

Impact of Celebrity Endorsement on Consumer Choices and Preferences

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Abstract: This paper was written keeping in mind the present trends of roping in celebrities and the various attempts of companies to establish in the minds of their consumers, their superiority. The empirical evidences in this paper substantiate the fact that there is a very strong relationship between the impacts of endorsement by the celebrity and the choices of consumers.

Brand building and leaving a mark in the minds of people can be associated with a spectacular rise in the celebrity endorsements in recent age where every individual is connected extensively through the internet. Although roping in a celebrity is a task which requires a large amount of research and planning, when implemented in a way which appeals to the target audience, leads to a tremendous rise in sales and enhances brand image and equity.

The objective of this study was to throw light on the relationship between the endorsements by celebrities and its subsequent impact on the consumer choices. The paper focuses on all angles of the relationship which ranges across a myriad of aspects which give shape to the brand and its image as a whole.

The paper involves a quantitative analysis to get a deeper insight into the preferences of the consumer which were obtained by a questionnaire. The sample size was of a 100 respondents comprising of a variety of age groups out of which only 89 were analyzable; the rest were incomplete or non responsive. The paper also involves a qualitative side to it and has included various secondary analyses as well. The data obtained was analyzed with the help of certain tools. The results refute a number of hypotheses and provide a clearer picture of the behavior of consumers as individuals the choices of whom are independent of their beliefs.

Keywords: Celebrity, Celebrity Endorsement, Brand, Brand value, Advertising, Consumer, Consumer Preferences,

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I. Introduction

1.1 Consumers are the driving forces of the market economy.

“They are the impetus to produce and the motivation to sell”. However, how are the choices of the consumers determined? How do they decide between a zillion products and choices that offer them the identical product with different names and tastes and smells? “Marketing” a nine letter word and a humongous business to drive consumers towards their dens and convince them to purchase what they sell. Advertising and marketing since eternity have been the forces that rule our purchasing choices as consumers and are forever coming up with amazingly creative strategies just to make them stand out of the crowd of a plethora of same business houses citing the same claims and selling us the same product. Then came another bright idea of roping in the idols we idealize- the celebs whose bedazzling lives have been taking us by surprise each day and no matter how hard we try, we tend to get influenced by their lifestyle and their culture. Celebrities endorse almost every brand nowadays with their glamorous faces endorsing facial creams or their wonderful smells preaching of a newly launched perfume. The growing importance of social media and the unprecedented rise of connectivity all over the globe have given way to altogether a new level of freedom of choice to the consumer and have made them more aware of the happenings of the world and especially the market. A celebrity can drive a brand’s image, its consumer loyalty, its sales and the psychological behavior of the consumer very easily and very significantly. Celebrities do not directly create an impact on the buying choices but they leave a mark on the perception of the consumer about the brand which ultimately leads to the consumer making decisions about the product and the brand. Advertising has changed hands a lot many times from the past trends and has finally come to stand on the pedestal where it is regarded as the most crucial part of a business, more important than the entities which give the brand its actual shape.

1.2 Advertising

Advertising in simple words, is a strategy that is extensively used to stimulate the senses of the target audience and to leave a mark in their minds which then coerces them to indulge in the purchases. Advertising does not impact the consumer directly but does so in such a manner which the buyer is also not aware about. It generates awareness about a brand's existence and silently leaves an impression at the back of the minds of its target audience which then leads to the act of purchases. Each commercial plays a different role and differently affects the buyers depending upon the medium which is chosen to impart the knowledge; the world being tech savvy in the age of modern technology, it becomes all the more important to undertake internet as a medium in addition to others.

1.3 Celebrities

The well known faces which are popular among people for their identity, their magnetism and dynamism. They are very well known by majorly all of the people and since ages, their extravagant lifestyles have been influencing the lives of people. They have their own brand values and hence are roped in by the big corporate houses to boost their sales. Celebrities thus are the spokespersons of the brand.

1.4 Celebrity Endorsement

In the current age of constantly changing needs of the market and humongous competition, celebrity endorsement is a powerful strategy and promotion technique to impart a unique identity to the brand as a whole which helps the brand to stand out in the crowd. Celebrities are seen endorsing a myriad of brands on a daily basis that are roped in by the companies in spite of a rocketing rise in their expenditures to give this strategy a platform to bloom.

1.5 Brand

A brand is a unique identification which separates a range of same products from one another. It is basically a parameter which is widely used by consumers to determine their buying behavior. A brand is an essential instrument which strikes a chord with the buyers and thus establishes its own image in the process. A good brand may have a higher preference among the consumers than the other brands which may not be so popular. It also has its own recognition by means of its logo or name. A brand is associated with its consumers' trust, their loyalty and their expectations which the brand is expected to fulfill.

1.6 Research Objectives

- To study the impact of celebrity endorsement on the choices of buyers
- To understand how the attributes of the celebrity impact the brand value and the consumer choices.
- To analyze the behavior of consumers towards the brand when the celebrity is in a bad picture
- To study the impact of roping in a celebrity to endorse a brand on the sales and brand value.

1.7 Hypothesis

H0: There is no impact on the sales of the brand when a celebrity is signed for the brand

H1: There is an impact on the sales of the brand when a celebrity is signed for the brand

H0: There is no impact of roping in a celebrity for endorsement on the choices of the consumer- it depends on brand value

H1: There is a strong impact of roping in a celebrity for endorsement on choices of the consumer- it does not depend only on brand value

H0: There is no impact on the choices of the consumer if the celebrity is in a bad picture

H1: There is a negative impact on the choices of the consumer if the celebrity is in a bad picture

H0: Celebrity attributes do not have an impact the buyer choices to a large extent; they only affect them marginally

H1: Celebrity attributes have a large impact on the buyer choices

1.7 Methodology

This paper involves both primary and secondary data analysis which provides a deeper insight into the generalized buyer behavior. A questionnaire was prepared and responses were collected from an estimated sample of 100 respondents and only 89 were complete and analyzable. The data was then analyzed with the help of quantitative tools and also imparted a qualitative value to the paper.

II. Literature Review

Celebrities are the eye catchers- the people whom the common public idolizes. The roping in of celebrities to endorse the commodities just brings the required bling into the chaotic advertising industry and moreover attracts more attention from the common masses who otherwise may not relate to the brand itself. People are trying to emulate the lifestyle the celebrities follow and thus nothing can be better than the icons themselves trying to portray the required message. The results very clearly depict that the endorsements have a considerable amount of impact on buyer intentions and attitudes. Celebrity endorsed brands have seen boosted sales and consumers preferably buy the endorsed products showing that today's masses are well versed with media and are aware of their society.

With the massive upheavals in the social media where the celebrities are flooding their social media accounts with numerous endorsements, there is evidence that the buyers are strongly impacted by their choices. Brands are taking advantage of these trends are roping in a plethora of celebrities to represent their products and keep the buyers glued to their products. Being technologically savvy, our buyers are well aware of what and which brand their favorite celebrities are representing and what are their views about the same. The posts by the celebrities are actually disguised promotions which we as buyers easily fall for. This strategy usually leads to a rise in the sales for the product the celebrities endorse and also leads to increase in buyers' confidence in the brand as the trends suggest. Being very well aware of their surroundings are heavily connected through the media, the lives of the buyers are definitely impacted by these deceptive tactics employed the brands but on the other hand, it is also the responsibility of the brands to make their consumers aware as to why they should prefer the product others and explain to them the appropriateness of the product from the point of view of the buyer.

