brand Personality Mediate the Effectiveness of the Relationship between Celebrity Endorsement and Purchase Intention? A brand’s personality is mediator in creating purchase intention through celebrity endorsements. However, not all elements like sincerity, excitement, competence, sophistication and ruggedness are equally affects purchase intention. Sincerity could be related the sincere features of the brand. Excitement about the brand personality is influenced by celebrity attractiveness and trust. Competence element in brand personality has proved as right attribute that can mediate the relationship between celebrity endorsement and purchase intention.

Muhammad Amir Adam and Nazish Hussain (2017) in their paper “Impact of celebrity endorsement on consumers buying behavior” say that the celebrity embraced ads are more tempting than the non- celebrity supported promotions. The best vehicle for promotional ads is TV followed by internet. It is additionally presumed that the most elevated relationship existed between the insight and the purchasing conduct. The most minimal relationship is, between celebrity allure and the discernment. There is a huge relationship among all credits of the big name. It is at long last reasoned that there is a critical connection between celebrity underwriting and purchasing conduct.

Thwaites, D., Lowe, B., Monkhouse, L. L., & Barnes, B. R. (2012) in their paper “The impact of negative publicity on celebrity ad endorsements” it was found that negative publicity around the celebrity has the most damaging effect in situations where celebrities come into view as being most suited to a particular product category. Thus, companies need to exercise more prudence when selected celebrities closely ‘match-up’ with particular product.

3.1 Research Methodology:

Research is a step by step process used to collect and analyze information in order to increase our understanding of a topic or an issue. In a research article, the method of doing it permits the user to basically evaluate a review's general authority and steadiness.

Objectives:

- To study about celebrity endorsements in consumer market.
- To study the demography characteristics of consumers buying cosmetic products
- To study the effect of celebrity characteristics on attitude towards purchase intention.

3.1.1 Sample:

The research was carried out by collecting the sample of respondents from the city of Lucknow which is the capital city of the state of Uttar Pradesh, India. Lucknow has population of over 35 lakhs (source: Census 2011). Taking into account the growth of cosmetics industry in the metro-city now, and ease of reaching the respondents, the area of the study was selected as Lucknow in this research. 220 questionnaires were administered for the study of which 170 questionnaire were useful for the study. The sample size for the study is 170.

3.1.2 Research Design:

The current study is based on Descriptive Research. Descriptive research has been used because it describes about celebrity endorsements and the effect of the same on consumers.

3.1.3 Data Collection:

Data collection is defined as the process of gathering and measuring information on targeted variables in an established system, which enables an individual to answer relevant questions and evaluate outcomes.

Data collected can be broadly classified into two categories:

1. Primary Data- Primary data is information that is gathered by a researcher from direct sources utilizing techniques like reviews, meetings, or tests. It is collected for the first time by the researcher. In the most research regions, field review is generally used to gather essential information from the respondents, studies can be:

A. Personal Interview

B. Questionnaire

2. Secondary Data Secondary data means data that is already available, it means which have already been collected and analyzed by someone else. When research utilizes secondary data, researcher has to look into various sources from where researcher can obtain data; usually data published is available.

A. Technical and trade journals;

B. Books, magazines and newspapers;

C. Reports and publications of various association connected with business and industry.

In research studies involving questionnaires, several methods are available to collect the data like self-administering the questionnaires through e-mail, telephone, online forms using internet or personally administering the questionnaire. In the present study, the data was collected from the respondents by questionnaire through google form. The data was collected during the period September 2021 to November 2021.

3.1.4 Data Analysis:

The process of systematically applying various statistical and/or logical techniques to describe and illustrate, condense and recap, and evaluate data. An essential component of data analysis is to ensure data integrity and it is the accurate and appropriate analysis of research findings. Improper statistical analyses disfigure scientific findings, mislead the readers, and may negatively persuade the public perception of research.

• Correlation analysis:

Correlation examination allows an analyst to make a distinction of a relationship between two factors just as how much the association remains constant across various populaces. The value of correlation usually ranges from -1 to +1. This tool helps in understanding the relationship among two or more factors.

• Frequency analysis:

Frequency analysis is an essential assessment utilized for generating an understanding of information gathered. The frequency table gives the number of event of information in the dataset. The frequency analysis is utilized for surveying of a segment profile in every one of the three areas of the information examination.

Percentage analysis:

The percentage analysis is used to compare different groups. It helps the researcher to develop Conclusions based on the frequency table generated after conducting a frequency analysis. It can be calculated by using the formulae:

$$\text{Percentage} = (\text{Value} \times 100) / \text{Total Value}$$

4.1 Data Analysis and Interpretation:

This part presents the data analysis and interpretation of results of the research study. It begins with a detailed analysis of the demographic characteristics of the respondents of the study. The study also highlights the sources of information for cosmetic products. The study also shows the frequency of purchase of cosmetic products and how purchase patterns impact purchase intention. Descriptive statistics and Karl Pearson's correlation coefficient is used to arrive at conclusions.

