



Research Paper

Impact Of Celebrity Endorsement On Customer Loyalty In Cosmetic Products

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ABSTRACT

Using the Kerala market as its focal point, this study analyses the effect of celebrity endorsement on brand loyalty for cosmetics. This research aims to look into how demographic factors affect the relationship between celebrity endorsement and customer loyalty. The study takes a descriptive approach, utilizing a well-structured questionnaire to elicit responses from 110 participants selected at random. The research makes use of both primary and secondary sources of information and employs techniques of statistical analysis such as the Percentage method, ANOVA, the T test, and the Correlation. According to the findings, both age and monthly income substantially impact the degree to which consumers trust celebrity endorsements and remain loyal to cosmetics brands. In addition, the study discovered a strong positive link between celebrity endorsement and brand loyalty. In sum, the research highlights the significance of picking the correct celebrity for endorsement in establishing a lasting brand name. This study's results reveal a meaningful link between celebrity endorsement and brand loyalty for cosmetic items sold in the Kerala market.

KEYWORDS: *celebrity endorsement, customer loyalty, cosmetic products, Kerala market*

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I. INTRODUCTION

Celebrity endorsements have become a prevalent marketing strategy, particularly in the cosmetic industry. There has been a tremendous surge in the employment of celebrities to promote various cosmetic goods in recent years.. Advertisers recognize the value of using public figures such as actors, actresses, models, and other well-known personalities to promote their products and create customer loyalty. This research paper aims to evaluate the effectiveness of celebrity endorsement in the cosmetic advertising industry, particularly in the Kerala market. The study investigates the impact of celebrity endorsement on consumer behavior and attitudinal loyalty towards cosmetic products. Consumers are more likely to be influenced by celebrities if they believe that the endorser has a genuine connection with the product rather than simply promoting it for materialistic gain. This paper reviews numerous studies that demonstrate the positive effects of celebrity endorsements on the credibility, communication, recall, and likeability of advertisements, as well as on purchase intentions. Companies invest significant amounts of money each year on celebrity endorsements to create positive brand awareness for their products. Brands need to choose the right celebrity to endorse their products, which means considering their personalities. The analysis presented in this paper is useful for evaluating the extent of celebrity endorsement and their influences on purchase intentions for cosmetic products.

II. OBJECTIVES OF THE STUDY

- To study the influence of demographic variables on celebrity endorsement and customer loyalty.
- To examine the relationship between celebrity endorsement and customer loyalty.

III. HYPOTHESES OF THE STUDY

- H1: There is a significant influence of demographic variable celebrity Endorsement and customer loyalty among users of cosmetic products.

- H2: There is a significant relationship between Celebrity Endorsement and customer loyalty among users of cosmetic products.

IV. REVIEW OF LITERATURE

Celebrity endorsement is a typical method in cosmetics marketing, as it helps corporations communicate the talent, beauty, and perfection frequently associated with renowned people (Byrne & Whitehead, 2003, p. 292). Customers are able to relate to the endorsing celebrity and may purchase the goods because of their image. . While celebrities improve consumers' perceptions of companies and products, it is unclear if this creates recurrent purchase intent and brand loyalty (Byrne & Whitehead, 2003).

According to Bandyopadhyay and Martell (2007), loyalty should include a positive attitude and recurrent buying behaviour. In doing so, they redefine the concept of brand loyalty (Bandyopadhyay & Martell, 2007). There is little proof, however, that celebrity endorsement will result in more brand loyalty than non-use. Unintentionally, consumers may pay more attention to the celebrity in advertising than to the product being promoted. Physically attractive celebrities are featured prominently in the majority of cosmetics advertising; nevertheless, excessive usage of celebrities may create a paradox, making it difficult for customers to determine whether they prefer the celebrity or the product. The ultimate objective of marketers is to attract consumers' attention to their products, however it is uncertain whether this objective can be achieved through the use of celebrities (Till & Busler, 1998).

According to Euromonitor (2009), "the problem is that the celebrity beauty sector has become oversaturated due to the massive influx of products" (Prance, 2007). Too many celebrity-endorsed cosmetics are on the market, producing confusion among customers and putting cosmetics companies in danger. According to previous research, the fact that celebrity endorsing possesses attributes such as affability, knowledge, dependability, and likeability makes them a source of persuasive information that generates a sense of security. The physical attractiveness of the endorser contributes significantly to the message's efficacy. Balance theory principles justify the utilization of celebrity endorsers to promote goods. (Mowen, 2000).