One specific example which was in reference to the current trends was mainly focusing on the effect Mahendra Singh Dhoni's retirement will have on the brands he endorses and his future prospects. Over the years, MSD has been endowed with a brand value of about 150 crore per year and has been endorsing over 20 brands like REEBOK, PEPSI, AIRCEL, VIDEOCON etc. Advertisements have their own time periods and vary according to popularity of the celebrity that endorses it. With the world and the media moving away from the orthodox ways of carrying out its working, there are very less chances that MSD might lose his brand value though it can decline to a certain extent. Though he can also take up other prospects like newsroom expert, commentary etc which will keep him revived in the memories of the people. He is one of the only people who have a humongous collection of motorcycles and one of the few sportspersons who have a documentary in their name. So there is very little chance that he would totally lose his charisma and his value as he can gain in other arenas as well. A study shows Indian consumers, who are popularly known for loving their celebrities which the brands take a huge advantage of. Marketing names are spending huge chunks of money each year to rope in these celebrities but it is also noticed that the perceptions of the Indian buyer are changing rapidly and they are now using the products which he feels associated with and which fits in his definition of the self. They advertisements majorly focus on the youth of the nation which also gives the brands a fair idea as to what the current trends and choices prevail in the market. Research shows that a lot of money is shelled out for brand names like VISA, PEPSI, COLGATE, BRITANNIA, AIRTEL etc where the Indian celebrities are roped in. The celebrity popularity, celebrity values, credibility, physical attractiveness, celebrity controversy risk etc all shape the preference of the consumer and 80% of the youth feels strongly about these factors. Celebrity endorsements do in fact have an impact on sales of the brand and it brings about brand equity and promotions to the brand name thought sometimes some products can do well without roping in the celebrities as well. There was a debate which analyzed whether the consumers care about the ethicality of the celebrities and whether they are affected by the negative publicity of the celebrity. There was reported an incident concerning the brand RAJNIGANDHA which was endorsed by the James Bond franchise actor Pierce Brosnan where he was in controversy concerning the fact that he was endorsing tobacco compound where he stated that he wasn't aware of the fact that it contained tobacco. This left him in controversy but there was not much fall in sales of the product. It was stated that being modern consumers, the image of the celebrity does impact to some extent but not so much that it will affect the sales tremendously. Negative information about the celebrity can however lead to a decline in the attitude towards the brand. The celebrities might sometimes become liabilities for the brand. Ironically, some brands also engage themselves in the practice of appointing dead people as celebrities as they have no scope of bringing bad name to the brand. For instance, a number of brands were reported having Bugs Bunny of Mickey Mouse as their emblems. To conclude the analysis after 2 studies, it was stated that negative information about the celebrity brings bad name to the brand and definitely lowers the brand evaluations. The negative publicity received by the consumers about the brand endorser makes the choices less in favor of the brand.

Endorsers who endorse multiple products are seen less credible than the ones who are loyal to a limited number of brands. It is also seen that the celebrities with a not so impressive track record have detrimental effects on the brand's image. There should also be a match between the endorser and the brand they are endorsing. For instance, physical attractiveness will work well in a brand that sells cosmetics but not in a sport

arena. In conclusion, it was inferred that the effectiveness of endorsements can be understood from the notion of the consumer that whether he thinks that the celebrity actually likes the product or not. This paper analyzes these phenomena in detail with the help of a questionnaire and responses analyzed by employing various statistical tools.

III. Research Methodology

3.1 Objective

- To study the impact of celebrity endorsement on the choices of buyers
- To understand how the attributes of the celebrity impact the brand value and the consumer choices.
- To analyze the behavior of consumers towards the brand when the celebrity is in a bad picture
- To study the impact of roping in a celebrity to endorse a brand on the sales and brand value.

3.2 Methodology

In this paper, both primary and secondary data were collected and analyzed to obtain the results. This paper involves both qualitative and quantitative analysis and outcomes. A sample size of 100 was taken and their responses collected via a qualitative self explanatory questionnaire out of which only 83 were complete and analyzable. Various statistical tools were used to obtain the results; weighted mean was used to analyze the extent of impact of endorsements on the choices of consumers, paired t test was used to analyze before and after sales and various trends were picked up from various secondary sources to prove or neglect the hypotheses. The qualitative aspects provide an insight into the mindsets and motives behind the choices of consumers when they prefer a brand.

3.3 Limitations

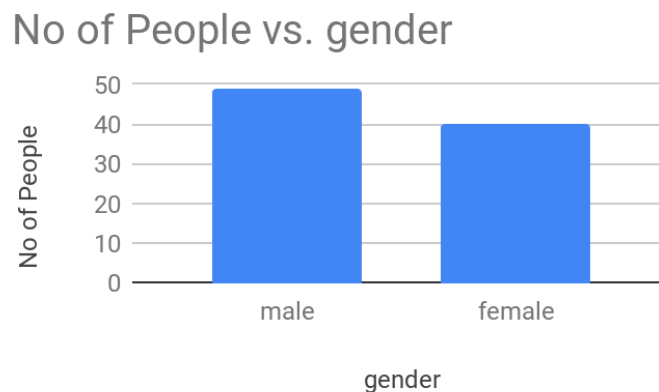
There are a few aspects to this study which can be regarded as limitations to the study. The respondents who are not approached physically to fill the questionnaire try and put themselves in a good picture and therefore some of their responses might be just to show them on a positive side. The responses of the respondents may also be biased to some extent and they try and project themselves as rational and practical individuals and therefore try and respond to the questions not as per their actual actions and choices but like what a rational individual would prefer.

Since the consumers are not fully aware of themselves and their choices, they tend to give contradictory responses as compared to their actions.

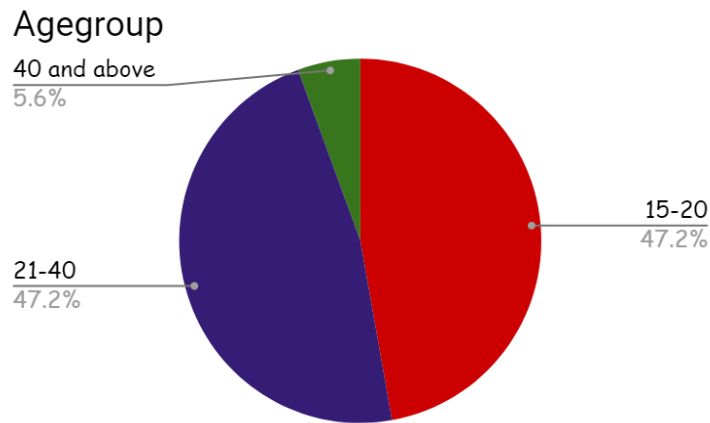
IV. Data Analysis

This section of the paper involves the usage of various statistical tools to verify or nullify the various hypotheses stated above and to analyze the primary and the secondary data collected to give weight to the paper. Paired t test, weighted mean and various trends have been put to use to understand in depth the relationship between celebrity endorsements and buyer perception and choices.

