

Examining the Impact of Celebrity Endorsements on Brand Awareness, Credibility, and Purchase Intentions

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Abstract

Celebrity endorsements have been a popular marketing tool for decades. This study aims to analyse the effectiveness of celebrity endorsements in building brand awareness, credibility, and purchase intentions. The study utilizes a systematic review of existing literature to identify key findings and trends. The study may suggest that celebrity endorsements can have a positive impact on brand awareness, as celebrities have the ability to reach a large audience and capture attention. However, the effectiveness of celebrity endorsements in building brand credibility is more mixed. While some studies suggest that celebrity endorsements can increase credibility, others indicate that the credibility of a celebrity can be negatively affected by scandals or controversy. Regarding Consumer Purchase Intentions, Varied Outcomes were Observed. Some studies suggest that celebrity endorsements can increase purchase intentions, particularly for low-involvement products. However, it is worth noting that the impact of celebrity endorsements on purchase intentions may be influenced by various factors, including product quality and price, which are considered more significant by consumers. Overall, while celebrity endorsements can be a useful tool in advertising, their effectiveness in building brand awareness, credibility, and purchase intentions is dependent on several factors, including the product being advertised, the celebrity's reputation, and the target audience. Furthermore, the study underscores the significance of carefully selecting an appropriate celebrity for a specific brand. It is crucial to consider various factors when choosing a celebrity endorser, such as their credibility, relevance to the product or service, and their appeal to the target audience. The celebrity should be perceived as credible and trustworthy by the target audience, and their image should align with the values and personality of the brand. For instance, a celebrity who is popular and influential in one country may not have the same impact in another. Celebrity endorsements are more effective for low-involvement products, where the consumer is not highly invested in the decision-making process. Finally, the study suggests that the effectiveness of celebrity endorsements in building brand awareness, credibility, and purchase intentions may decline over time. As more and more brands use celebrity endorsements, consumers may become immune to them and start to view them as less authentic and trustworthy. Therefore, it is important for brands to constantly evaluate the effectiveness of their celebrity endorsement strategy and make adjustments as needed.

Keywords: Celebrity endorsements, Brand awareness, Marketing strategy, Consumer behaviour, Product promotion, Authenticity, Trustworthiness, Personal experience.

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INTRODUCTION

Celebrity endorsements have been a popular marketing strategy for decades. Businesses have increasingly sought the assistance of celebrities to endorse their products and services with the aim of amplifying brand awareness, strengthening credibility, and stimulating purchase intentions. By leveraging the popularity and influence of well-known personalities, companies strive to capture the attention of a broader audience and create a positive association between the celebrity and their brand.

[6]. The use of celebrity endorsements is based on the assumption that celebrities have a significant influence on consumer Behaviour, and that their association with a product can enhance its appeal to consumers [7]. However, the effectiveness of celebrity endorsements in building brand awareness, credibility, and purchase intentions has been a topic of debate among researchers and marketers. While some studies suggest that celebrity endorsements can have a positive impact on consumer Behaviour, others indicate that their effectiveness is limited. This study aims to analyse the effectiveness of celebrity endorsements in building brand awareness, credibility, and purchase intentions [8]. The study utilizes a systematic review of existing literature to identify key findings and trends. By examining the existing research on this topic, the study aims to provide insights into the factors that can influence the effectiveness of celebrity endorsements and the circumstances under which they are most effective. The study is structured as follows: firstly, it offers an overview of the relevant literature on celebrity endorsements. Secondly, it examines the various factors that can impact the efficacy of celebrity endorsements. Lastly, it presents the findings' implications and conclusions for marketers and advertisers [9].

Celebrity endorsement is a marketing strategy in which a celebrity, such as an actor, athlete, musician, or social media influencer, is used to promote a product or service. The celebrity is typically paid a fee to endorse the product or service, and their image and reputation are used to help promote the brand. The utilization of celebrity endorsements is grounded in the belief that celebrities wield substantial influence over consumer behaviour. When a product or service is associated with a celebrity whom consumers admire or hold in high regard, their inclination to make a purchase may increase. Furthermore, employing celebrity endorsements is believed to enhance brand recognition and establish credibility, as consumers tend to place greater trust in products associated with widely recognized and respected individuals. However, the effectiveness of celebrity endorsements in achieving these outcomes is a topic of debate. Some studies suggest that celebrity endorsements can have a positive impact on consumer behaviour, while others indicate that their effectiveness is limited. Elements such as the genuineness and reliability of the celebrity, the compatibility between the celebrity and the product, and the target audience are all determinants that can impact the efficacy of celebrity endorsements.

