
Impact of Celebrity Endorsements on Consumer Buying Decisions – A Conceptual Framework

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Abstract: *The use of celebrity endorsement has become a prevalent strategy in contemporary marketing, embraced by numerous large corporations. This approach is characterized by a well-known individual leveraging their public recognition to promote a specific product or service. The study employed exploratory research methods alongside a qualitative framework, which included an extensive review of existing literature, leading to the development of a conceptual model. The findings of the research indicate that certain key attributes are essential for a celebrity to be deemed suitable for endorsement roles. These attributes include congruency, flexibility, expertise, attractiveness, longevity, and likeability, all of which contribute to the effectiveness of the endorsement in enhancing brand visibility and consumer engagement.*

Keywords: *Celebrity Endorsement, Congruency, Expertise, Longevity & Likeability.*

1. INTRODUCTION

In contemporary marketing, major corporations frequently leverage celebrity endorsements as a key strategy for promoting their products. This approach has gained traction due to its effectiveness in enhancing brand visibility, which in turn drives sales for the companies involved. According to Friedman and Friedman (1979), a celebrity is defined as a prominent individual, such as an actor, athlete, or entertainer, who is widely recognized by the public for achievements in areas unrelated to the products they endorse. This form of advertising capitalizes on the celebrity's fame to create a favorable association with the brand. Celebrity endorsement is particularly prevalent in industries such as fashion and fragrance, where brands often utilize high-profile appearances at product launches and engaging television advertisements. The primary goal of this marketing technique is to tap into the celebrity's extensive fan base, thereby reaching a broader audience. Ultimately, a consumer's purchasing behavior is influenced by a complex interplay of their attitudes, preferences, beliefs, and decision-making processes, all of which are shaped by the marketing messages conveyed through celebrity endorsements.



Background of the Study

The concept of using celebrity endorsements to drive product sales has long been a topic of discussion within the marketing sector, although not every organization subscribes to this approach. The underlying principle is that consumers are often drawn to well-known personalities, and when these figures are featured in advertisements for new products, it can lead to increased consumer interest and a greater likelihood of purchase, as individuals may feel a connection to the celebrity. Numerous high-profile commercials featuring celebrities can be observed in our country, showcasing their influence on consumer behavior. Prominent figures such as Aamir Khan have represented brands like COCA COLA, TITAN, and TATA SKY, while MS Dhoni has been featured in campaigns for REEBOK, MASTERCARD, and NETMEDS. Additionally, cricket legend Sachin Tendulkar has appeared in advertisements for PEPSI and LUMINOUS, and Amitabh Bachchan has endorsed products for REID and TAYLOR, CADBURY, and ONE PLUS. These examples illustrate the significant role that celebrity endorsements play in shaping consumer perceptions and driving sales across various industries.

Celebrity Endorsement in India

The current year's analysis highlights the growing trend of celebrity-owned businesses across diverse sectors, alongside the remarkable emergence of Indian celebrities as prominent representatives for esteemed international brands. In 2023, Bollywood made a significant resurgence in the film landscape, with major hits like “Gadar 2,” “Pathaan,” and “Animal” achieving record-breaking success by surpassing the USD 100 million threshold, thereby reaffirming Bollywood's influential position within the industry.

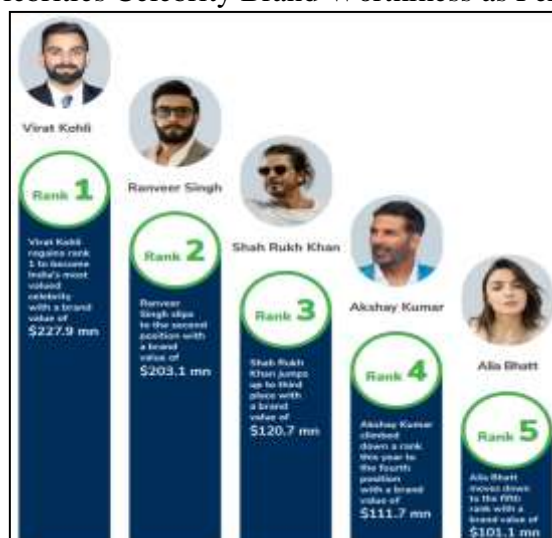
Table 1: Celebrity Brand Ranking Of Top 25 Celebrities in India

