

Empirical Assessment of Celebrity-Backed Surrogate Advertising Effectiveness

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Abstract:-

Celebrity endorsement is a standard marketing communication strategy to make a favourable impression on consumers. The study looked at how surrogate advertising used by celebrities influenced the opinions and purchases of Indian consumers. SEM was used to analyze the data after a questionnaire was used to collect it from respondents in Punjab and Haryana. The results demonstrated that celebrity endorsements in surrogate advertising, which influences customer buying decisions, are highly effective. According to the paper, celebrity endorsements may be designed to encourage consumer imitation because of the celebrities' perceived reliability, beauty, and skill. The study also highlights the significance of consumers' perceptions of celebrity advertising in influencing their decisions to purchase products based on surrogate advertising.

Keywords: *Surrogate advertisement, celebrity endorsement, factor analysis.*

1. Introduction

In this competitive market, companies use celebrity endorsement strategies, which provide a competitive advantage to its product by creating positive impact on mind of consumers. So companies spend huge amount of funds to endorse their product through famous celebrities. Thus, it becomes important that businesses choose celebrities to represent their brands. However, choosing the ideal celebrity to represent the brand is challenging. It is estimated that endorser credibility would help brand recall and recognition, and higher endorser credibility leads to purchase intention Spry et al., 2011 [1]. Usually, renowned people Celebrities are well-known and recognized by the people. Consumers are not ready to purchase when they watch any advertisement. So celebrity endorsements help in information retention in the minds of consumers, which can be retrieved when they purchase Amos et al., 2008 [2] give a thorough understanding of the utilization of the persuasive source model that includes three dimensions of credibility (expertise, trustworthiness and attractiveness). Consumers are not paying much attention, yet source trustworthiness is one factor that positively affects whether they embrace advertising messages and influence their purchase decisions.

The perceived sincerity of a celebrity endorser is what makes them trustworthy. The level of authority a celebrity has within a given product category is known as expertise Ohanian, 1990 [3]. Celebrities are well-known members of society and have distinguishing qualities like charm and dependability. Another crucial element for increasing the persuasive ability of marketing communications is the endorser's level of knowledge Silvera & Austad, 2004 [4]. Attractiveness includes facial features and other physical attributes. It has a favorable effect on consumer attitudes and intention to purchase. Past research has shown that expertise, trustworthiness and attractiveness affect celebrity endorsement. Consumers incline the celebrity; therefore, they try to buy those products that make them feel like celebrities. Adam & Hussain, 2007 [5] undertook a study to determine how celebrity endorsements affected customer purchasing patterns.

Celebrity endorsements were supported by four pillars: attractiveness, credibility, product compatibility, and meaning transfer. Celebrities also transfer meanings of glamour, class and status.

1.1 Effect of Celebrities' Endorsements in Surrogate Advertisements

The purpose of surrogate advertising is to increase customer interest and brand exposure. In surrogate advertisement celebrity Endorsement is powerful tools by which celebrity promote a brand of harmful product such as alcohol and tobacco which is not directly promoted in any media. Endorsement by celebrity makes the advertisement lively, attractive, and interesting. It is possible that consumer may be easily attracted to purchase the original product by watching surrogate advertisements Nathwani, 2016 [6]. Credibility of celebrities in Surrogate advertisement is the major driver to influence the purchase of the products. Hence similarities and likeness for any celebrity in surrogate advertisement has positive impact on customer intention to purchase Ganesan et al., 2019 [7].

2. Literature review

Rashid et al., 2002 [8] concerns the attitudes of customers in Malaysia, China, and India towards celebrity advertising and how celebrity endorsements affect consumers' buying habits. It was also found that celebrities endorsement enhanced the company as well as product's image. Zipporah & Mberia, 2004 [9] analyzed the celebrity endorsement as tool that affect the opinion of people. Celebrities were proven to be effective at getting people to pay attention, remember, and have favorable attitudes towards advertisements. Gupta, 2014 [10] revealed that celebrity endorsements had a big difference in how consumers feel. Min et al., 2019 [11] studied that Celebrity endorsement was the best strategy to sway customers and alter their purchasing power. Through what they promote, celebrities and consumers connect, and fans get a glimpse into their favourite stars' world or way of life. They follow their favourite celebrities because they think that celebrities can vouch for a product's quality. Gupta et al., 2015 [12] discussed about the celebrity effectiveness in advertising. Dey et al., 2021 [13] showed that the celebrities played a significant role in influencing the audience positively. The audience get influenced by celebrity endorsement.

Kayode Kinsley, 2022 [14] demonstrated that literature shortages prompted celebrity endorsement and consumer purchase intention research. The conflicting findings in literature reflect inclusiveness, allowing holes to be filled. The level of celebrity endorsement, customer's purchase intention, and the research methods used in the various studies may have greatly influenced outcomes, contributing to confounding but scholarly conclusions that litter literature and persistent efforts to improve previous studies.

