

Does Celebrity Endorsement have an Impact on the Sales of a Product?

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ABSTRACT: Celebrity endorsement is a form of Marketing; it is a type of publicizing effort or showcasing technique which utilizes a superstar's distinction or societal position to advance an item, brand or administration, or to bring issues to light about an issue. Every technique of Marketing will have a positive/negative or no impact on the sales of that particular product. This research paper focuses on **analyzing the impact of “celebrity endorsement” on the sales of a product.** A few related studies have been conducted earlier on similar lines of the topic but there is not yet a perfect solution to it. It is an ongoing debate. Some regard celebrity endorsement as the key to Marketing success of a business, as utilizing a big name to speak to you assists with differentiating your image from rivals. It likewise can improve advertisements made. Shoppers recollect your promotion and that your image is associated with their preferred celebrity/VIP. However, at the point when you sign on a VIP to underwrite your image, you sign on to everything that accompanies them. Some may feel that celebrities will embrace anything to make a buck. Big names can dominate the brand itself. Consumers may concentrate on the big name(celebrity) and not the product itself. This is a specific peril when famous people support numerous items one after another.

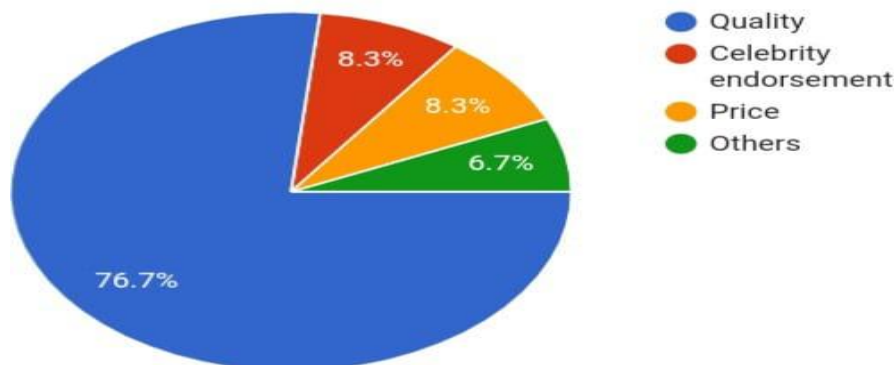
I. MATERIALS AND DETAILS:

The independent variable in this case is taken as “sales” and the dependent variable is “celebrity endorsement”. A survey has been conducted with about 100 participants and survey responses were collected through online platform. The participants were from various demographics; people of different age, gender, financial status, occupation, geographical areas were surveyed to understand the difference in consumer’s perspective about the same. A questionnaire was prepared with twelve questions, each question having its own importance with the motive to find out from the customer point of view about “Celebrity endorsement” and other related information. The survey forms were filled by 100 people through digital platform. The data was then analyzed to understand the research question, further critical analysis was done and necessary conclusions were drawn.

II. RESULT:

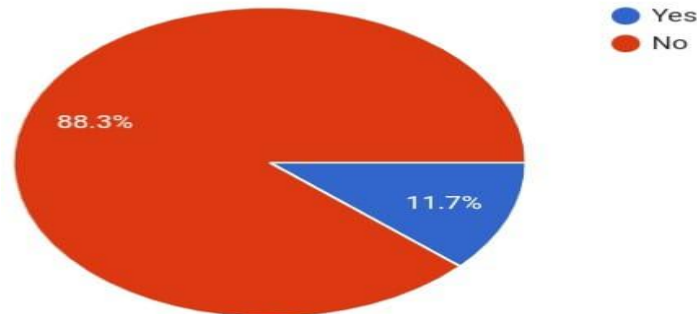
What makes you notice a brand?

This question was asked to see the main factors that market the common public notice a brand. The options given were quality, price, celebrity endorsement and others. Out of the 60 responses we received 76.7% opted for quality, the second most opted was celebrity endorsement and the rest opted for price and others option. After analyzing the received responses, we understand that *most people look for quality* more than anything else. If a product is at its best quality, it will for sure be purchased by the common public. Considering the second most opted factor we understand that celebrity endorsement also to some extent has an impact on the customers and is also a factor that initiates the action of buying by the people.



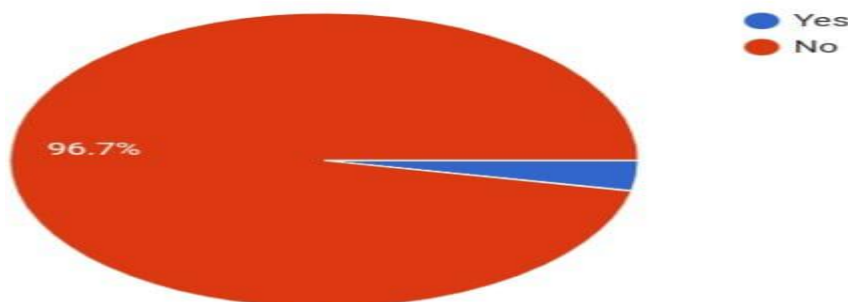
Have you ever bought a product only because it is advertised by your favorite celebrity?