Celebrity	2023 Brand Rank	Brand Value (USD mn)	2022 Brand Rank
● Virat Kohli	1	227.9	2
● Ranveer Singh	2	203.1	1
● Shah Rukh Khan	3	120.7	10
● Akshay Kumar	4	111.7	3
● Alia Bhatt	5	101.1	4
● Deepika Padukone	6	96.0	5
● MS Dhoni	7	95.8	6
● Sachin Tendulkar	8	91.3	8
● Amitabh Bachchan	9	83.6	7
● Salman Khan	10	81.7	11
● Hrithik Roshan	11	78.5	9
● Kiara Advani	12	66.0	16
● Ranbir Kapoor	13	57.6	12
● Anushka Sharma	14	52.7	15
● Kareena Kapoor Khan	15	52.6	17

● Ayushmann Khurrana	16	47.5	14
● Kartik Aaryan	17	44.5	18
● Rohit Sharma	18	41.0	13
● Hardik Pandya	19	38.4	19
● Rashmika Mandanna	20	38.3	25
● Neeraj Chopra	21	29.6	23
● Allu Arjun	22	28.5	20
● Sara Ali Khan	23	27.9	21
● Varun Dhawan	24	27.6	22
● Katrina Kaif	25	27.1	New
Total Revenue: USD 1.9 bn		Source: Kroll Report, March 2023	

- Virat Kohli has reclaimed the top spot as India's most valuable celebrity, boasting a brand value of \$227.9 million, which is an increase of \$51 million from the previous year.
- Following him is Bollywood icon Ranveer Singh, who has fallen to second place with a brand value of \$203.1 million.
- Notably, Shahrukh Khan has made a remarkable return to the top five celebrity endorsers in India for the first time since 2020, with a brand value of \$120.7 million, reflecting a \$65 million increase from 2022.
- Akshay Kumar and Alia Bhatt round out the top five with brand values of \$111.9 million and \$101.1 million, respectively.
- Additionally, Kiara Advani has seen a significant rise in her brand value, moving up from rank 16 to rank 12, while Katrina Kaif has re-entered the list of India's most valued celebrity brands after a five-year absence.
- The total brand value of the top 25 celebrities in 2023 is estimated at \$1.9 billion, marking a 15.5% increase from the previous year.

Figure 1: Top 5 Celebrities Celebrity Brand Worthiness as Per Kroll Report, 2023





2. LITERATURES REVIEWED

In their 2012 study, Rafique and Zafar demonstrated that the attractiveness and credibility of celebrities have a substantial influence on customers' opinions towards the items they endorse; this outcome was established through the use of ANOVA.

According to Chan, Ng, and Luk's (2013) findings, respondents were most able to recollect celebrities they found to be charming, funny, and expressive. They concluded that when choosing celebrity endorsers, brands should take into account factors such as popularity, a positive reputation, and alignment between the celebrity's and the brand's image. Customers find it impressive when celebrities have been associated with a brand for a long time.

Bhargava (2015) demonstrated that consumers make an effort to purchase a brand that aligns with their individual personalities. A male celebrity figure is slightly preferred by consumers over a female celebrity. More buyers are influenced by price than by a celebrity's endorsement of the product.

According to Parwal, Jain, and Agarwal (2016), if celebrities endorse products, there is a high likelihood of a high degree of brand recall. The majority of respondents are positive that celebrities use one brand while endorsing another.

According to a study by Malik & Qureshi (2017), there is a slight influence of an endorser's gender on consumers' purchasing decisions. All respondents concur that a celebrity greatly increases the fame, memorability, and consideration of an advertisement.