Celebrity advertising gets a lot of attention, but corporations need to invest more to introduce high-demand, high-quality, useful, and creative products to generate eye-catching celebrity posters. The domestic media in all its forms has a huge influence, and young people can easily be blinded by their favorite celebrity's exposure and trust before adopting a mature judgement Sun, 2021 [15]. The another study investigated the factors that contributes to a celebrity's endorsement's credibility as well as how these factors affect consumers' willingness to pay more for food goods Rahmanisah and Fadli, 2022 [16].

Research objective

To examine the effect of celebrity endorsements in surrogate advertisements on consumers purchasing decisions.

3. RESEARCH METHODOLOGY

3.1 Research design

The sample of the study was based on snowball sampling (non-probability sampling technique). It was done using a descriptive research design. Likert-based structured questionnaires were used to gather primary data. A Likert scale spans from “1 - Strongly Disagree” to “5-Strongly Agree). Ohanian, 1990 [3] built a scale based on the original models. Its goal was to gauge how competent, likeable, and elegant a celebrity endorser was thought to be. Its goal was to assess how much the celebrity endorser's perceived knowledge, dependability, and beauty influenced consumer choice in purchasing. The present study is focused on celebrity endorsements and the effectiveness of surrogate advertising. In order to verify the hypotheses and evaluate reliability and validity, SEM was used to carry out confirmatory factor analysis (CFA) as well as exploratory factor analysis (EFA). Before using structural modelling, the reliability and validity were examined. Due to the study is quantitative nature, Cronbach's (α) has typically been advised to verify dependability.

Analysis

Several proven techniques and processes were used to analyze the data obtained to ascertain how recommendations from famous people affect consumers' purchasing choices; structural equation modelling was utilized. Attractiveness, expertise, and trustworthiness of celebrities were modelled as independent variables, which measured endorser credibility and purchase decision was modelled as a dependent variable. The findings of the analyses as mentioned earlier are described coming sections.

An array of well-established techniques and methodologies were deployed to comprehensively investigate the impact of celebrity endorsements on consumers' purchasing decisions. One of the prominent techniques employed was structural equation modeling (SEM). SEM is a powerful statistical method that enables researchers to examine complex relationships among multiple variables simultaneously. This research focused on understanding how various attributes of celebrities, such as their attractiveness, expertise, and trustworthiness, collectively referred to as endorser credibility, influenced consumer's purchase decisions. These attributes were treated as independent variables, representing the factors that could potentially affect consumers' perceptions of the celebrity endorsers. The purchase decision itself was modeled as the dependent variable, representing the ultimate outcome that the researchers aimed to analyze and understand in the context of celebrity endorsements.

Structural equation modeling allowed the researchers to create a comprehensive model that not only considered the direct relationships between these variables but also the underlying, latent constructs that might be influencing consumers' choices. Hence, able to gain a more nuanced understanding of the intricate interplay between the celebrity's credibility attributes and consumer's purchase decisions.

The findings resulting from the application of SEM are anticipated to shed light on the specific ways in which attractiveness, expertise, and trustworthiness of celebrities impact consumer's perceptions and, subsequently, their purchasing choices. This research is poised to contribute valuable insights to both the academic field and the business industry, offering a deeper understanding of the mechanisms behind the effectiveness of celebrity endorsements. Subsequent sections of the article will delve into the detailed findings and discussions derived from this comprehensive analysis, providing a thorough exploration of the research outcomes.

Factor Analysis Result of Celebrity endorsement (Varimax Rotated Results and Scale Reliability)			
Variable	Factors		
	Trustworthiness	Expertise	Attractiveness
“Consumer feel that an advertisement with a trustworthy endorser pushes me to remember that advertisement and the product that is being endorsed”.	0.868		
“I think that a brand endorsed by a trustworthy celebrity is more reliable”.	0.864		
“Do you prefer to buy a product if the celebrity endorser is a trustworthy personas far as surrogate advertisement concern”.	0.862		
“Presence of Celebrities in the surrogate advertisement influence consumer purchase decision”.	0.802		
“Surrogate advertisement with a trustworthy (dependable, honest, sincere, reliable) endorser receives less negative recalls”.	0.788		
“Do you think celebrity endorsement increase the purchase intention of original product”.		0.904	
“Consumer pay more attention to surrogate advertisements using a celebrity with expertise”.		0.900	
“Celebrity endorsement make a brand trustworthy”.		0.885	
“Surrogate advertisement with a celebrity endorser who has expertise (skilled, qualified, knowledgeable, experienced is more respectable”.		0.841	
“Surrogate advertisements with physically attractive (beautiful, elegant, classy) endorsers influence the perception of consumers”.			0.842
“Consumers can remember a brand that is endorsed by an attractive celebrity”.			0.810
“Does physically attractive endorser influence the purchase intention of consumers”.			0.788
“Consumers think that attractiveness is an important characteristic for celebrity endorsers”.			0.778

Table 1: Factor Analysis Result of Celebrity endorsement (Varimax Rotated Results and Scale Reliability)

3.2 EFA

The factor structure was confirmed using exploratory factor analysis as given by Ohanian (1990) [3]. It is an essential tool prior to CFA stands for “Confirmatory Factor Analysis”. Bartlett's test of sphericity yielded a significant result (p-value =0.000 <0.05) with a Chi-square of 6368.995 and a KMO score of 0.914. This indicated that the requirements for a sufficient sample were met for further examination. Table 1 consists of Factor Analysis Result of Celebrity endorsement (Varimax Rotated Results and Scale Reliability).