This question was asked to see if people blindly purchase a product based on the person advertising it or if they make rational decisions looking at the other characteristics of the product. *About 88.3% of the people said “No”* while only 11.7% of the people said “Yes”. This could be because most of our participants were above the age of 18 and we believe that they being rational customers know how and on what basis to choose their products. People above certain age are considered as people who are able to make decisions based on the factors such as quality and other important variables and not merely because of the person advertising the product.



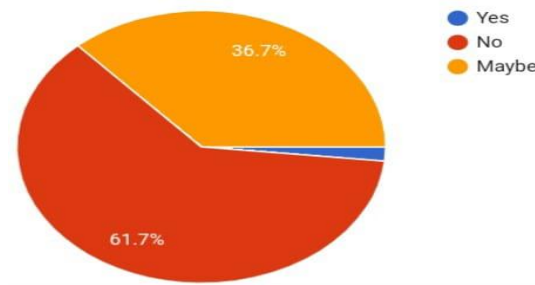
Are you of the belief that the actor uses the product as well?

This question was asked to see if people are of the wrong belief that the actor/celebrity advertising a particular product actually uses it himself/herself. By looking at the data we understand that *96.7% people don't believe that the celebrity uses the product* while a very small margin of 3.3% peoples of the assumption that the celebrities use the product themselves. The 3.3% in this case consists of the school going children who are of this wrong assumption and this though is making them buy the products advertised by their favorite popular figure. Most people which here is consisted by adults are aware that of the real facts.



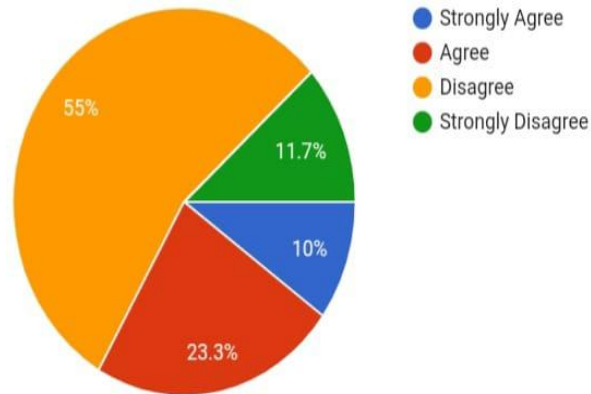
Do you believe that products specifically advertised by celebrities are of good/better quality?

This question was asked to understand the thoughts of customers and to see if they buy such products because they think that such products are of superior quality as compared to other products. *About 61.7% of the people are not of this thought* while the rest 36.7% of the people believe in this. Like mentioned in the earlier cases also most participants come under the category of adults with about 32% of them being teacher and about 21% of them being professionals. As we see that most are well educated people they are of the correct opinion and are having well thought believes and so do not consider such assumptions. The assumption that products advertised by celebrities are of better quality can also be supported as such is usually the premium brands providing superior quality products.



Would you withdraw from buying a product if the celebrity endorsing it is involved in a scandal?

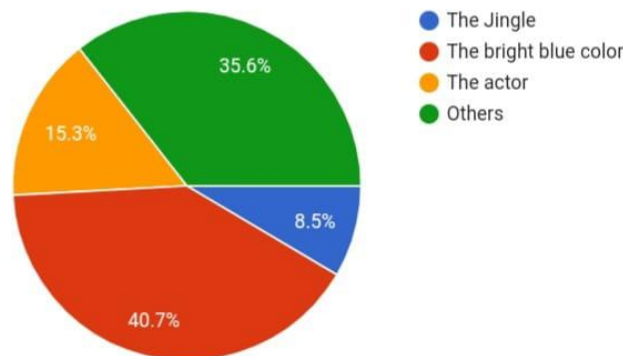
Almost all the participants in the survey have selected the option that it does not matter if the celebrity is involved in a scandal as it has already been clearly shown that they do not believe that the actor has anything personal to do with the brand. In an age that all is about second chances, the target market also seems to be inclined to do just that.



What comes to your mind when you think of head and shoulders?

