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Celebrity endorser and Customer behavior

Research Proposal

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1. Abstract

In the modern society, it has more and more advertisements in daily life. Advertisement is a very important tool which is attracts consumers to buy something and it also a kind of image of a brand or company. Today, Advertisement can be found everywhere and it used in a variety of industries and products. This is an effective strategy to improve consumption. Good advertisement could be a unique image of company or product, and even change customer behavior. But how to make a good advertisement, there is a significant factor that chooses an appropriate spokesperson or endorser in celebrity. In this proposal, I will talk about the celebrity endorser influences on customer behavior and then I made research using primary data ad secondary data, to get the further data information. Finally, using AHP decision model to predict on the customers behavior about which type of celebrity would be attract customers more on brand and products. Finally, based on these analysis data, I will get some managerial implication which is what kind of celebrity will be chosen by organization in the future.

Key word: Celebrity, Customers behavior, Psychology ,making-decision and AHP model

Problem Description

We know good celebrity to be right celebrity endorser will brings good organization performance, Improve reputation and get a lot of loyalty customers, That's really get

benefit a lot. However, if the celebrity maybe not the right one, it will be lost a lot. For instance, In this year's Super Bowl, Laurence Fishburne was successful in generating purchase intentions for Kia's 900 model, and last year the trio of Willem Dafoe, Usher and Kate Upton did the same for the new Mercedes CLA. But John Stamos hasn't sold a lot of Oikos yogurt. Neither Stephen Colbert nor Psy moved the needle for pistachios. And Kaley Cuoco didn't deliver for Toyota in 2013.(smith,2014)

What if you can find a celebrity that was a perfect fit for your product, who promised never to represent any other brands, and would work for free for the brand for years and years, even decades? This proposal will discuss it

So how to choose right celebrity to be endorser?

Literature Review

1. celebrity effect is a typical case of "halo effect".----Celebrity's attractive

Marketing and psychology are much closed. If psychology is the "systematic study of human behavior," then marketing is the "systematic study of human behavior in the marketplace.(Ries,2006)There has a psychology term called "Halo Effect" also a famous word using in marketing term. Thorndike(1920)stated that "Rating were apparently affected by a marked tendency to think of the person in general as rather good or rather inferior and to color the judgments of the qualities by the general feeling." (Iachman.& Bass,1985) . According to Glover(2009), a study report has identifying that 55% of women and 39% of men are interesting and willing to pay attention to the news or media when there is a celebrity in the advertisement. This has very important shows that a big number of percentages of customers were tend to be affected when there was a celebrity appears in an advertisement. Customers were paying much attention and interest to the celebrity and at the same time they will also aware of the brand that they endorse too.(Yeo.S.F&lim.K.B,2015). Why celebrity attracts customers? And even celebrity will be change customers behavior. Here is a reason that most celebrity is Good-looking people, for example, tend to be perceived as more intelligent, more successful, more famous and more popular. That's the halo effect in psychology." (Ries,2006)

2.Brand image

On the basis of Dimed and Joulyana (2005), It shows that customers positively affect by the celebrity toward a brand and increased customer purchase intention. This was explained that when there was a celebrity endorser appeared in an advertisement compared to noncelebrity endorser, it will effect the customer purchase decision. Brand image can be defined as consumer's thoughts and feelings about the brand

(Roy & Banerjee,2007). According to Hsieh & Li (2008), strong brand image does create superior brand messages of a particular brand over the rivalry brand. Consequently, customer's behavior will be influenced and determined by brand image (Burmann et al., 2008).

3. Trustworthiness

An organization can work towards building brand credibility as it is largely driven by the quality of the information conveyed through the marketing strategies associated with a brand (Erdem and Swait, 1998). Since endorsement, as a communications tool, will comprise some of the signal of the endorsed brand, it seems likely that the credibility of an endorser will subsequently transfer to the brand. For example, Chinese movie star Wallace Huo who is committed to promoting environmental causes is perceived to be highly trustworthy in China, Therefore, when Wallace endorses SK-II skin care products, consumers' credibility perceptions of this luxury brand are likely to be positively. As the result, high endorser credibility should lead to higher brand credibility. Brand investment has also been identified as an indicator of brand credibility, as it is assumed that firms that make large brand investments are more likely to deliver the promised product (Erdem and Swait, 1998). Hence, simple use of celebrity endorsement may be associated with a higher level of brand credibility. Based on the preceding discussion, the following hypothesis is advanced.

4.Fitness

According to Wei and Lu (2013), it stated that an increase of brand recall and motive to purchase was formed when the effort of celebrity endorser was consistently fit with the brand or endorsed product. Fink, Parker, Cunningham and Cuneen (2012) stated that a natural fit of the celebrity and the products have to fit accurately and appropriately. According to Boyd and Shank (2004), the match-up of the celebrity and product have to fit among each other only can result a higher ratings of expertise. As a result, this study was inferred that the fit between endorser and endorsed product has a significantly relationship with customers' purchase intention.