4.1 Demographic Analysis



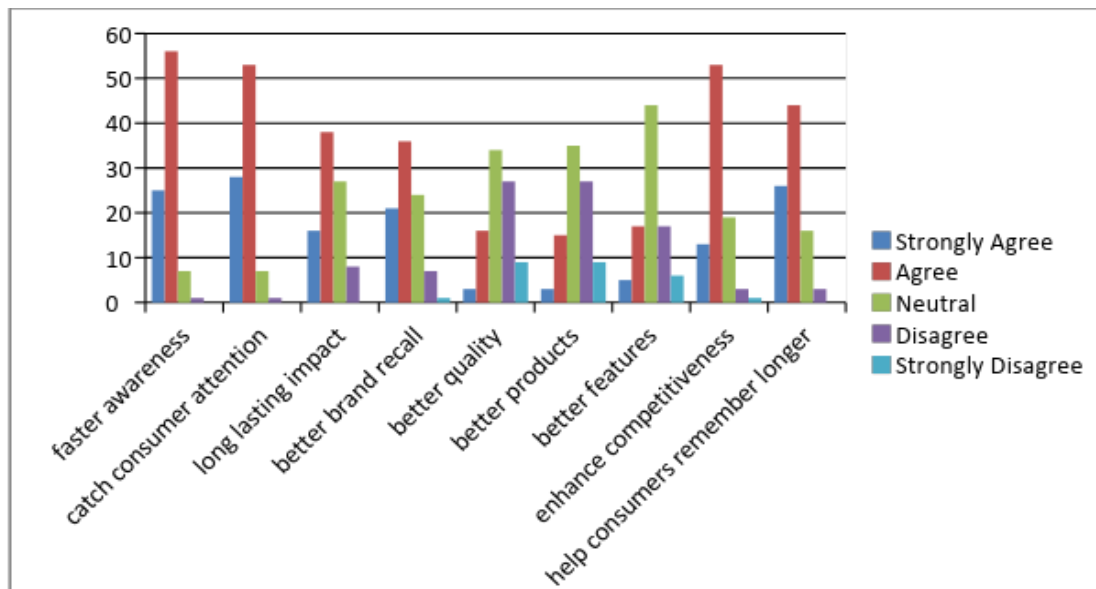
Out of the 89 respondents that were analyzed, 49 were men and 40 were women. The segregation of age groups was selected such that it was skewed and diverse.



Out of the 89 respondents, 65 of the respondents are students of varying age groups.

4.2 Role of Celebrity in enhancing brand image

This section of the questionnaire focuses on the perceptions of the consumer regarding the role of the celebrity in imparting an image to the brand. Their responses were weighted from 1 to 5 and then sub sequentially; the mean was calculated in the end.



Tends to create faster awareness	No of respondents(x)	%ge	weight(w)	w*x	Mean
Strongly agree	25	28.09	5	125	
Agree	56	62.92	4	224	
Neutral	7	7.86	3	21	
Disagree	1	1.12	2	2	
Strongly Disagree	0	0	1	0	
	89			372	4.17

Catch consumer's attention	No of respondents(x)	%ge	weight(w)	w*x	Mean
Strongly agree	28	31.4	5	140	
Agree	53	59.55	4	212	
Neutral	7	7.86	3	21	
Disagree	1	1.12	2	2	
Strongly Disagree	0	0	1	0	
	89			375	4.2

Long lasting impact on minds of buyers	No of respondents(x)	%ge	weight(w)	w*x	Mean
Strongly agree	16	17.97	5	80	

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Agree	38	42.69	4	152	
Neutral	27	30.33	3	81	
Disagree	8	8.98	2	16	
Strongly Disagree	0	0	1	0	
	89			329	3.69
Better brand recall					
Strongly agree	21	21.34	5	105	
Agree	36	40.44	4	144	
Neutral	24	26.96	3	72	
Disagree	7	7.86	2	14	
Strongly Disagree	1	1.12	1	1	
				336	3.77
Better quality of products					
Strongly agree	3	3.37	5	15	
Agree	16	17.97	4	64	
Neutral	34	38.2	3	102	
Disagree	27	30.33	2	54	
Strongly Disagree	9	10.11	1	9	
				244	2.74
Better products					
Strongly agree	3	3.37	5	15	
Agree	15	16.85	4	60	
Neutral	35	39.32	3	105	
Disagree	27	30.33	2	54	
Strongly Disagree	9	10.11	1	9	
				243	2.73
Better features					
Strongly agree	5	5.61	5	25	
Agree	17	19.01	4	68	
Neutral	44	49.43	3	132	
Disagree	17	19.1	2	34	
Strongly Disagree	6	6.74	1	6	
				265	2.97
Enhance competitiveness					
Strongly agree	13	14.6	5	65	
Agree	53	59.55	4	212	
Neutral	19	21.34	3	57	
Disagree	3	3.37	2	6	
Strongly Disagree	1	1.12	1	1	
				341	3.83
Helps consumers remember better					
Strongly agree	26	29.21	5	130	
Agree	44	49.43	4	176	
Neutral	16	17.97	3	48	
Disagree	3	3.37	2	6	
Strongly Disagree	0	0	1	0	
				360	4.04
Mean of the analysis					32.14/9
					3.57

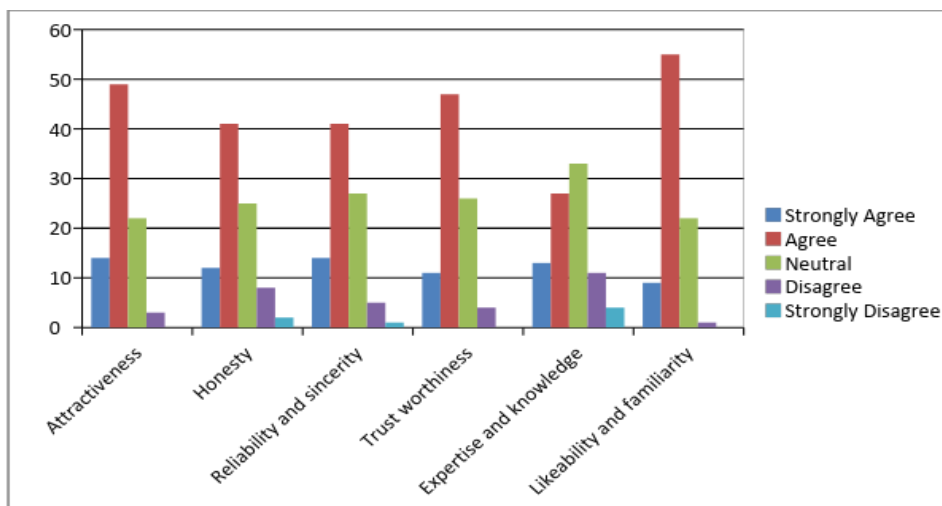
The outcome of the analysis suggests that in view of the consumers, the celebrity endorsements do impact the brand by imparting to it value to a certain extent but as the results indicate, there can be other factors on top of it which establish the identity of the brand as a whole. The mean of the analysis is 3.57 which indicates mediocrity and hence points to the fact that celebrity endorsements do impact the brand in some or the other way which is why they are roped in by the commercial brands and to some extent are responsible for taking the brand image to another level but this impact is constrained and is limited to a certain extent.

4.3 Attributes of the celebrity which tend to attract consumers and enhance brand image

H0: The attributes of the celebrity do not have a large impact on the choices of the consumers; they only affect them marginally

H1: The attributes of the celebrity have a large impact on the choices of the consumers; they do not affect them only marginally.

The above hypotheses are tested based on the data collected from the respondents in light of the attributes of the celebrity that are treated as a parameter which frames the buying choices of the buyer as an individual.