3.4 Confirmatory Factor Analysis (CFA)

To evaluate the validity and reliability of the model proposed in the study setting, confirmatory factor analysis is performed. It shows both the applicability of the proposed model and the accurateness of the measurement model. The research's proposed model suited the data rather well as, CMIN/DF = 3.051, GFI = .921; CFI = .961, AGFI = .899, and

RMR = .028, and RMSEA = 0.059. The model was verified to be reasonably fitted. Fig. 1 shows the Covariance of Celebrity Endorsement.

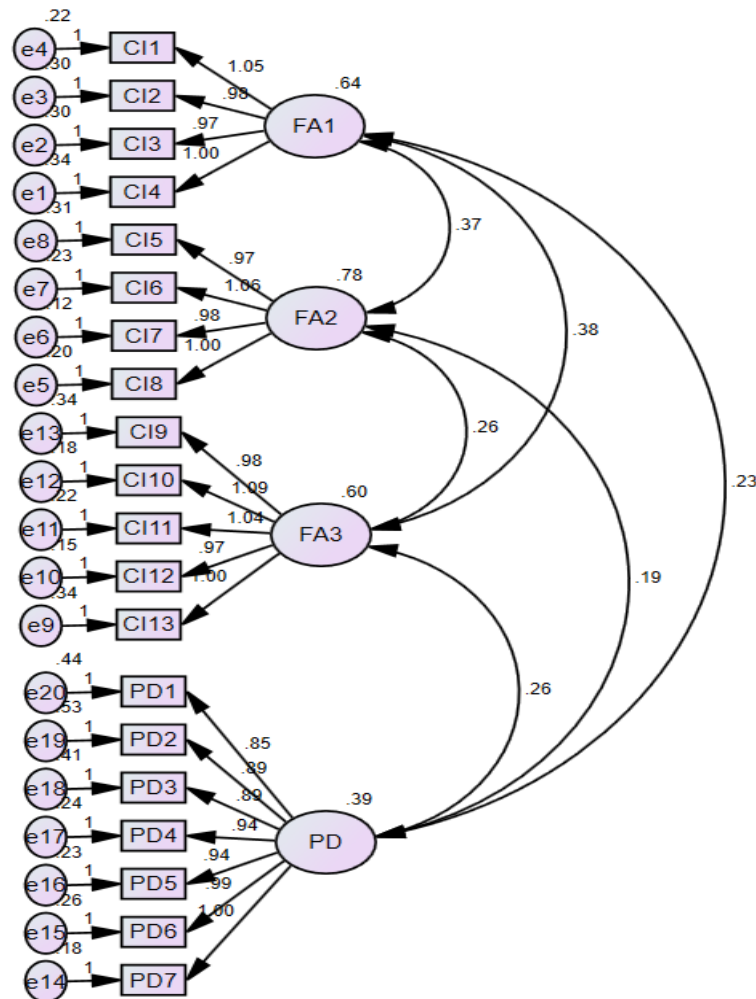


Fig. 1: Covariance of Celebrity Endorsement

FitIndex	Guidelines (Recommended)	Model Values
ChiSquare		500.408
CMIN/DF	Between 1 and 5	3.051
TLI	>0.9	.955
NFI	>0.9	.943
AGFI	>0.9	.899
GFI	>0.9	.921
RMSEA	≤0.05	.059
P	<0.05	0.000

Table 2: Influence of famous people's recommendations on consumer decisions and model fit

Multiple fit indices are presented in Table 2 for the overall evaluation of the measurement, and it is clear from this information that the model and the data are consistent, with all the fit indices scoring higher than the suggested levels. Table 2 displays how celebrity endorsements affect consumer purchasing behavior and model fit.

CONSTRUCT	PATH	CONSTRUCT	Estimate	S.E	C.R	P	RESULT
PD	<---	FA1	0.113	0.045	2.521	0.012	Significant
PD	<---	FA2	0.079	0.032	2.442	0.015	Significant
PD	<---	FA3	0.335	0.043	7.738	***	Significant

Table 3: Hypothesis testing

The findings are shown in Table 3 along with the degree of significance for the path coefficient of each construct. The findings of the hypotheses showed a meaningful correlation between the hypotheses. According to a popular belief, knowledge, dependability, and attractiveness were the main considerations in making a purchase.

4. Conclusion

According to a prior study, an advertisement containing a celebrity generates more attention, has a greater recall rate, and influences buy intentions than ads without celebrities. This study's aim was to examine how celebrity endorsements are used in surrogate advertising. For assessing the effect of celebrity endorsements in surrogate advertisement, a three-dimensional celebrity endorsement scale proposed by Ohanian, 1990 [3] was used. Following thorough research, it is evident that celebrity endorsement fosters empathy between fans and the star, which influences fans' purchasing decisions. Furthermore, The results of this study demonstrate that celebrity endorsements are a powerful marketing tool available to marketers because they significantly influence customers' purchase decisions.

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