Demographics

4.1.1 Distribution of Respondents in terms of Age:

The analysis of the age profile of the respondents reveal that major proportion of the respondents were in the age group of 18-35 years which accounted for 79.40% of the population (N=143) while only 20.6% of the respondents were in the age group above 36-49 years. (N=37).

4.2.2 Distribution of Respondents in terms of Gender:

The analysis of the gender profile of the respondents of the study reveal that majority were female with 74.1% (N=133). Male respondent accounted for only 25.9% (N=47)

4.2.3 Distribution of Respondents in terms of family income:

The analysis of the family income of the respondents of the study reveal that majority of the respondents were with income above Rs.90,001 (54.3%, N=98). The family income up to Rs.30,000 accounted for only 18.6% (N=33), and Rs.50,001- 90,000 accounted for 27.1% (N= 49).

4.2.4 Distribution of Respondents in terms of Educational Qualification:

The study also analyzed the educational background of the sample of respondents. It was found

that major proportion of the respondents have an educational qualification of intermediate (11.4%, N=21), Bachelor's degree (58.2%, N=105) and Master's degree (30.0%, N=54).

4.3 Source of information about cosmetic products:

In this section, the sources through which the respondents receive information about the cosmetics products were explored. An analysis on the source of information about cosmetics products reveal that majority (58.6%, N=105) of the respondents rely on the social advertisements to know about products. About 30.7% (N=55) of the respondents depend on TV advertisements to know about the. Around 6.3% (N=11) depend to a magazine and almost 4.4% (N=9) of the respondents are depending on the hoarding. Interestingly, none of respondents depend on radio ads for knowing about cosmetic products.

4.3.1 Frequency of cosmetics products:

An analysis of the frequency of buying of the cosmetics products by the respondents of the study was done. The data show that 33.09% (N=46) of the respondents buys the personal care products at least once in a month, 35.25% (N=49) of the respondents buys the cosmetics once in every six months, and 25.89% (N=36) of the respondents buys the less often and not in a regular pattern.

4.3.2 Purchase patterns impact purchase intention:

Table 1.1 Purchase patterns impact on purchase intention

	Purchase intention	
	Correlation	P value
Purchase Frequency	0.13879	0.059935
Amount Spend	0.087042	0.226685

It has been inferred from the table 1.1 that there was a weak, negative correlation between the purchase frequency and celebrity's influence on purchase intention, $r=-0.13879$, $N=180$; however, the relationship was statistically significant ($p=0.059935$). The table 1.1 also concluded that there was a weak, positive correlation between the amount spent per purchase and celebrity's influence on purchase intention, $r=0.0870$, $N=180$, $p>0.05$; however, the relationship was not statistically significant ($p =0.226685$).

4.3.3 Purchase intention:

An analysis shows that majority 52.51% (N=94) of respondents purchase decision were affected by celebrity and around 29.49% (N=53) respondents replied may be as response. Only 17.9% (N=33) respondents were not affected by celebrity.

4.3.4 Favorite celebrity:

An analysis shows that majority of respondents 39.4% (N=32) preferred Deepika Padukone. Around 19.42% (N=35) respondents Kiara Advani and 20.26% (N=36) respondents liked Kareena Kapoor. Only around 6.47% (N=12) respondents prefer Shah Rukh Khan as endorser.

Conclusion:

Celebrity endorsement is truly a versatile and a very debatable topic for research. Based on the literature review it can be concluded that even though celebrity endorsement as a marketing communication activity is viewed in a positive light, it's influence over the purchase intention of the consumers are not so effective. The purchase behavior of consumer could differ based on their level of involvement with the product. After mulling over the analysis, it was evident that there is a negative correlation between the purchase frequency and celebrity's influence on purchase intention, $r= -0.13879$, $N=180$. It appears that consumers cannot be demarcation, in term of high and low involvement consumer. The result in sharp constant to Petty and Cacioppo, (1981) and Social Adaptation theory Kahle, (1984); Kahle & Timmer (1983) where under low involvement of consumer celebrity were suitable but for high involvement consumer product or service-related argument have most impact consumer. It appears that consumers cannot be demarcation, in term of high and low involvement consumer.

Recommendations and Suggestions:

An understanding of the task of celebrity endorser is very critical issue for both, academicians and practitioners. The present findings however, provide wider implications for academicians, advertisers as well as practitioners in the field of marketing. This study could help the advertiser and market practitioners in several ways.

In this research it was found that there is a direct relationship between celebrity characteristics and purchase intention. Nowadays, the marketer also includes the amount of money paid to the celebrity along with the price of the product. So, the decision to select right celebrity becomes the most important to sell his product or service successfully. If the marketer selects the right celebrity for a product, the advertisement will be more effective, and the investment made by the marketer on the celebrity will not be wasteful. Firm should not solely rely on celebrity as means of promotion. It spends time in designing a creative advertisement like storytelling ads have significant on purchase intention. Storytelling ads are passively developing the strength of emotional connection in advertising. Some of the examples are Surf Excel- Daag Ache Hain, CRED- ft. Rahul Dravid Great for the Good etc.

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