In their 2018 study, Kusi, Domfeh, and Kim emphasized the need for a thorough personality evaluation of celebrities before assigning them endorsement responsibilities. Marketers can enhance their psychological connection with consumers by leveraging celebrity endorsements, which can be accomplished through the use of hypotheses and correlations. The risk associated with celebrity advertising impacts the predictive relationship between a celebrity's advertising role and purchase intention, but it does not affect the predictive relationship between a celebrity's personality characteristics and purchase intention to the same extent.

Research Gap

Although numerous eminent researchers have conducted extensive research on this subject, no conceptual framework has been developed for how celebrity attributes impact consumer purchasing behavior. This study aims to address this gap in knowledge.

Objective of the Study

To design a conceptual framework outlining the characteristics of a celebrity those influence the decisions of consumers while buying.

3. RESEARCH METHODOLOGY

This relates to the systematic methods, strategies, and instruments employed in business analysis to identify challenges, develop research frameworks, collect and analyze data, and make informed decisions aimed at addressing issues or generating innovative concepts while evaluating current theories. The investigation that has commenced is characterized by its



exploratory nature, placing significant emphasis on an extensive review of existing literature. The research conducted in associated disciplines provides the essential groundwork for the secondary data utilized.

- **Research Approach:** The research methodology employed in this study is qualitative, focusing on understanding phenomena through the lens of individual perspectives rather than yielding precise numerical results. This approach emphasizes the richness of human experience and the subjective quality of the data collected.
- **Research Design:** Given the exploratory nature of the research, an exploratory research design has been deemed the most fitting for this investigation. This design is particularly suitable as it allows for a comprehensive review of existing literature and facilitates the development of a conceptual framework, aligning well with the study's objectives.
- **Sampling Technique:** Convenience sampling, a form of random sampling was used to select the celebrities endorsements based on the rankings as per Kroll report.
- **Data Collection:** This study utilizes secondary data. Secondary data was sourced from books, journals, the internet, and various studies relevant to the topic, providing a theoretical framework for understanding investment.

4. RESULTS AND DISCUSSION

Research indicates a prevalent trend where celebrity endorsements outperform non-celebrity advertisements in terms of consumer engagement. These celebrity ads garner significantly more attention compared to their non-celebrity counterparts. Interestingly, despite the rapid rise of social media, television remains the most favored platform among consumers for advertising, as highlighted by Priyankara et al. (2017). While social media usage has surged, consumers still predominantly associate advertisements with television, with radio trailing far behind. A notable finding from a study conducted in Pakistan revealed that many respondents perceive the products or brands endorsed by celebrities as not genuinely representative of the celebrities themselves. However, this perspective may be region-specific, as other studies from various regions, including India, do not support this conclusion. The literature review encompasses research from diverse locations, including Hong Kong, Goa, and Karachi, suggesting that the type of celebrity preferred may vary by region. For instance, in Goa, where football is particularly popular, surveys indicate a preference for sports celebrity endorsements, a trend mirrored in Karachi, where cricket holds greater prominence than the film industry. These examples suggest that regional factors significantly influence consumer perceptions and preferences regarding celebrity endorsements.

The popularity of a celebrity significantly influences a brand's ability to drive sales through advertising featuring that individual. However, it is crucial to recognize that these high-profile figures often demand substantial fees for their endorsement contracts. Consequently, organizations must exercise caution in their selection process, necessitating a comprehensive background check on the celebrity, a sentiment echoed by participants in the research. Additionally, the elevated costs associated with celebrity endorsements may lead to higher prices for consumers. While it is disheartening to acknowledge that gender plays a role in consumer preferences, it is evident that in certain regions, there is a tendency for consumers



to favor male celebrities over female ones for endorsements, as noted by Randhawa and Khan (2014). This preference is not universally applicable, as it can vary based on the type of product being promoted; for instance, athletic brands like NIKE and ADIDAS typically opt for male sports figures to represent their advertisements.

