

SYNOPSIS

A STUDY ON CELEBRITY ENDORSEMENT IN RETAIL SECTOR

ABSTRACT

Today Celebrity Endorsement has become a trend and perceptible as a win-win formula for product marketing and building of a brand. The instrument of celebrity endorsement has nowadays become a universal element in advertising and communication management. We can see that most of the products are endorsed by some or the other celebrities. It is today a frequently used approach in marketing for all brand building exercises. It has been positioned as one of the trendiest tools of promotion in recent time. Marketers use the celebrities to advertise the product to influence the purchase decisions of consumers in order to increase their sales and extend their market share

INTRODUCTION

In today's competitive world consumers are exposed to thousands of voices and images in magazines, newspapers, and on billboards, websites, radio and television. Advertisers attempt to steal at least a fraction of a person's time to inform him or her of the amazing and different attributes of the product at hand. Because of the constant media saturation that most people experience daily, they eventually become numb to the standard marketing techniques. The challenge of the marketer is to find a hook that will hold the consumer's attention. The hooks that can hold the consumer's attention are the celebrities. Celebrity endorsement if used effectively makes the brand stand out, brand recall and facilitates instant awareness. To achieve this, the marketer needs to be really disciplined in choice of a celebrity. Hence the right use of celebrity can escalate the Unique Selling Proposition of a brand to new heights; but a cursory orientation of a celebrity with a brand may prove to be fruitful for a brand. A celebrity is a means to an end, and not an end. Celebrity Endorsement is a way to get the brand noticed amidst the rush that is there in the market place.

There is a huge Impact of Celebrity Endorsements among the consumers through Tv commercials in India as Indians like the celebrities a lot and there is a huge fan following. A consumer that observes messages for two different firm's products, one product's message containing a celebrity endorsed and the other not believes the celebrity endorsed product will have more purchases and so be of higher value. (Lalitha Balakrishnan and C. Shalini Kumar, 2010). More and more companies prefer the celebrities of different fields in India like the cricketers, Bollywood celebrities and other sports personalities to endorse their brands. Marketers spend

enormous amount of money on celebrity endorsement contracts based on the belief that celebrities are effective spokespersons for their products or brands (Katayal, 2007). Television is something which is watched all over India by the people of all class whether the people belong to lower class or middle class or upper class, all of them watch television to entertain themselves. In India, celebrity power can rightly be assessed by their successful endorsements. Here, celebrities like film stars and cricketers have not only been successful in gathering huge public attention, but also in increasing sales volume.

For example, Cadbury used Amitabh Bachchan to promote the brand when it went through a bad phase in India. Soon the ad recreated people's love for the brand and increased Cadbury's sale. Aamir Khan is used by Titan to communicate the message that Titan watches are as trustworthy as the actor is for his films. This celebrity endorsement has also been quite effective in influencing consumers buying decision. Similarly, various endorsements by Sharukh Khan, Sachin Tendulkar and others have been found to be successful in affecting consumers' buying decision.

NEED OF THE STUDY

Now a day's lots of advertisements are endorsed by the celebrities. Even celebrities are endorsing multiband. It has created a great confusion in the mind of the customers regarding the purchase of the product. So there is a need to study the impact of celebrities' endorers and non-celebrity endorers on the purchasing behaviour of customers. This study will also help to know whether celebrities' endorers are able to influence the buying behaviour of the customers or not.

The study is based on primary data and secondary data. Five point Likert scale has been used to know the customer's perception towards celebrity endorsed advertisements. Sample size has taken 200 consumers. Secondary data has been collected from the website.

OBJECTIVES

This study was conducted on "**Effectiveness of Celebrity Endorsement on Consumer Behaviour**"

On the following **objectives** survey was undertaken one:

1. To know what types of criteria consumer remember at the time of purchase
2. To know effectiveness of celebrity endorsement on consumer behaviour.

RESEARCH METHODOLOGY

A research design is an arrangement of conditions for collection and analysis of Data in a manner that aims to combine relevance to the research purpose with Economy in procedure. It

constitutes the blueprint for collection, measurement and analysis of data. My research design will be exploratory research design.