A celebrity is selected based on their credibility, and it is predicted that highly credible endorsers will cause more favourable attitude shifts towards the supported stance and induce more behavioural changes than less trustworthy sources (Ohanian, 1990). According to Schikel (1985), superstars exert a subtle but profound influence on ordinary thought and behaviour. Roll believes that a celebrity endorsement should possess attributes that the brand's target audience considers appealing, such as a desirable lifestyle, physical appearance, and intellectual talents. The results demonstrated that brand image benefits, such as functional, social, experiential, and aesthetic enhances, are positively associated to overall satisfaction, and functional and appearance enhances had a substantial effect on loyalty intention.

. According to Silvera and Austad (2004), celebrities are those who enjoy widespread public awareness and possess distinctive attributes such as attractiveness and dependability. Numerous major companies have acknowledged the value of celebrity endorsements as a marketing communication technique (Soderlund, 2003). The celebrity endorsement industry is worth billions of dollars now (Kambits et al., 2002), with marketers spending astronomical sums annually on celebrity endorsement contracts (Katyal, 2007). This demonstrates the significance of celebrities in the advertising sector.

In their research work, Anjum et al. (2012) concluded that consumers view celebrities as trustworthy, competent, and able to influence product demand. Furthermore, the study discovered that products recommended by celebrities have a larger market share. It was discovered that celebrity endorsement improves the brand's image.

In study conducted by Chan et al(2013) ., adolescents evaluated the entertaining abilities of celebrities. The most memorable celebrities, according to adolescents, were handsome, humorous, and expressive. The study indicated that positive images and the brand's image were significant to teens.

According to Patel's (2012) Ph.D. research, the perceived image of celebrity endorsers had a beneficial effect on college students' product purchasing behaviour. The survey also indicated that, compared to cricket celebrities, cinema stars have a greater impact on college students' purchasing inclinations. The college kids adore and emulate the celebrity lifestyles. The study found that customers are more inclined to pay attention to celebrity commercials, which increases their product recall..

In a study paper titled "Celebrity Endorsement Strategy," Chiosa (2012) discovered that marketers frequently use celebrities for impact since the public views them as reputable sources of information about a product or company. Celebrity endorsement has become one of the most well-known and widely employed marketing communication tactics for combining brand image with customers. This study also discusses kinds, methodologies, and models for evaluating the effectiveness of celebrity endorsements of brands/products. These techniques include print ads in 73 magazines, television commercials, products used in films and television programmes, photos of celebrities paid to use certain brand products, inviting celebrities to be co-creators in

product design, and naming products after celebrities such as Kapil Palmolive Dev and Jammy Dravid. This analysis was conducted in order to have a deeper comprehension of celebrity influence and customer behaviour.

Despite the substantial literature on celebrity endorsement and its effect on consumer behaviour, there is still a gap in the awareness regarding the unique relationship between these variables and its potential to achieve consumer loyalty. Consequently, present research aims to analyze the usefulness of celebrity endorsement and its effect on consumer loyalty by examining the relationship between consumer views and behaviour.

V. SOURCES OF DATA

With the use of a questionnaire sent through online channels, primary data was gathered. A questionnaire with 28 questions (including demographic information) was used to collect data. The questionnaire contained both closed and open-ended questions. The questionnaire was intended to collect information for a comparative study on celebrity endorsement and consumer loyalty among cosmetic product customers in Kerala.

For a comprehensive grasp of the topic and to help formulate and validate the survey question, secondary data was gathered from the Internet, scholarly journal articles, and books.