Hypothesis

Based on the review of the literature above, the following hypotheses are proposed:

- H1: Celebrity has a positive influence on the attractive while customer purchase intention
- H2: Celebrity has a positive influence on attitude toward the brand image
- H3: credibility has a positive influence on attitude toward the trustworthiness
- H4: credibility was fit with the brand.

There are four types of celebrities I will mention in this proposal: Movie star, Singer, athlete, and model.

Research Design (Methodology)

As I mentioned before, I will pick SK-2 skincare product as the target to finish this research plan.

I will using primary quantitative research method, survey using questionnaire, to obtain information to find solutions our hypothesis. The questionnaire was collected from over 50 consumers around us, who were picked randomly.

Q1, what type of celebrities do you like most?(Movie star, Singer, athlete, and model.)

Q2, If this four types of celebrities to be endorser respectively, would you like to purchase this product? (Attractive)

Q3, If this four types celebrities to be endorser respectively, how do you think about this product?(Brand image)

Q4, If this four types celebrities to be endorser respectively, would you will be support this product all the time? (Trustworthiness)

Q5, If this four types celebrities to be endorser respectively, do you think is this a good decision? (Fitness)

2. Using AHP decision model.

After questionnaire, I will get the primary data, then using the useful data based on AHP decision model to make a decision.

This proposal is planning to make a decision which type of celebrity that organization should be chosen and I target on the movie star, singer, athlete, and model. (Noted A, B, C, D) and then I focus on four criteria: attractive, brand image, trustworthiness and fitness Our comparisons are summarized as below, Using the data we have been collected and apply in Excel.

Skipping the Process; Final AHP Scoring Model should be like this

| | Alternative | | | | Criterion |
|-----------------|-------------|--------|---------|-------|-----------|
| | Movie star | Singer | Athlete | Model | Weights |
| | A | B | C | D | |
| Attractive | | | | | |
| Brand image | | | | | |
| Trustworthiness | | | | | |
| Fitness | | | | | |

Implication

Previous research has applied source to explain the influence of celebrity endorser in customer behavior .However, it rarely to see how to choose appropriate celebrity based on analysis the influence of celebrity endorser via AHP decision model. By making up for this gap in research, I hope this proposal will be successfully help different organization choose right celebrity. it should be emphasized that different

organization may have different situations, each different organization focuses on different criteria combined with self-situation.

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POST

Celebrity endorser and Customer behavior

Name of the Student:

Name of the University:

Author's Note:

Abstract

In the modern society, advertisement plays a crucial role to communicate with the customers in day to day life. Advertisement is a kind of image of a brand or company and an important tool that helps to attract consumers to buy something. Today, Advertisement can be found everywhere and it is used in the businesses to reach the product information to the consumers. This is an effective strategy to improve consumption. Good advertisement could create a unique image of company or product, and even change customer behavior. But how to make a good advertisement, there is a significant factor that chooses an appropriate spokesperson or endorser in celebrity. In this proposal, I will talk about the celebrity endorser influences on customer behavior and then I made research using primary data and secondary data to get more data and information. Finally, using AHP decision model, it will be possible to predict customers' behavior about which type of celebrity would attract them more toward specific brands and products. Finally, based on these analysis data, I will get some managerial implication that helps me to know what kind of celebrity will be chosen by organization in the future.

Key word: Celebrity, Customers behavior, Psychology, making-decision and AHP model

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1. Problem Description

We know good celebrity can be a right celebrity endorser who can bring good organization performance, improve the reputation of the business and get lot of loyalty customers. They help the organization to be benefitted more. However, in case of choosing wrong celebrity, the organizations can face lose in their business. For instance, in this year's Super Bowl, Laurence Fishburne boosts the purchase intention of the consumers for Kia's 900 Model. Besides, in the last year, Willem Dafoe, User and Kate Upton have successfully increased the sales of new Mercedes CLA. However, it has been found that some celebrities failed to increase the product sales. For example, John Stamos could not attract that much customers to purchase Oikos yogurt. Stephen Colbert and Psy are the celebrities who failed to enhance the sales of Pistachios. In the year of 2014, Kaley Cuoco could not play an effective role in attracting the customers for Toyota (Smith, 2014). This particular research will discuss it further.

How to choose right celebrity to be endorser?

