

# Consumer Perception towards Celebrity Endorsement in FMCG Products: A Study with Special Reference to Endorsements by Film Stars

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## ABSTRACT

The role of the celebrity spokesperson can be multiple and not necessarily mutually exclusive, such as Testimonial, Endorser & Spokesman. Psychology literature has identified three dimensions of source credibility, in particular when the source is an individual; trust, expertness and attractiveness. The present study empirically examines the consumer perception towards FMCG endorsements by film stars. Attractiveness and expertness have been positively perceived, whereas trustworthiness perception is found to be moderate. Socio economic factors are not found to have any significant association with the perception except in the case of expertness and education level of consumers.

## 1. Introduction

The concept of celebrity endorsement has its origin in Psychology. One of the most studied areas is that of "source credibility" which is very similar to the "ethos" of Aristotle (Hovland & Weiss 1952; McCroskey & Young 1981). Source credibility has been defined as: "attitude toward a source of communication held at a given time by a receiver" (McCroskey & Young 1981). Psychology literature has identified three dimensions of source credibility, in particular when the source is an individual; trust, expertness and attractiveness. (Roy & Moorthi, 2009)

Celebrity has been defined by Friedman, Termini, and Washington (1976) as someone who is, "known to the public for his accomplishment in areas unrelated to the product class endorsed."

According to McCracken (1989), a celebrity endorser can be defined as, "any individual who enjoys public recognition and who uses this on behalf of a consumer good by appearing with it in an advertisement."

### 1.1. Statement of the Problem

The role of the celebrity spokesperson can be multiple and not necessarily mutually exclusive, such as: Testimonial: Here the individual attests to the superiority or excellence of a product or service on the basis of personal experience with it. Endorser: Here the individual is merely associated with the brand, which implies an endorsement. In this case the individual mayor may not be an expert in the field of the brand. Actor: Here the individual is merely a character in a dramatic presentation. Spokesman: The individual represents the company or brand, much as does a salesman. (Kamen, Azhari and Kragh 1975)

The celebrity selected for the endorsement sometimes may be an expert in the product/related area, such as Michael Jordan endorsing basketball shoes for Adidas. However, the celebrity may not be an expert. Sometimes, the celebrity may

also have a long-term association with the product or brand. (Roy & Moorthi, 2009)

This paper attempts to assess the consumer perception towards celebrity endorsements with special reference to endorsements by film stars.

### 1.2 Objectives

The present study aims to serve the following objectives:

- To study the consumer perception towards celebrity endorsements with special reference to endorsements by film stars
- To compare the perception across socio economic factors

### 1.3. Methodology

The present study is empirical in nature. Primary data has been collected using structured questionnaire adopting scale on Expertise, Trustworthiness, and Attractiveness of Celebrity Endorsers (Ohanian 1990). Descriptive and Inferential statistics are applied to analyse and interpret the data.

## 2. Results

The data collected using the scales were found to be reliable with Cronbach's Alpha above 0.7 (Nunally, 1978). The data were also found to be normally distributed using KS test and SW test. Hence the data is eligible for parametric tests in analysis.

**Table 1**  
**Profile of the Sample**

| Variable   | Category                      | Frequency | Percent |
|------------|-------------------------------|-----------|---------|
| Gender     | Male                          | 20        | 29.9    |
|            | Female                        | 47        | 70.1    |
|            | Total                         | 67        | 100.0   |
| Occupation | Salaried – Govt/Public Sector | 3         | 4.5     |

|                      |                           |    |       |
|----------------------|---------------------------|----|-------|
|                      | Salaried – Private Sector | 20 | 29.9  |
|                      | Self Employed             | 3  | 4.5   |
|                      | Student                   | 35 | 52.2  |
|                      | Unemployed                | 6  | 9.0   |
|                      | Total                     | 67 | 100.0 |
| Education            | +2/Diploma                | 11 | 16.4  |
|                      | Graduate                  | 27 | 40.3  |
|                      | Post Graduate             | 29 | 43.3  |
|                      | Total                     | 67 | 100.0 |
| Annual Family Income | Below Rs 2 lakhs          | 32 | 47.8  |
|                      | Rs 2 lakhs to Rs 5 lakhs  | 21 | 31.3  |
|                      | Rs 5 lakhs to Rs 10 lakhs | 10 | 14.9  |
|                      | Above Rs 10 lakhs         | 4  | 6.0   |
|                      | Total                     | 67 | 100.0 |
| Region of Residence  | Rural                     | 19 | 28.4  |
|                      | Urban                     | 48 | 71.6  |
|                      | Total                     | 67 | 100.0 |

Source: Survey Data

**Table 2**  
Consumer Perception towards Celebrity Endorsement

|                 | Mean | SD     | t     | df | P Value   |
|-----------------|------|--------|-------|----|-----------|
| Attractiveness  | 3.94 | 0.8239 | 9.342 | 66 | < 0.001** |
| Trustworthiness | 3.04 | 0.8654 | 0.424 | 66 | 0.673     |
| Expertise       | 3.71 | 0.8255 | 7.074 | 66 | < 0.001** |

Source: Computed from Survey Data

\*\* Highly Significant

The consumer perception towards celebrity endorsement is found to be relatively high in Attractiveness and Expertise which is also found to be significant. Trustworthiness is perceived as moderate by the consumers.