VI. DATA ANALYSIS

8.1 Demographic Profile

Table 1. Demographic Profile

Demographic characteristic	Percentage of Respondents (%)
Age Group	
Gender	
Male	41
Female	59
Monthly Family Income(Rs.)	
less than 25000	68.0
25001 - 50,000	25.0
50,001 - 75,000	7.0
cosmetic products preferred to purchase	
Ayurvedic	20.0
Chemical	23.0
Both	57.0
Monthly spending on cosmetic products	
Below 500	22.0
500-1000	44.0
1000-1500	27.0
1500-2000	7.0

Table 2 Factors that influence purchase a celebrity endorsed cosmetic Product

		“Frequency”	“Percent”	“Valid Percent”	“Cumulative Percent”
Valid	“Credibility of the celebrity	14	14.0	14.0	14.0
	Attractiveness of the celebrity	16	16.0	16.0	30.0
	Product celebrity match up	30	30.0	30.0	60.0
	Meaning that are transferred to the product”	40	40.0	40.0	100.0
	Total	100	100.0	100.0	

The survey results indicate that various factors influence consumers' purchasing decisions. 14% of the respondents reported that the credibility of the celebrity endorser affects their purchasing decision, while 16% stated that the celebrity's attractiveness plays a role. Additionally, 30% of the respondents reported that the match between the product and the celebrity endorser influenced their purchasing decision. However, the most significant factor was the meaning that consumers associated with the product, as 40% of the respondents reported that this factor influenced their purchasing decision. Therefore, the findings shows the value that consumers allotted to meaning that they is associated with the product , rather than the celebrity endorser's credibility or attractiveness

Table 3 Advertisement that catches attention the most

		“Frequency”	“Percent”	“Valid Percent”	“Cumulative Percent”
Valid	Celebrity endorsed advertisement	67	67.0	67.0	67.0
	“Non-Celebrity_endorsed advertisement”	33	33.0	33.0	100.0
	Total	100	100.0	100.0	

According to the survey results, 67% of the respondents indicated that they pay more attention to advertisements featuring celebrity endorsers. In contrast, 33% of the respondents reported that they pay more attention to advertisements without celebrity endorsers. Therefore, most respondents preferred celebrity-endorsed advertisements, suggesting that such endorsements can be an effective marketing strategy for capturing consumers' attention.

H0: Age has no significant influence on celebrity endorsement and customer loyalty.

H1: There is significant influence of age on celebrity endorsement and customer loyalty.

		Sum of Squares	Df	Mean Square	F	Sig.
Endorsement	Between Groups	280.829	3	93.610	13.571	.000
	Within Groups	662.171	96	6.898		
	Total	943.000	99			
Loyalty	Between Groups	159.792	3	53.264	4.902	.003
	Within Groups	1043.168	96	10.866		
	Total	1202.960	99			

The p value obtained from the analysis for endorsement is .000, customer loyalty is .003 which shows that H0 is rejected and H1 is accepted.

H0: There is no significant influence of monthly income on celebrity endorsement and customer loyalty

H1: There is significant influence of monthly income on celebrity endorsement and customer loyalty

		Sum of Squares	Df	Mean Square	F	Sig.
Endorsement	Between Groups	98.810	2	49.405	5.677	.005
	Within Groups	844.190	97	8.703		
	Total	943.000	99			
Loyalty	Between Groups	296.283	2	148.141	15.849	.000
	Within Groups	906.677	97	9.347		
	Total	1202.96	99			

The p value obtained from the analysis for endorsement is .005, customer loyalty is .000 which shows that H1 is rejected and H0 is accepted.

The results of the test indicate a strong positive correlation ($r = 0.567$) between celebrity endorsement and customer loyalty. The p-value of 0.000 suggests that the null hypothesis, which states that there is no relationship between celebrity endorsement and customer loyalty, can be rejected. These findings provide evidence to support the notion that celebrity endorsements can have a significant impact on customer loyalty.

LIMITATIONS OF THE STUDY

This research study has identified some limitations that need to be considered when interpreting its findings. One limitation is that the study was mostly conducted on student samples, which may limit the generalizability of the results to other populations. Future research could consider including a more diverse sample of participants to address this limitation. Additionally, the study's scope was limited to investigating the effects of one celebrity endorsing one brand, without considering other factors such as product attributes, price, and promotion. To expand the scope of the research, future studies could select multiple celebrities and multiple cosmetic brands and explore various issues such as the effects of multiple endorsements and whether different celebrity personalities have the same impact on customer loyalty. Lastly, the research had a limited time period, which constrained the size of the samples and the number of variables that could be examined. Despite these limitations, the present study has made valuable contributions to understanding celebrity endorsements and how it influence customers loyalty.

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