Category	No of respondents(x)	%ge	weight(w)	w*x	Mean
Attractiveness					
Strongly agree	14	15.73	5	42	
Agree	49	55.05	4	196	
Neutral	22	24.71	3	66	
Disagree	3	3.37	2	6	
Strongly Disagree	0	0	1	0	
	89			310	3.48
Honesty					
Strongly agree	12	13.48	5	60	
Agree	41	46.06	4	164	
Neutral	25	28.08	3	75	
Disagree	8	8.98	2	16	
Strongly Disagree	2	2.24	1	2	
	89			317	3.56
Reliability and sincerity					
Strongly agree	14	15.73	5	70	
Agree	41	46.06	4	164	
Neutral	27	30.33	3	81	
Disagree	5	5.61	2	10	
Strongly Disagree	1	1.12	1	1	
	89			326	3.66
Trustworthiness					
Strongly agree	11	12.35	5	55	
Agree	47	52.8	4	188	
Neutral	26	29.21	3	78	
Disagree	4	4.49	2	8	
Strongly Disagree	0	0	1	0	
				329	3.69
Expertise and knowledge					
Strongly agree	13	14.6	5	65	
Agree	27	30.33	4	108	
Neutral	33	37.07	3	99	
Disagree	11	12.35	2	22	
Strongly Disagree	4	4.49	1	4	
				288	3.23
Likeability and familiarity					
Strongly agree	9	10.11	5	45	
Agree	55	61.79	4	220	
Neutral	22	24.71	3	66	
Disagree	1	1.12	2	2	
Strongly Disagree	0	0	1	0	
				333	3.74
Mean of the Observation					3.56

The results of the data clearly point out to the fact that in consumer’s perception, celebrity attributes as a whole are necessary for the brands to give them a value addition and all of the factors listed above are important to a certain extent. They are legible only to a certain limit and the respondents’ responses vary over a wide variety of range from neutral to agree; majorly comprising of agree which indicates that the attributes of the celebrities are in consumers’ point of view a necessary parameter to be kept in mind by the brands when they rope in a celebrity. Familiarity of the celebrity ie popularity and also trustworthiness of the celebrity are given the maximum importance by the respondents. But overall, attributes of a celebrity affect the consumer choices only marginally and are not the sole reason for the buyers to go forward with the brand. Hence, the null hypothesis stating “the attributes of the celebrity do not impact the buyer choices to a large extent; it only affects them marginally” is accepted.

4.4 Hypothesis testing 1

H0: There is an impact on the sales of the brand when a celebrity is signed for the brand

H1: There is no impact on the sales of the brand when a celebrity is signed for the brand

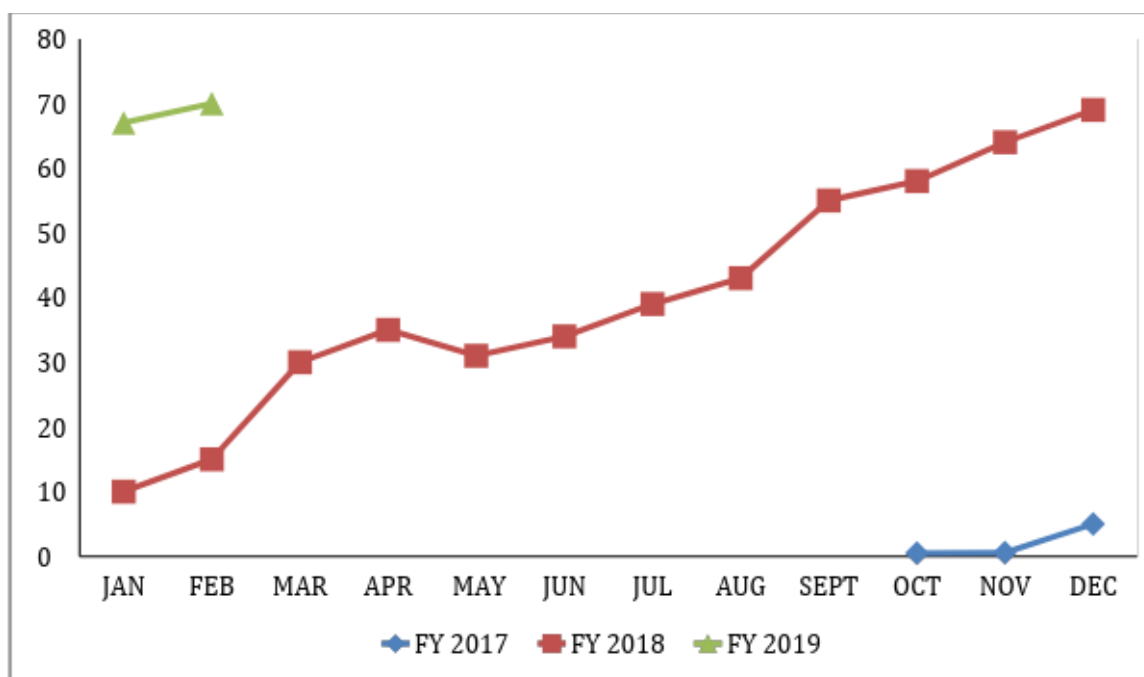
Taking the example of a case study of Too Yumm!, a subsidiary brand of the parent company Guilt Free Industries under the chairmanship of Sanjiv Goenka.

Too Yumm! was launched strategically during the IPL matches with Virat Kohli being roped in as the endorser of the brand in 2017.

The sales of the brand shot up the moment the campaign was launched and especially after Virat Kohli refusing to endorse Pepsi since he did not himself consume aerated drinks, it was even more beneficial for the brand as it enhanced its brand value and consumer base.

TOO YUMM’S ANNUAL SALES REPORTS TILL FEB 2019

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
FY 2017										52 lakh	58 lakh	5 crore
FY 2018	10 crore	15 crore	30 crore	35 crore	31 crore	34 crore	39 crore	43 crore	55 crore	58 crore	64 crore	69 crore
FY 2019	67 crore	70 crore										



In the very beginning of its launch in the year 2017, within 2 months Too Yumm! reached revenue of 5 crores in December. In the financial year 2018, there was seen a rising trend in the revenues of the brand with an annual sales of about 500 crores in the financial year 2018-19.

This trend very clearly depicts the fact that the marketing strategy of Too Yumm! with respect to roping in of Virat Kohli proved to be extremely successful. Virat Kohli, who is known for his level of fitness on and off the field, impacted the company's share in the market in the best positive way. Kohli led to an enhanced brand image also with his image for trying out the merchandise he endorses personally before going forward with its promotion- he refused to endorse Pepsi since he claimed that he is not in favor of colas and aerated drinks. This put him in a better light and thus his endorsements of Too Yumm which sells non fried snacks very conveniently left a mark in the minds of the consumers which is clearly reflected in the sales of the brand. The brand is currently clocking around 500 crores annually which is expected to rise furthermore and is expected to reach annual revenue of 10,000 crores annually soon. The prospects of this brand seem profitable and a huge chunk of the credit goes to the endorser of the brand whose brand value seems to be on an ever rising trend.

This is in compliance with the hypothesis H0 which states; "There is an impact on the sales of the brand when a celebrity is signed for the brand" is accepted. Thus null hypothesis is accepted and alternative hypothesis H1 stands rejected.

4.5 Hypothesis testing 2

H0: There is no impact of roping in a celebrity for endorsement on the choices of the consumer- it depends on brand value

H1: There is a strong impact of roping in a celebrity for endorsement on choices of the consumer- it does not depend only on brand value

This section comprises of a case study of the cola brand Thums Up where in November 2016, Ranveer Singh was roped in as a brand endorser thus replacing Salman Khan from the same. This case study aims to provide a clear insight into the consequent changes in its sales that took place which will be used to study the behavior of the consumers towards a more popular and a young face as an endorser.