The mere act of hiring a celebrity for product endorsement does not guarantee an organization's success. Consumers tend to prioritize other critical factors such as price, quality, and the necessity of the product over celebrity influence. When celebrities switch from one brand to another, consumers often view this behavior favorably, indicating that the strength of the brands involved plays a significant role in the outcome. Consequently, the impact of celebrity endorsements diminishes, as it is not sufficient for a consumer to simply like a celebrity to ensure their purchase. It is essential for consumers to establish a connection between the product and the celebrity promoting it for the endorsement to be effective.

Identification of Conceptual Variables

The literatures reviewed allowed to identify several key variables for conceptual framework:

- 1. Likeability:** It has a positive impact on consumer behavior. This refers to the level of popularity a celebrity holds within their industry, as well as the extent to which they maintain a reputable image that appeals to individuals across various age demographics. Consequently, a celebrity with high likeability is likely to attract a larger audience to advertisements, thereby enhancing the likelihood of influencing consumers' purchasing decisions favorably.
- 2. Attractive:** The concept of attractiveness significantly influences consumer behavior, particularly in the context of celebrity endorsements. It refers to the extent to which consumers are compelled to engage with advertisements featuring appealing celebrities. When a celebrity possesses attractive qualities, it tends to draw a larger audience to the advertisement, thereby enhancing the likelihood of positively impacting consumers' purchasing decisions.
- 3. Longevity:** It also positively influences consumer behavior, refers to the duration of a celebrity's association with a specific brand. When a celebrity is perceived as trustworthy, their affiliation with the brand tends to last longer, as indicated by findings in the literature review of research papers. This extended association leads consumers to increasingly link the celebrity with the endorsed brand. Consequently, the longevity of this relationship has a favorable impact on consumers' purchasing decisions.
- 4. Expertise:** Expertise, which refers to the level of accomplishment a celebrity has attained in their respective field, plays a significant role in influencing consumer behavior. Research indicates that well-established celebrities are more effective in endorsing brands, leading to an enhanced brand image and increased sales. Consequently, the expertise of a celebrity has a favorable impact on consumers' purchasing decisions.
- 5. Flexibility:** The flexibility of a celebrity plays a significant role in influencing consumer purchasing decisions. By engaging with multiple brands under one umbrella, the celebrity can effectively reach a broader audience, thereby positively impacting consumer behavior. This dynamic fosters a sense of trust and familiarity among consumers, ultimately leading to increased brand loyalty and sales for the organization.

- 6. Congruency:** As a result, congruency has a favorable impact on consumers' purchasing decisions. When consumers perceive a clear alignment between the product and the celebrity, it can lead to increased trust and a greater likelihood of making a purchase, ultimately driving sales and brand loyalty.

The conceptual framework presented in Figure 1 is informed by insights gathered from the literature. The authors have meticulously compiled this framework to reflect the key findings and themes identified in their research.

Figure 1: Conceptual Variables Framework (Based On the Literatures Reviewed)



Source: Author's Compilation

Limitations

The nature of this research is exploratory, which means it does not yield a singular outcome, contrasting with descriptive research that allows for empirical analysis. Additionally, the provided conceptual framework may not be universally applicable across various geo-demographic profiles. Moreover, the range of variables considered may not be comprehensive enough for the intended purpose.

5. CONCLUSION

The research on the Impact of Celebrity Endorsement on Consumer Purchasing decisions indicates that a strong, positive relationship between marketers and celebrities is essential for effectively reaching consumers. Many individuals find celebrity endorsements more appealing and impactful compared to those from non-celebrities. A significant portion of the audience tends to disregard negative publicity surrounding a celebrity, which does not significantly alter their purchasing decisions regarding brands. Numerous well-known companies leverage the influence of celebrities to enhance their products and services' appeal to target customers. It can be inferred that celebrities contribute substantial brand value to products. Notably, celebrity endorsements tend to resonate positively with younger audiences. It is crucial for the celebrity endorsing a product to align closely with the brand or product being promoted.



Scope for Future Research

Future empirical research that encompasses a broader geo-demographic profile and incorporates a larger array of variables may enhance the generalizability of the findings.

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