2. Literature Review

Celebrity effect is a typical case of “halo effect”. ----Celebrity’s attractive nature

The concepts of marketing and psychology are much close to each other. Psychology can be defined as "systematic study of human behavior," and marketing can be defined "systematic study of human behavior in the marketplace" (Ries, 2006). There is a psychology term called “Halo Effect” as well as a marketing term that is used in business. Thorndike (1920) stated that “Rating was apparently affected by a marked tendency to think of the person in general as rather good or rather inferior and to color the judgments of the qualities by the general feeling.” (Lachman & Bass, 1985). As stated by Glover (2009), a study report has identified that 60% women and 35% men are interested and pay more attention to the advertisements when a celebrity appears in the advertisement. It has been found that a large number of percentages of customers tend to be affected by the product when a celebrity promotes it. Customers pay much attention to these particular advertisements and they are also well aware of the product name and brand that the celebrities promote (Yeo & Lim 2015). Why celebrity attracts customers? And even celebrity can change customers’ behavior. Here is a reason that most of the celebrities are good-looking people and assumed as more famous, more intelligent as well as more successful. That is considered as halo effect in the psychology context (Ries, 2006).

Brand image

On the basis of Dimeed and Joulyana (2005), it has been shown that customers are positively affected by the celebrities and attracted towards specific brands and thus customers’ purchase intention is increased. It has been found that when a celebrity appears in an advertisement, they can affect the customers’ purchase decision more, in comparison to the non-celebrity endorsers. Brand image is the thoughts and feelings of the consumers about particular product (Roy & Banerjee, 2007). As stated by Hsieh & Li (2008), strong brand image creates effective brand messages of a particular product over the brands of the competitors. Consequently, customers’ behavior will be influenced and determined by the brand image (Burmam et al., 2008).

Trustworthiness

In order to promoting brand, an organization builds several marketing strategies and brand credibility that helps to convey the product information to the customers (Erdem and Swait, 1998). Endorsement is an effective communication tool that comprises the signal of endorsed brands. It is assumed that the credibility of the endorser transfers into the products brands. It can be stated in a more specific way along with some examples. Wallace Huo who is a Chinese movie star, is engaged in promoting environmental causes. Thus, he is perceived as a trustworthy person in China. Moreover, Wallace endorsed the luxury products of SK-II, and as a result, consumers’ credibility perceptions towards the skin care products of this particular brand became positive. Therefore, it can be said that high endorser credibility leads to higher brand credibility. Brand investment can be addressed as an effective indicator of brand credibility. It is assumed that the firms that made large investments would deliver promised products to the customers (Erdem and Swait, 1998). Therefore, the firms make large investment by involving celebrity endorsement. Depending on the discussion, the hypotheses are made.

Fitness

As per the statement of Wei and Lu (2013), through consistently keeping the brand endorser with the endorsed brand and product, the organization can increase the motive of the customers to purchase the products. According to Fink, Parker, Cunningham and Cuneen (2012), the endorsed celebrity and the products have to fit accurately as well as appropriately with each other. Boyd and Shank (2004) stated in this context that the perfect match up of celebrity and the products can highly rate the product quality. Thus, the study has brought out that the matchup between endorser and the endorsed products has a significant link with the customers' buying decision.

3. Hypothesis

Based on the review of the literature above, the following hypotheses are proposed:

- ☐ H1: Celebrities can positively influence customer purchase intention and attract more customers
- ☐ H2: Celebrities have a positive influence on attitude toward the brand images
- ☐ H3: Celebrities have a positive influence on attitude toward the trustworthiness
- ☐ H4: Credibility is fit with the brand

There are four types of celebrities I will mention in this proposal: Movie star, Singer, athlete, and model.

4. Research Design (Methodology)

As I mentioned before, I will pick SK-II skincare product as the target to finish this research plan.

I will use primary quantitative research method, survey by using questionnaire, to obtain information to find solutions of our hypothesis. The responses of the questionnaire were collected from over 50 consumers around us, who were picked randomly.

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Q2. If these four types of celebrities appointed as endorser respectively, would you like to purchase this products? (Attractive)

Q3. If these four types of celebrities appointed as endorser respectively, what do you think about this product? (Brand image)

Q4. If these four types of celebrities appointed as endorser respectively, would you support this product all the time? (Trustworthiness)

Q5. If this four types celebrities to be endorser respectively, do you think is this a good decision? (Fitness)

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| Attractive | | | | | |
| Brand image | | | | | |
| Trustworthiness | | | | | |
| Fitness | | | | | |

Table 1: AHP Scoring Model

(Source: Created by Author)

6. Implication

Previous research has applied sources to explain the influence of celebrity endorser in customer behavior. However, it rarely to see how to choose appropriate celebrity based on analysis the influence of celebrity endorser via AHP decision model. By making up for this gap in research, I hope this proposal will successfully help different organization to choose right celebrity. It should be emphasized that different organization may has different situation, each organization focuses on different criteria combine with self-situation.

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