**Table 3**  
Socio Economic Factors and Perception towards Attractiveness of Celebrity Endorsements

| Variable             | Category                      | Mean       | F / t | P Value |
|----------------------|-------------------------------|------------|-------|---------|
| Gender               | Male                          | 3.93       | -0.66 | 0.947   |
|                      | Female                        | 3.95       |       |         |
|                      | Total                         | 3.94       |       |         |
| Occupation           | Salaried – Govt/Public Sector | 4.33       | 1.125 | 0.353   |
|                      | Salaried – Private Sector     | 4.04       |       |         |
|                      | Self Employed                 | 3.20       |       |         |
|                      | Student                       | 3.86       |       |         |
|                      | Unemployed                    | 4.23       |       |         |
|                      | Total                         | 3.94       |       |         |
|                      | Education                     | +2/Diploma |       |         |
| Graduate             |                               | 4.20       |       |         |
| Post Graduate        |                               | 3.79       |       |         |
| Total                |                               | 3.94       |       |         |
| Annual Family Income | Below Rs 2 lakhs              | 3.89       | 0.074 | 0.974   |
|                      | Rs 2 lakhs to                 | 3.96       |       |         |

|                     |                           |      |        |       |
|---------------------|---------------------------|------|--------|-------|
|                     | Rs 5 lakhs                |      | -1.210 | 0.231 |
|                     | Rs 5 lakhs to Rs 10 lakhs | 4.02 |        |       |
|                     | Above Rs 10 lakhs         | 4.00 |        |       |
|                     | Total                     | 3.94 |        |       |
| Region of Residence | Rural                     | 3.75 | -1.210 | 0.231 |
|                     | Urban                     | 4.02 |        |       |
|                     | Total                     | 3.94 |        |       |

Source: Computed from Survey Data

# Independent Sample t Test / One Way ANOVA

The perception towards attractiveness of celebrity endorsements is found to be evenly distributed among the different socio economic categories. The slight deviations are not found to be significant.

**Table 4**  
Socio Economic Factors and Perception towards Trustworthiness of Celebrity Endorsements

| Variable             | Category                      | Mean | F / t  | P Value |
|----------------------|-------------------------------|------|--------|---------|
| Gender               | Male                          | 2.93 | -0.705 | 0.483   |
|                      | Female                        | 3.09 |        |         |
|                      | Total                         | 3.04 |        |         |
| Occupation           | Salaried – Govt/Public Sector | 3.00 | 0.262  | 0.901   |
|                      | Salaried – Private Sector     | 2.99 |        |         |
|                      | Self Employed                 | 2.60 |        |         |
|                      | Student                       | 3.11 |        |         |
|                      | Unemployed                    | 3.10 |        |         |
|                      | Total                         | 3.04 |        |         |
| Education            | +2/Diploma                    | 2.80 | 2.029  | 0.140   |
|                      | Graduate                      | 3.30 |        |         |
|                      | Post Graduate                 | 2.90 |        |         |
|                      | Total                         | 3.04 |        |         |
| Annual Family Income | Below Rs 2 lakhs              | 3.19 | 1.100  | 0.356   |
|                      | Rs 2 lakhs to Rs 5 lakhs      | 2.89 |        |         |
|                      | Rs 5 lakhs to Rs 10 lakhs     | 3.14 |        |         |
|                      | Above Rs 10 lakhs             | 2.50 |        |         |
|                      | Total                         | 3.04 |        |         |
| Region of Residence  | Rural                         | 3.13 | 0.482  | 0.631   |
|                      | Urban                         | 3.01 |        |         |
|                      | Total                         | 3.04 |        |         |

Source: Computed from Survey Data

# Independent Sample t Test / One Way ANOVA

The perception towards trustworthiness of celebrity endorsements is found to be evenly distributed among the different socio economic categories. The slight deviations are not found to be significant.

**Table 5**  
**Socio Economic Factors and Perception towards Expertise of Celebrity Endorsements**

| Variable             | Category                      | Mean | F / t | P Value |
|----------------------|-------------------------------|------|-------|---------|
| Gender               | Male                          | 3.72 | 0.042 | 0.967   |
|                      | Female                        | 3.71 |       |         |
|                      | Total                         | 3.71 |       |         |
| Occupation           | Salaried – Govt/Public Sector | 4.20 | 0.859 | 0.493   |
|                      | Salaried – Private Sector     | 3.76 |       |         |
|                      | Self Employed                 | 3.47 |       |         |
|                      | Student                       | 3.75 |       |         |
|                      | Unemployed                    | 3.23 |       |         |
|                      | Total                         | 3.71 |       |         |
| Education            | +2/Diploma                    | 4.00 | 3.683 | 0.031*  |
|                      | Graduate                      | 3.92 |       |         |
|                      | Post Graduate                 | 3.41 |       |         |
|                      | Total                         | 3.71 |       |         |
| Annual Family Income | Below Rs 2 lakhs              | 3.75 | 0.155 | 0.926   |
|                      | Rs 2 lakhs to Rs 5 lakhs      | 3.74 |       |         |
|                      | Rs 5 lakhs to Rs 10 lakhs     | 3.62 |       |         |

|                     |                   |      |        |       |
|---------------------|-------------------|------|--------|-------|
|                     | Above Rs 10 lakhs | 3.50 |        |       |
|                     | Total             | 3.71 |        |       |
| Region of Residence | Rural             | 3.54 | -1.103 | 0.274 |
|                     | Urban             | 3.78 |        |       |
|                     | Total             | 3.71 |        |       |

Source: Computed from Survey Data  
# Independent Sample t Test / One Way ANOVA  
\*Significant

The perception towards expertise of celebrity endorsements is found to be evenly distributed among the different socio economic categories except education. Perceived expertise of celebrity endorsement is found to be low among the respondents educated above +2/diploma.

**3. Discussion**

Celebrity endorsements appear to be having a positive perception in the minds of consumers in terms of attractiveness and expertise. Trustworthiness is found to have a moderate perception. The socio economic factors are not found to have any significant association except in the case of expertise, where the perception is found high in the lower education segment. Marketers could perceive this an opportunity to tap in especially with respect to endorsements from film stars.

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