In recent times, the increasing prominence of social media has given rise to the emergence of social media influencers as a favoured avenue for celebrity endorsement. These influencers frequently have substantial followings on popular social media platforms like Instagram and YouTube, leveraging their influence to effectively promote various products and services to their dedicated audience. Nevertheless, it is important to consider the potential drawbacks associated with celebrity endorsements. For example, consumers may become immune to celebrity endorsements if they feel that they are being overused or inauthentic. Additionally, the use of celebrity endorsements can be expensive for companies, and may not be feasible for smaller businesses with limited marketing budgets [10].

Overall, the use of celebrity endorsements in advertising can be an effective marketing strategy, but it is important for companies to carefully consider the potential benefits and drawbacks before deciding to utilize this approach. By gaining insights into the elements that can shape the effectiveness of celebrity endorsements, organizations can make well-informed choices regarding the integration of this approach in their marketing campaigns. This understanding empowers companies to assess the suitability of celebrity endorsements for their specific goals, target market, and brand identity. With this knowledge, businesses can strategically leverage celebrity endorsements to optimize their impact and accomplish desired outcomes in their marketing endeavours (Figure 1).

NEED OF THE STUDY

The study on the effectiveness of celebrity endorsements in building brand awareness, credibility, and purchase intentions is important for several reasons: The study Provides insights for marketers and advertisers by understanding the factors that can influence the effectiveness of celebrity endorsements,

marketers and advertisers can make informed decisions about whether or not to use this strategy in their marketing initiatives and utilize it in an efficient and impactful manner. It helps to maximize marketing efforts, Given that celebrity endorsements can be expensive, it is important for companies to understand how to use this strategy in a way that maximizes its impact and effectiveness. The study contributes to the existing literature on celebrity endorsements, which is an area of ongoing debate and discussion among researchers and practitioners. The study can also enhance consumer knowledge and understanding of the role of celebrity endorsements in advertising, and help consumers to make more informed purchasing decisions. Overall, the study has the potential to benefit both companies and consumers by providing insights into the effectiveness of celebrity endorsements and the factors that can influence their impact on consumer behaviour.



Figure 1. Celebrity endorsement.

Image source: <https://rb.gy/pxrtvj>

OBJECTIVES OF THE STUDY

1. To examine the crucial elements that impact the effectiveness of celebrity endorsements in enhancing brand awareness, establishing credibility, and influencing purchase intentions.
2. To analyse the trends and patterns in the existing research on celebrity endorsements, and to provide insights into the circumstances under which celebrity endorsements are most effective in achieving marketing objectives.

REVIEW OF LITERATURE

A study conducted by Bansal A, Goyal A (2019) revealed that the credibility and appeal of the celebrity endorser, the alignment between the celebrity and the product, and the level of consumer engagement all play a significant role in determining the effectiveness of celebrity endorsements [1].

A study by Prasad and Dev (2018) in their study, found that celebrity endorsements can help to increase brand awareness, enhance brand image, and positively impact purchase intentions, but these effects may be limited if the celebrity endorser is overexposed or if the endorsement is perceived as inauthentic [2].

A study by Jalgaonkar, V.N., Mahla, M., Naik, K., Vyas, A. and Golvankar, G., 2018 An examination of the effectiveness of celebrity endorsements in the Indian market revealed that the perceived credibility of the celebrity endorser and the degree of consumer involvement were identified as significant factors influencing the impact of the endorsement [3].

A study by Gupta S, Raj S, Singh DP, Singh A, Kastanakis M 2023 examined the impact of celebrity endorsements on consumer purchase intentions for beauty and personal care products. The study revealed that celebrity endorsements had a positive effect on consumer purchase intentions. However, it was observed that the effectiveness of the endorsement was contingent upon the credibility and attractiveness of the celebrity endorser [4].

In a study conducted by Ajina A. 2019 the researchers investigated the effects of celebrity endorsements on consumer behaviour specifically in India. The findings indicated that the credibility and attractiveness of the celebrity endorser played a significant role in determining the effectiveness of the endorsement. Moreover, the study revealed that celebrity endorsements had a stronger impact on consumer behaviour for low involvement products [5].

RESEARCH METHODOLOGY

The present study is of descriptive in nature. Accordingly, i used secondary data. The main purpose of the study is to provide businesses with a comprehensive understanding of the latest trends, strategies, and best practices in digital and social media marketing, and how they can leverage them to drive business growth and engage with their customers effectively.

SECONDARY DATA

The data for this study has been gathered from various sources. These sources include - journals, websites, articles, reports, or social media posts, and other books available in the fields are taken into consideration.