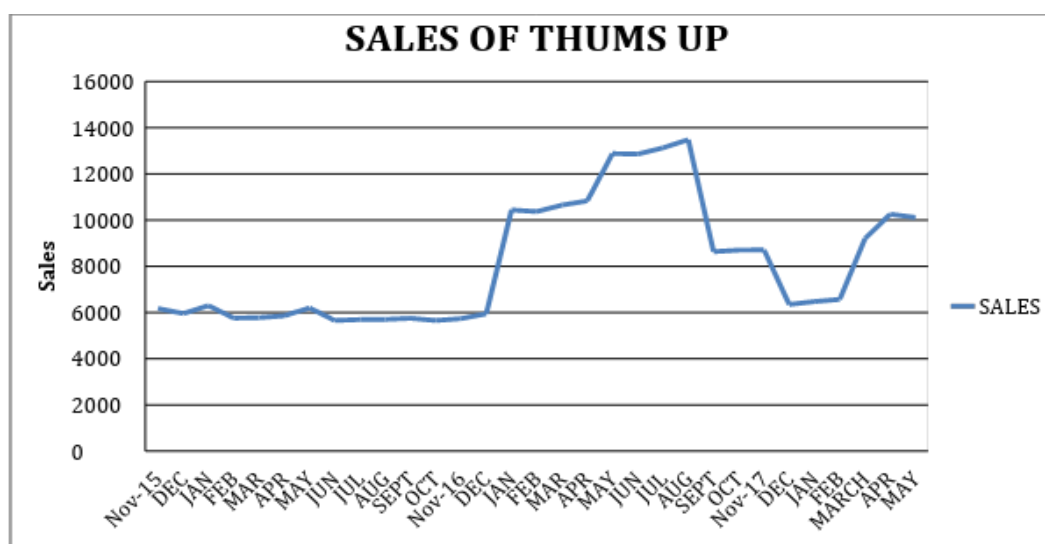
The brands tend to rope in those celebrities who are more effective in striking a chord with the target audience and are equally reliable and have the faith of the audiences. It is an extremely important decision based on which the performance of the brand is judged. This was studied as an attempt to see to what extent does a more preferable face affect the consumer choices towards the brand.

The sales before and after Ranveer Singh was pulled in as an endorser were collected and tabulated after which the trends were analyzed with the help of a linear graph.

FISCAL YEAR	SALES
Nov-15	6176
DEC	5956
JAN	6299
FEB	5757
MAR	5777
APR	5858
MAY	6200
JUN	5655
JUL	5696
AUG	5703
SEPT	5750
OCT	5655
Nov-16	5736
DEC	5946
JAN	10440
FEB	10369
MAR	10650
APR	10833
MAY	12880
JUN	12857
JUL	13128
AUG	13483
SEPT	8634
OCT	8700

Nov-17	8711
DEC	6349
JAN	6475
FEB	6569
MARCH	9203
APR	10255
MAY	10116

FISCAL YEAR	GROSS PROFITS(IN CRS)	
2014-2015		20,086
2015-2016		22,155
2016-2017		25,398
2017-2018		26,812



The trends have been taken from November to November as a fiscal year since the impact was to be evaluated from the time period the endorser was replaced. It is explicitly depicted from the tabulated data and the linear trend that after the celebrity was replaced and a more likable and trending celebrity is roped in, the sales shot up to a very large extent from the initial levels of sales and revenues

This result is very convincing of the fact that celebrities do have an impact on the choices of the consumer and their preferences towards the product.

Running a paired t test on the samples of sales before and after the replacement of the endorser, the results were analyzed and hypothesis tested.

MONTH	BEFORE	AFTER
NOV	6176	5736
DEC	5956	5946
JAN	6299	10440
FEB	5757	10369
MAR	5777	10650
APR	5858	10833
MAY	6200	12880
JUN	5655	12857
JUL	5696	13128
AUG	5703	13483
SEP	5750	8634
OCT	5655	8700

t-Test: Paired Two Sample for Means

	Variable 1	Variable 2
Mean	10304.66667	5873.5
Variance	6988852.606	52763.90909
Observations	12	12
Pearson Correlation	-0.289824862	
Hypothesized Mean Difference	0	
Df	11	
t Stat	5.645213625	
P(T<=t) one-tail	7.49384E-05	
t Critical one-tail	1.795884819	
P(T<=t) two-tail	0.000149877	
t Critical two-tail	2.20098516	

Since, T-Stat > T-Critical, therefore H0 Rejected and H1 Accepted

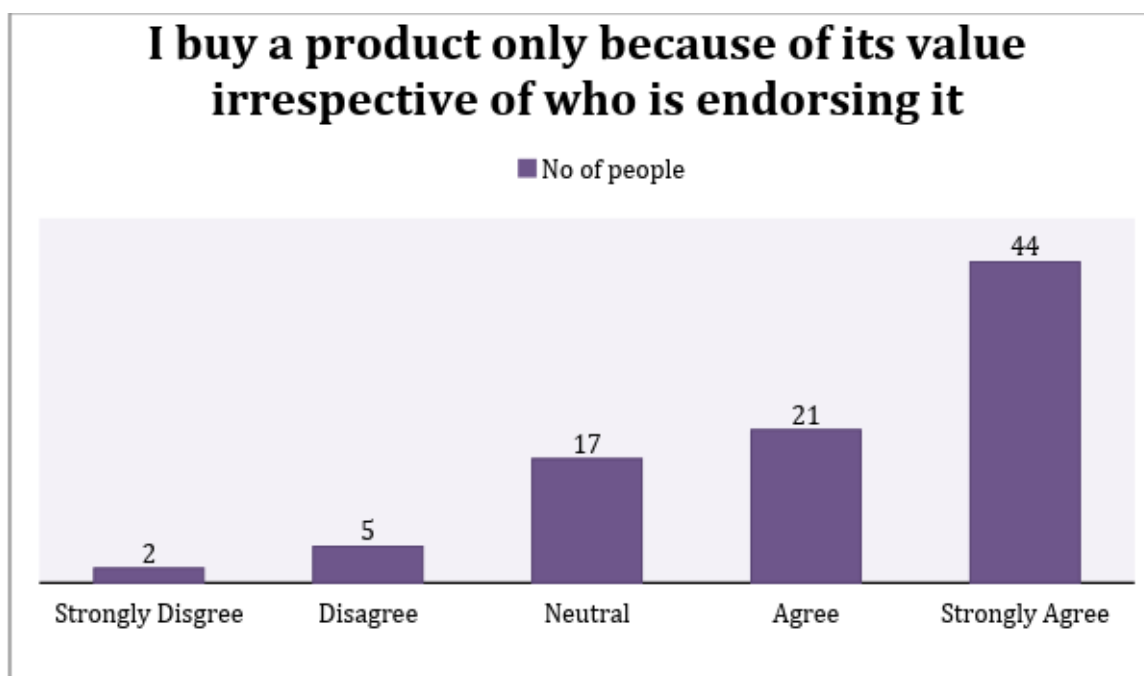
The above result shows that the T-Stat parameter exceeds the value of the t Critical two tail result by a large margin which is a statistical proof of the fact that the two samples are varying through large values.

The hypothesis H0 which states, “There is no impact of roping in a celebrity for endorsement on the choices of the consumer- it depends on brand value” is neglected and the alternative hypothesis H1 which states, “There is an impact of roping in a celebrity for endorsement on the choices of the consumer- it does not only depend on the brand value” is accepted.

The results show that the attributes of the celebrity (as proved in one of the hypothesis) and replacement of a celebrity by one who is more familiar with the audiences does put the brand in a better position which also impacts the personal choices of the consumer as an individual to a certain extent and hence cannot be neglected or ignored entirely.

Thus null hypothesis is neglected and alternative hypothesis is accepted.

This outcome however is in stark contrast to the responses received from the respondents. They are contradictory to the trends that have been noticed in the case study taken above after replacing Salman with Ranveer.