- Area: The study was based on covered the maximum area the Hyderabad city.
- Taken the survey only on Youth.

Types of Research: - Descriptive Type

Data Sources:

In dealing with any real life problem it is often found that data at hand are inadequate, And hence, it becomes necessary to collect data that are appropriate. The researcher can Collect data either through primary source or secondary source.

Primary Data: Questionnaire

Secondary data: Visited Website.

Sampling Size:

It is the total number of respondents targeted for collecting the data for the research.

Sample size of 200 persons will be taken for this research.

Sampling Technique:

Random sampling technique will be used in this research project.

Scope of Celebrity Endorsement:

The use of testimonials by advertisers dates back to the 19th century when medicines

were patented. Firms have been juxtaposing their brands and themselves with celebrity endorsers (e.g., athletes, actors) in the hope that celebrities may boost effectiveness of their marketing. The increasing number of endorsements throws a valid question to the consumers. Is there a science behind the choice of these endorsers or is it just by the popularity measurement? What are the reasons which lead to impact of celebrity endorsement on brands? Greater the score of the below parameters, greater are the chances of getting close to the desired impact.

Hypothesis:

Previous research examining the effectiveness of celebrity endorsements has focused primarily on personal attributes of the celebrity that enhance his or her persuasiveness. For example, a number of researchers have used models in which “source credibility”, typically viewed as a function of trustworthiness and expertise, is the primary factor determining how influential the endorser will be. Trustworthiness refers to the general believability of the endorser, and is thus broader but conceptually similar to correspondent inferences about the endorser. Expertise refers to the product knowledge of the endorser and thus to the validity of his or her claims regarding the product, and is believed to be a factor that increases persuasiveness above and beyond the effects of trustworthiness. *H3*. = Perceived product knowledge of the endorser will be positively associated with attitudes toward the advertised product. Other researchers have emphasized the importance of source attractiveness in determining liking for the endorser and thereby increasing endorsement effectiveness. To the extent that attractiveness is an important determinant of endorsement effectiveness, research based on the match-up hypothesis (for a discussion of the match-up hypothesis in relation to endorser expertise) suggests that its importance is limited by the degree to which attractiveness “fits” well with the advertised product. Thus, for example, physical

attractiveness might be useful when selling cosmetics but not when selling computers. Furthermore, although source attractiveness research has focused primarily on physical attractiveness, attractiveness can also be viewed more generally as a positive attitude toward the endorser. Such positive attitudes might result from admiration or perceived similarity although effective advertising is more likely to rely on the admiration component because the influential power of celebrities is closely connected to their status as role models.

STATEMENT OF PROBLEM

Most of the researchers have analyzed celebrity's attributes to be a good endorser, but is it enough to build a good strategy. The product is sometimes forgotten and too much focus is on the celebrity, while the focus should be on the product. Today, companies spend crores of rupees each year for endorsing their product by celebrities. It is always a greater challenge for marketers to determine the meaning of consumer associated with the brand in order to select the right celebrity and to build right brand for celebrity endorsement concept. Therefore, it is essential that company make use of too many components that ZENITH International Journal of Business Economics & Management Research Vol.2 Issue 7, July 2012, ISSN 2249 8826 Online available at <http://zenithresearch.org.in/> www.zenithresearch.org.in 95 must be taken in to consideration during a celebrity endorsement process.

CHAPTERISATION

Detailed/final Project Report will include the following chapters

CHAPTER –I

- Introduction
- Significance of the study
- Need of the study
- Objective and scope of study
- Methodology
- Limitations
- Scope

(Details of methodology used in studying and collecting the data and issue will be described)

CHAPTER –II

- Literature review
- Theoretical study

CHAPTER –III

- Industry & company profile

CHAPTER –IV

Analysis of the topic & Interpretation

(Descriptive work on the topic, this chapter will include analysis and interpretation of data tabulation and categorization)

CHAPTER –V

- Recommendation
- Bibliography
- Appendix

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