FINDINGS

1. Celebrity endorsements can increase brand awareness by associating a brand with a well-known and well-liked celebrity, advertisers can increase the visibility and recognition of their brand among consumers. Studies have shown that advertisements with celebrities generate higher levels of attention and recall compared to those without.
2. Celebrity endorsements can enhance brand credibility as Celebrities are often seen as experts or authority figures in their respective fields, and their endorsement of a brand can lend credibility to the product or service being advertised. This is particularly true when the celebrity is seen as a good fit with the brand and its values.
3. Consumers are often inclined to make a purchase when a product is endorsed by a celebrity they hold in high regard or have confidence in. However, the impact of celebrity endorsements on driving purchase intentions can vary based on several factors, including the degree of consumer engagement with the product category, the perceived compatibility between the celebrity and the brand, and the perceived genuineness of the endorsement.
4. The effectiveness of celebrity endorsements may be influenced by various factors that can impact the effectiveness of celebrity endorsements include the type of product being advertised, the target audience, the celebrity's image and reputation, and the specific message being conveyed in the advertisement.
5. Over-reliance on celebrity endorsements can have drawbacks, While celebrity endorsements can be effective in building brand awareness and credibility, over-reliance on them can also have drawbacks. For example, consumers may become skeptical or indifferent to endorsements that seem overly staged or insincere, or they may start to associate the brand more with the celebrity than with its actual attributes and benefits.
6. The utilization of celebrity endorsements can greatly influence the development of brand recognition, credibility, and purchase intentions. Consumers are more likely to remember and have positive attitudes towards brands that are endorsed by celebrities they admire and respect.

7. Several elements can impact the efficacy of celebrity endorsements, encompassing the alignment between the celebrity and the brand, the perceived proficiency of the celebrity in the relevant product category, and the degree of trust and credibility the celebrity holds with the target audience.
8. The impact of celebrity endorsements on consumer behaviour is not always consistent across all product categories and target audiences. Some products, such as luxury items, may benefit more from celebrity endorsements than others.
9. The effectiveness of celebrity endorsements can also be influenced by the context in which they are used. For example, endorsements that are perceived as too commercial or inauthentic may have a negative impact on brand perceptions.
10. Lastly, the advent of social media and other digital platforms has presented novel possibilities and complexities for celebrity endorsements. Brands and celebrities need to carefully consider the content, tone, and delivery of their endorsements to effectively engage with audiences on these platforms.

SUGGESTIONS

1. *Choose celebrities that are a good fit for the brand:* The celebrity should be someone who is relevant to the brand and its target audience. This will facilitate a strong association between the celebrity and the brand, thereby enhancing the effectiveness of the endorsement.
2. *Ensure authenticity:* Consumers are more likely to trust a celebrity endorsement if they believe that the celebrity genuinely uses and enjoys the product. Brands should select celebrities who align with the values and personality of the brand.
3. *Be mindful of overexposure:* Too much exposure of a celebrity can lead to overexposure, which can result in decreased effectiveness of their endorsements. Brands should be mindful of how often they use a particular celebrity to endorse their products.
4. *Use a variety of endorsements:* Brands should not rely solely on celebrity endorsements to promote their products. Instead, they should consider using a variety of endorsement strategies, such as customer testimonials or expert endorsements.
5. *Monitor and measure effectiveness:* It is important for brands to track and measure the effectiveness of their celebrity endorsements. This will enable them to gain insights into the effectiveness of different approaches and make necessary modifications accordingly.

CONCLUSION

Celebrity endorsements have proven to be an effective marketing strategy for building brand awareness, credibility, and purchase intentions. However, the effectiveness of celebrity endorsements is influenced by several factors, including the fit between the celebrity and the brand, the level of celebrity involvement in the endorsement, and the target audience. To maximize the benefits of celebrity endorsements, marketers should carefully select celebrities who are a good fit for their brand and develop a comprehensive strategy that includes multiple channels and touchpoints. Additionally, marketers should continuously monitor the effectiveness of their celebrity endorsements and make adjustments as necessary to ensure maximum impact. While celebrity endorsements can be an effective marketing strategy, it is important to remember that they are just one component of a comprehensive marketing plan. Marketers should consider all available strategies and tactics to develop a holistic marketing approach that meets the needs and preferences of their target audience. Celebrity endorsements can serve as a potent instrument for marketers to enhance brand visibility, establish credibility, and boost purchase intent. However, it is important to carefully consider the choice of celebrity, the fit with the brand, and the context in which the endorsement is presented. Additionally, it is vital to assess the efficacy of the endorsement and adapt the approach accordingly if required. The existing research on celebrity endorsements provides valuable insights into the circumstances under which they are most effective. Marketers should take into account the trends and patterns identified in the literature to inform their decision-making. Overall, the use of celebrity endorsements is not a guaranteed success but can be a powerful tool if used strategically and with consideration for the brand, the celebrity, and the target audience.

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