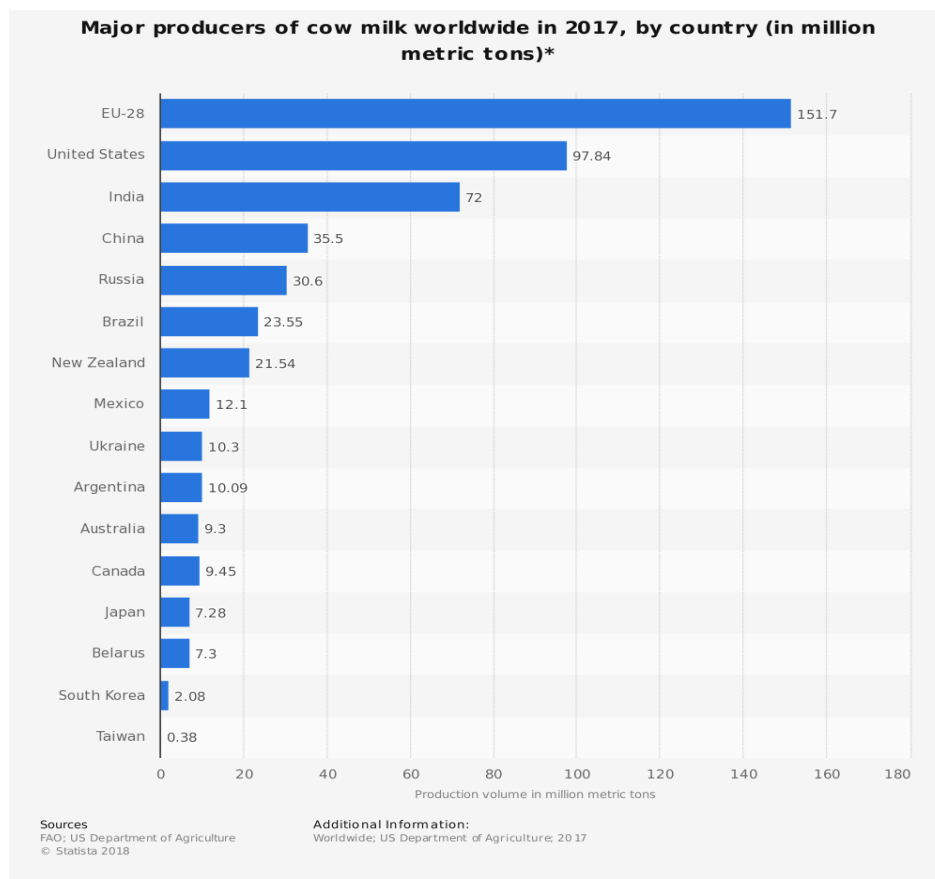


This contrast puts light on an entirely new phenomenon of Psychological Impact of advertising on the minds of the buyers. The consumers themselves are not aware of the subconscious impact these endorsements have on the minds of the buyers which then leads to them purchasing the product. The endorsements and the claims by the celebrity whose lifestyles is already looked up to with awe and envy, leave a silent mark at the back of the minds of the consumer who then subconsciously associate a certain product with the certain endorser endorsing it. The buyers themselves are unaware of the psychological impact these advertisements have on their mindsets which then silently influence their buying decisions and make them intending on buying the product. It

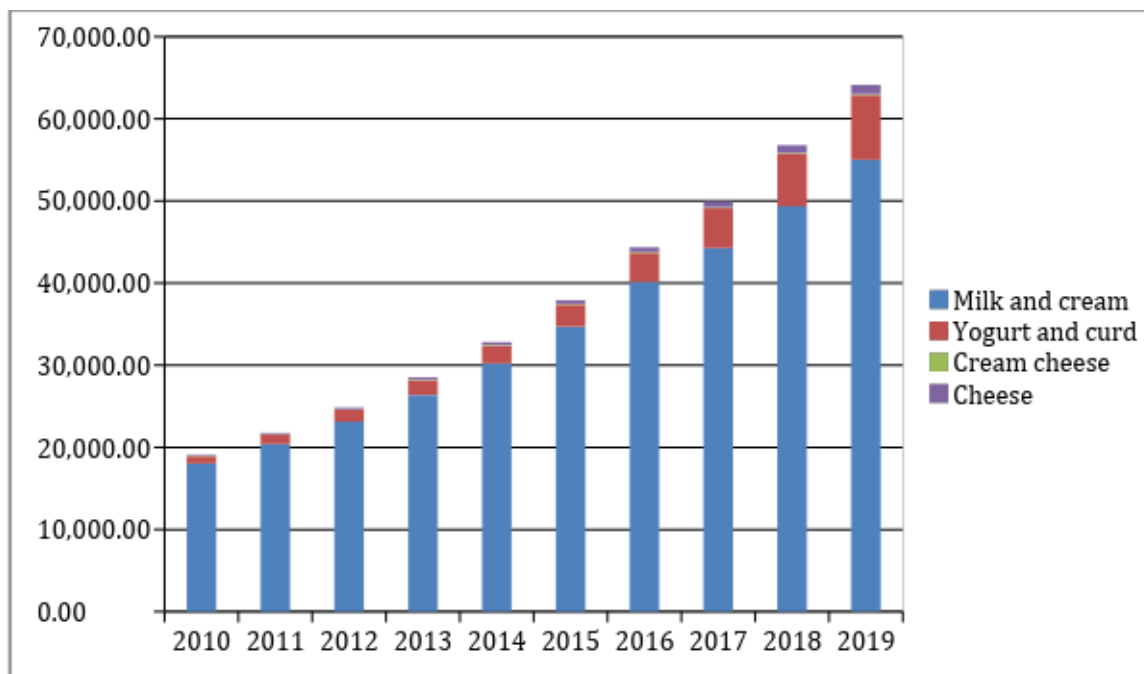
is in the knowledge of the brands that the buyers have a better recall for the products endorsed by celebrities and if the celebrity is the one who strikes a better chord with the audiences or is more familiar to the audiences, the results are even beneficial. This phenomenon of Hidden Advertising where the brands target the consumers not directly but psychologically tends to have a deeper impact which shows in the trends. Consumers themselves do not know that their choices are somewhat framed and directed by the correlation of the brand with its celebrity endorser and it leads to them finally getting the product. Hence, the element of psychological impact of the advertising clearly comes into play here.

This is the most convincing reason for the deviation seen between the trends of the brand after a more familiar face is roped in as celebrity endorser and the responses of the consumers; the reason being their lack of recognition of the silent impact of the endorsements in their minds.

Considering another example which is entirely contradictory to the trends seen above, is the case of Dairy and Milk industry which is one of the very few industries not involved in any kind of advertising whatsoever, celebrity endorsements being the least likely. This industry however faces a constant rise in its sales and production by the year. This example also brings out the contradiction between the buyer responses and the trends seen in the industry over the years which also owes it to the psychological impact of the endorsements which renders the choices of the buyer as an individual a little less significant.



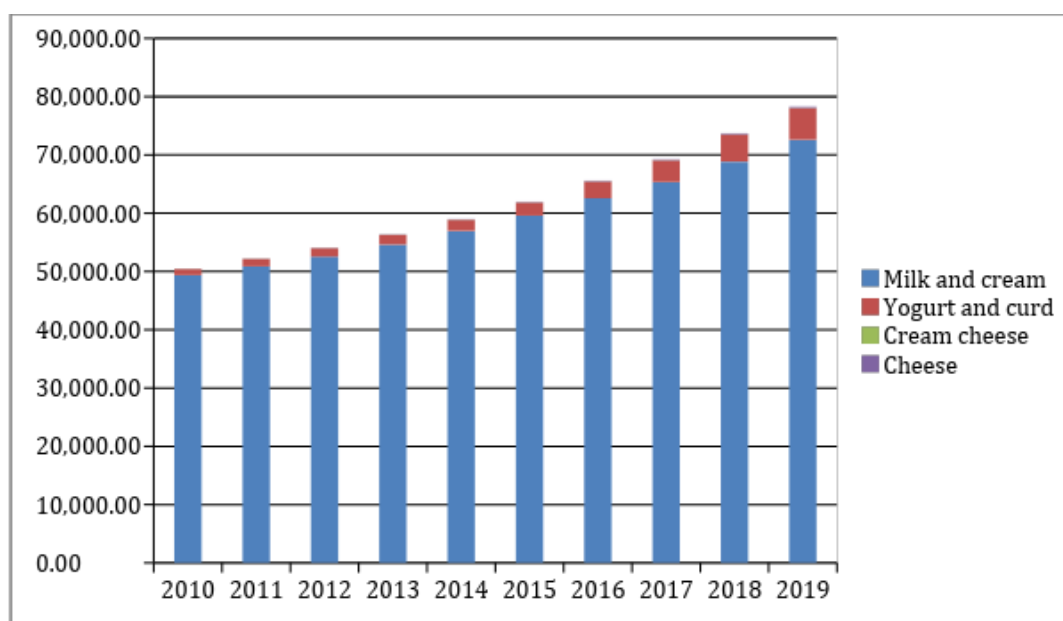
India is the 3rd largest producer of milk in the world.