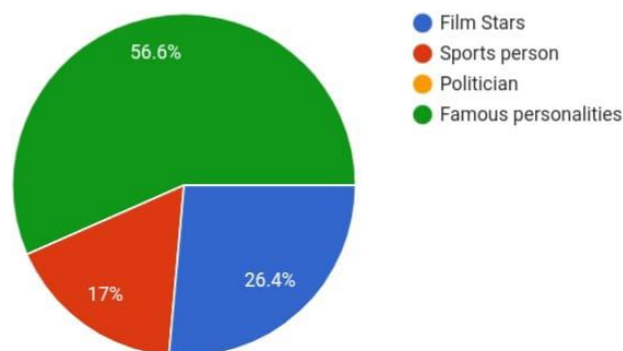
The product of discussion is very well-known among society and is easily found everywhere.

From the survey, it is seen that *the color of the product has etched itself into the consumer's mind*, showing that as soon as one thinks of the brand, the product comes into mind. It has been seen that consumers think of dandruff, shampoo, etc. when it comes to this product thus, showing the high percentage in segment 2. The various actors used to advertise the brand over the years, comes second and then the catchy song and dance number.



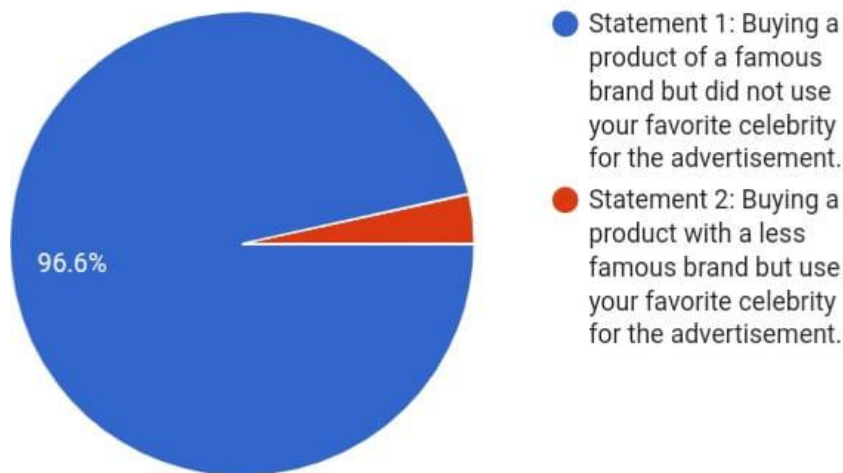
What type of celebrity endorsement personally persuades you to purchase a product?

From the survey, we can see that no one has voted for the politician slot further emphasizing on the fact that most politicians are not trusted in our country. Thus, it is shown that most companies do not use politicians to advertise their brand for the same reason. *Famous, well-known personalities, actors and sports persons however, are highly respected* in the society for their art and lifestyles which is why people are more inclined to buy the products advertised by them.



Which one do you prefer?

Statement 1: Buying a product of a famous brand but did not use your favourite celebrity for the advertisement (96.6%) Statement 2: Buying a product with a less famous brand but use your favourite celebrity to advertise. (3.4%) The purpose of this question was to find out whether or not people's purchasing considerations tend to change because of the brand loyalty or because of the advertisement of the brand and their personal bias toward the actor or celebrity. From the survey, we found out that *most people do not base their purchasing decisions on the advertisement but on the quality of the brand and the utility of the product*. In addition to this, we have also observed that although people do not base their buying on the celebrities, the attraction toward the product or the identification of a product definitely revolves around the celebrity. A few of them had mentioned that when a product advertised by a well-known celebrity is seen on a shelf, the catchy song or dance number immediately tends to pop up in their head and thus associating the product with the celebrity. Thus, although the final consumption does not depend upon the advertisement, the knowledge and awareness of the product definitely does.



III. DISCUSSION:

In today's corporate world, although many companies are coming up with unconventional strategies that stand out in the market like customer co-creation, 90% of the companies seem to be sticking to the traditional, conventional methods of marketing like brand endorsement not only because it is cost-effective but also due to the fact that most customers are used to this form of advertising.

Based on our survey and thorough analysis, we've reached the conclusion that *most consumers do not base their purchasing decision on celebrity endorsement*.

- Out of the 61 participants in our survey, about 85% of them have shown a display of rational thought and consideration, and are *not merely buying products based on their advertisements* or the person advertising them.
- These are the people who are ranging from a group of above 18 who we consider as "rational consumers" who can make suitable decisions *depending on feasible factors like price, quality and their need*.
- *People below the age of 18* however, have shown a tendency to select products based on the celebrity advertising them getting carried away with the hard and fast promises made in the ads.
- However, irrespective of the age group of a person, 95% of the participants have agreed that although it does not affect their buying decisions, the *appeal or awareness of a product is highly affected by the celebrity advertising* the said product.
- In conclusion, we would like to point out the fact that although celebrity endorsement does not instigate the direct sales of a product, it plays a vital role in spreading awareness and targeting the segmented market