Year	Milk and cream(in mn)	Yogurt and curd(in mn)	Cream cheese(in mn)	Cheese(in mn)
2010	18,024.20	870.2	52.1	126.3
2011	20,390.30	1,146.40	60.1	171.6
2012	23,119.70	1,441.80	72.1	225.3
2013	26,380.80	1,768.60	84.7	288
2014	30,212.40	2,143.10	94.3	358.8
2015	34,696.50	2,669.50	101.6	450
2016	40,141	3,544.60	108.2	569.1
2017	44,271.20	4,849	114	724.6
2018	49,344.10	6,402	120.1	918.9
2019	55,017.70	7,873.40	128.1	1,118.50

The above data shows the continuously rising sales of the dairy industry over the years that too without any advertising or endorsement.

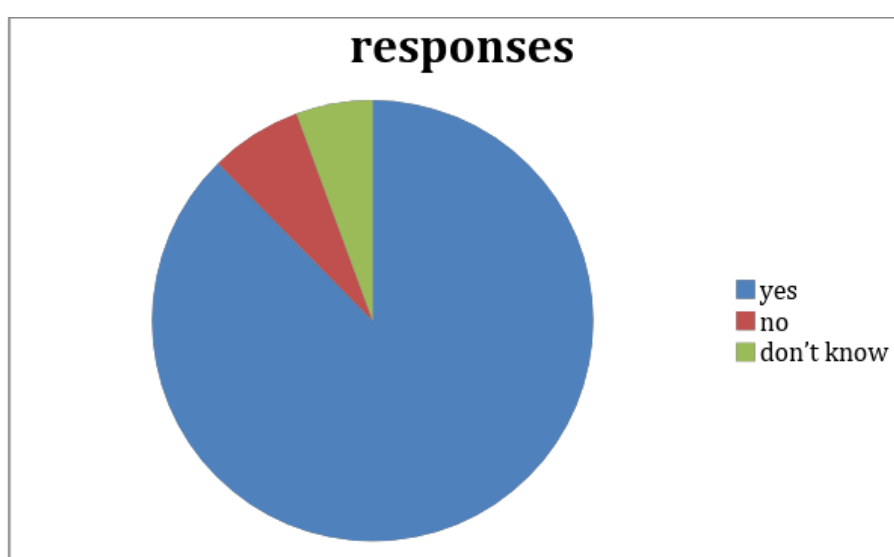
The production data also displays a similar scenario



YEAR	Milk and cream	Yogurt and curd	Cream cheese	Cheese
2010	49,375.67	1,055.98	29.23	41.13
2011	50,876.13	1,278.83	31.01	51.35
2012	52,541.74	1,463.53	33.85	61.36
2013	54,606.58	1,658.55	36.75	72.46
2014	56,960.71	1,909.04	38.87	85.75
2015	59,581.15	2,259.16	39.78	102.17
2016	62,578.32	2,858.51	40.36	123.13
2017	65,349.57	3,717.20	40.45	149.03
2018	68,853.99	4,657.78	40.45	179.37
2019	72,605.94	5,438.78	40.94	207.3

The above data trends are proof of the fact that the dairy industry is constantly flourishing without any endorsement or famous celebrity roped in to promote it. The consumers themselves contradict their actions and their preferences and thus the phenomenon of psychological impact is thus prominent. This was again in contrast to the responses received from the respondents

Does celebrity help in brand promotion?



Hence, the psychological factor seems working very effectively in all the cases here. On one hand they say that the celebrity helps in brand promotion and on the other hand the trends of the dairy industry seem to be skyrocketing that too without any celebrity endorsing it.

If the dairy industry indulges itself in the arena of advertising, it will approximately earn a marginal revenue of about Rs 2000 pr consumer which is 100 times of that of a normal brand earning when it ropes in a celebrity for endorsement. This fact points to the condition that if the dairy industry participates in the advertising arena, it will earn a lot more than what the usual FMCG brands are earning. However, since the industrialists are themselves aware that the demand for the dairy products is inelastic and non substitutable, there is no need for indulging into such commonplace tactics.

This contradicts the notion of the respondents who say that the celebrity helps in brand promotion and sales of the brand.

4.6 Hypothesis Testing 3

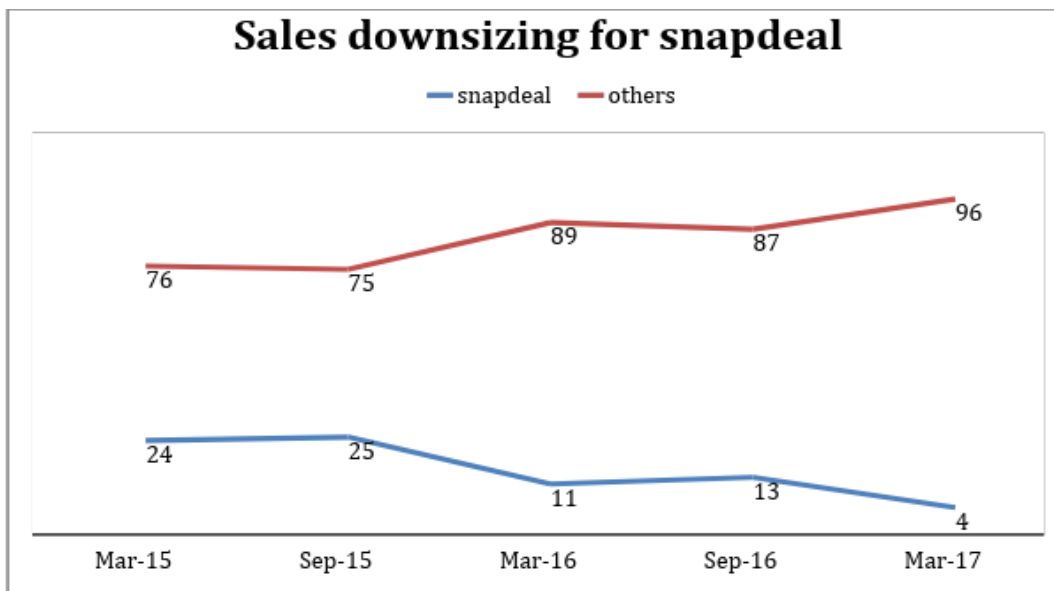
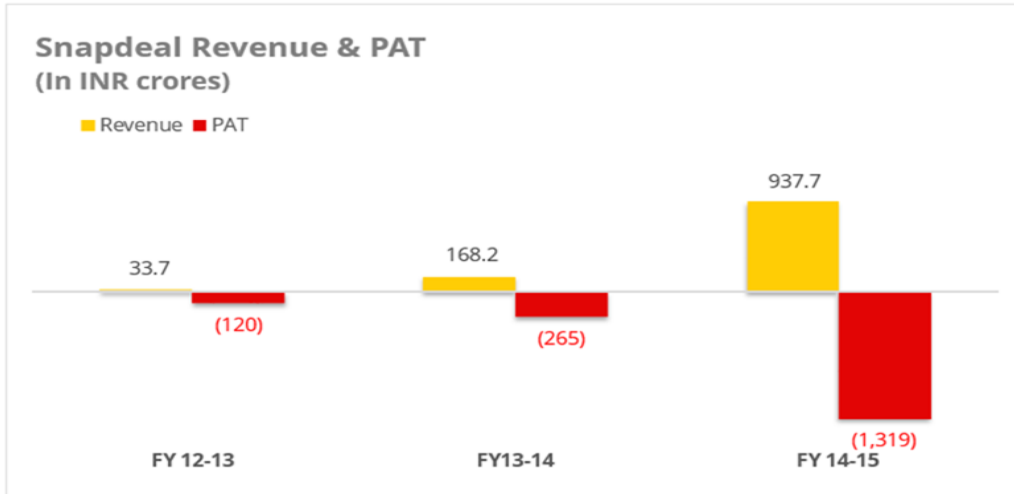
H0: There is no impact on the choices of the consumer if the celebrity is in a bad picture

H1: There is a negative impact on the choices of the consumer if the celebrity is in a bad picture

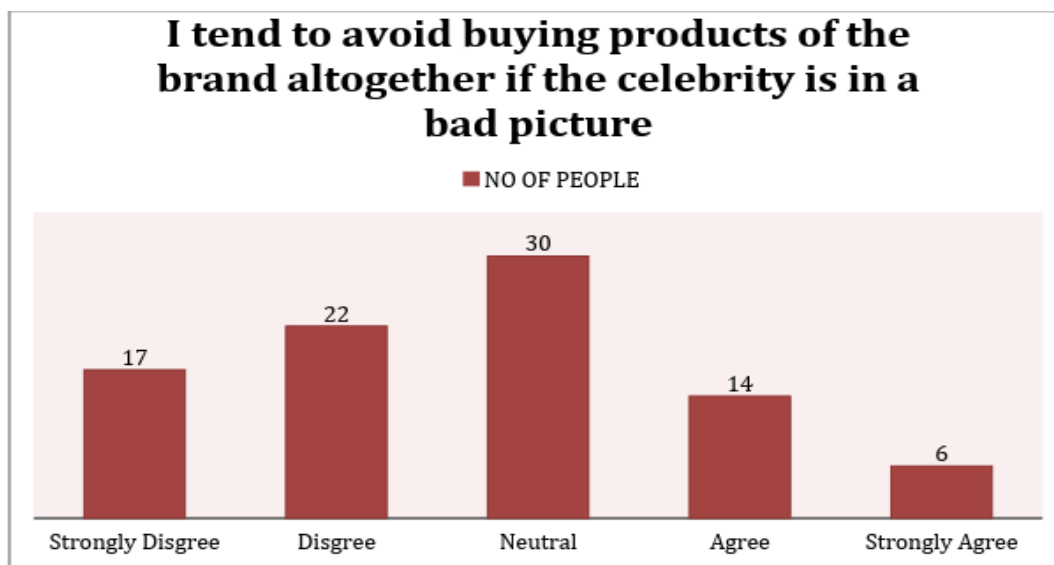
For testing this hypothesis, let's consider the case study of Snapdeal where Aamir Khan, who was endorsing the brand was in a bad picture due to his comments on intolerance in 2015.

According to our hypothesis, it is assumed that the buyers would not alter their purchasing habits and buying decisions if the celebrity endorsing the brand is in a bad fame.

The trends for snapdeal sales were analyzed.



The trends are in contrast to what the responses were received from the respondents regarding their choices if the celebrity endorsing the brand was in a bad picture



The respondents stated that they would not stop purchasing the product even if the celebrity endorsing it is in a bad picture but Snapdeal trends tell a different story altogether. The sales for snapdeal downsized tremendously after the Intolerance controversy which roped in their ambassador Aamir Khan and as a result snapdeal lost a humongous chunk of its market share which is totally in contrast to the buyer perceptions towards the scenario.

Therefore, the hypothesis H0 stating “ H0: There is no impact on the choices of the consumer if the celebrity is in a bad picture” is rejected.

The null hypothesis is rejected and the alternative hypothesis H1 stating “There is a negative impact on the choices of the consumer if the celebrity is in a bad picture” is accepted.

V. Conclusion

5.1 Overview

In today's era where the market is driven and centered on the consumer, the business houses are constantly bringing up new tactics and strategies to catch the attention of their potential buyers and future consumers. The most commonly used strategy is the strategy of associating an identifiable and a well known celebrity with the brand which is also a silent tool for leaving an imprint in the minds of the consumer that too subconsciously of which, the consumers are not aware. These strategies are creating havoc in the market with each brand roping in an even more popular celebrity just to ensure that the recall value of the product is way better than the others in the arena.

5.2 Findings

After applying various tests and tools to the quantitative data to analyze the impact of celebrity endorsements on the choices of consumers, it was found out that the buyers are extremely dwindling individuals who tend to act contradictorily to their beliefs. The impact of advertisements and endorsements undertaken by various brands is such that the buyers themselves are unaware of the silent mark that these marketing tactics leave on their minds. Although they project themselves as being extremely rational, their buying motives are somewhere affected to some extent by the endorsements they see in their day to day lives. They tend to associate the brand and its products with the celebrity who endorses them and thus somewhere to an extent guides their purchasing motives.

The hypotheses as we stated were in sync with the responses received from the respondents via the questionnaire yet the results were widely varying and contradictory to one another which proves the psychological aspect of endorsements and their silent impact on the buyer decisions.

In conclusion, it can be stated that although buyers have their own choices and the parameters on which these choices are based, there is also an external influence of the celebrity endorsements which try and catch the attention of the target audiences and lure them into the trap of purchase of the merchandise. These marketing strategies have a better recall and thus tend to create their space in the minds of the buyers. Although deceptive, they still can be a big part of the parameter on based on which the so called rational buyer tends to justify his purchase decisions.

Therefore, these strategies implemented by the big brands to rope in the celebrity to endorse their product is a positively targeted manoeuvre which eventually catches the sight of the audience and silently leaves a mark in their memory and which subconsciously guides their decisions of purchase to a significant but limited extent.

5.3 Future scope

This study has much scope of being used in future to understand the psychological impact of these advertising techniques on the minds of the consumers while simultaneously putting light on the behavior of the consumers who behave way contradictorily to what they claim they believe. This can in future lead to the brands developing policies and strategies which can take into account this behavioral aspect of consumer buying and how they tend to show behaviour opposite to that of the expected outcomes.

The consumers are unaware of the fact that these strategies tickle their subconscious mind to such an extent that their purchasing decisions are to a large extent governed by them and they thus end up moving in an opposite direction from the normal. The brands can devise strategies and innovations to tap this unconscious behavior and run their businesses such where the unconscious element of the buying behavior comes into play that too with the buyer being unaware of this fact that the business is gaining its velocity by putting into use their hidden behavior opposite of the one they claim to possess- the so called rational side.

5.4 Limitations of the study

I however feel that after conducting this study, there is a side of it which possesses a few drawbacks.

The respondents who are not approached physically to fill the questionnaire try and put themselves in a good picture and therefore some of their responses might be just to show them on a positive side.

The responses of the respondents may also be biased to some extent and they try and project themselves as rational and practical individuals and therefore try and respond to the questions not as per their actual actions and choices but like what a rational individual would prefer.

Since the consumers are not fully aware of themselves and their choices, they tend to give contradictory responses as compared to their actions.

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