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Awakening to Reality

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# Study on Relative Effectiveness of three type of Print Advertisements on Consumers' Purchase Intention

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#### ABSTRACT

The Study is mainly done to find out the relative effectiveness of celebrity endorsed advertisement, non-celebrity endorsed advertisement and advertisement with no endorsement in influencing the purchase intention of consumers. Further, the Study is done for the Same Product and for the low involvement Product especially personal care product. Given the purpose of the study, the descriptive research technique is used. In the Study, lowinvolvement non-food Product Category is considered and three type of endorsed advertisements (Celebrity, Non-Celebrity and No Endorsement) are used and the study is done on 200 Consumers. Three Print advertisements are used as stimuli. The study suggest that for low-involvement personal care product category especially in case of Print media, advertisements endorsed by Celebrity has more favourable/positive impact in influencing the Purchase intention of consumers as compared to advertisements with non-celebrity endorsement and advertisements with no endorsement at all. A major implication from the findings for the managers or advertising agencies is that the impact of advertisement has more favourable impact on consumers' purchase intention when it is endorsed by celebrity especially for Print media. The contribution of the study is in addressing an area that has not been very well researched yet, and in addressing a research question that has not been investigated properly.

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#### Introduction

Today, in fast growing world where consumers always want something new, useful, innovative and attractive look in the products, marketers used to make advertisements to make consumers aware of their products and its features.

Nowadays, in competitive world where advertisements play an important role to differentiate the products, celebrity endorsement is widely used especially for FMCG (Fast moving consumer goods).Since low involvement products are low-cost products and consumers purchase it frequently, such products prove to be more profitable. Moreover consumers do not go a comprehensive process while purchasing such products, so celebrity endorsement plays an important role in influencing consumers' purchase intention.

The use of celebrities to promote a product is not a new method. It is logical to try and boost popularity of one's product by linking it to someone that is already popular and who will undoubtedly receive a lot of attention.

A celebrity endorser is "an individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement" (McCracken, 1989). Friedman and Friedman state that "a celebrity endorser is an individual who is known to the public for his or her achievement in areas others than of the product class endorsed" (Friedman & Friedman, 1979).

Today, an Indian family used to read various newspapers and magazines per day. Moreover, each magazine and newspaper includes various advertisements for different products. So, and they are exposed to around 1000 ads per day. The media-explosion can thus be easily demonstrated.

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Since, Print media is being considered as such a popular media in India through which one can reach large number of people at the same time, marketers usually tend to choose Print media for their advertisements so as to aware more number of people about their products simultaneously.

Hence taking into consideration the above things the present study is undertaken to evaluate the impact of Celebrity endorsement verses Non-Celebrity endorsement in Print advertisements for low involvement product category.

#### **Objectives of the study**

1) To determine the relative effectiveness of celebrity endorsed advertisements, non-celebrity endorsed advertisements and advertisements with no endorsement at all for low-involvement product on consumers' attitude towards advertisement.

2) To examine the comparative influence of advertisements with celebrity endorsement, advertisements with non-celebrity endorsement and advertisements with no endorsement on consumers' attitude towards advertised product.

### Literature Review

Kaikati<sup>3</sup> (1987)

Researcher found from his research that celebrity endorsement is highly useful and fruitful for the firm using the endorsement .Researcher found about five advantages of employing celebrities for endorsing the various products. The advantages were celebrities ability of drawing attention to the brand by breaking the clutter, crisis management, brand repositioning, global marketing, and boosting of sales. **McCracken<sup>2</sup> (1989)** 

McCracken, through his research give the definition of celebrity endorser. According to him, a celebrity endorser is an individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement. His research shown that in general celebrity endorsement influences the feelings of the consumers and can also influence the attitude consumers have towards the advertisement and attitude towards the brands, which can increase the purchase intentions and, consequently, increase sales.

#### Till and Shimp<sup>6</sup> (1998)

Researchers through their research examine the potential impact of negative information about a celebrity endorser on consumer's evaluations of the endorsed product. They find that, when a consumer's knowledge structure about the brand and/or about the celebrity is less than fully developed, negative celebrity information can have a significantly negative impact on consumer's brand evaluation. They conclude that such endorsement relationships, which are full of potential benefits, are not without risk.

#### Chung, Derdenger and Srinivasan<sup>1</sup> (2012)

In this research the researchers investigated the economic worth of celebrity endorsements by studying the sales of endorsed products. For the purpose of research, researchers evaluated the sales of the golf balls endorsed by Tiger woods and the golf balls without endorsement. It was found that approximately an additional 1,416,000 Nike golf balls sold each month when Tiger Woods was under a Nike endorsement contract. Furthermore, an additional profit of \$103 million was generated from Tiger Woods'' endorsement effect. This result was not only from existing customers switching to Nike but also through a primary demand effect.

#### Radha and Jija<sup>4</sup> (2013)

In this research the researcher analyses the impact of celebrity endorsement on the purchase decision of consumers. Through their research, they found that 45.5% respondents are able to recollect the brand that is endorsed by the celebrity. 53% of respondents agree that celebrity endorsement helps them to recognize a product. 23% of respondents strongly agree that they will get a positive image if their favourite celebrity endorses a product. 51% of the respondent's state that film stars endorsements persuades them personally to purchase products.

# Rashid Saeed, Rimsha Naseer, Shazia Haider and Uzma $Naz^{5}\left(2014\right)$

The purpose of the research is to explore the impact of celebrity & non – celebrity advertisement on consumers' perception. Through analysis the researchers found that celebrity advertisement has greater positive relation with consumer perception than non-celebrity advertisement.

#### **Distinguishing features of the study**

The previous studies undertaken have shown the relative effectiveness of celebrity verses non-celebrity endorsed advertisements on consumers' purchase intention, while the present study analyses the relative effectiveness of celebrity, non-celebrity and no endorsement advertisements on consumers' purchase intention.

The Previous researches conducted the study for low and high involvement products, while the present research study involves only low-involvement product and especially for print media.

#### **Research Methodology**

**Target population :-** Adult consumers of Rajkot.

> Place of Study :- The study was undertaken in the city of Rajkot, Gujarat, India.

**Type of Research :-** Descriptive research. Since the aim of the study is to examine and analyze the perceptions, preferences

and buying behaviour of consumers of Rajkot especially with respect to low involvement product category.

Research Hypothesis :- Hypothesis tested using the study are :

 $\star$  H<sub>1</sub>:- There is a significant difference between advertisements endorsed by celebrity, advertisements endorsed by noncelebrity, and advertisements with no endorsement at all in influencing the consumer's attitude towards advertisement.

✤ H<sub>2</sub>:- There is a significant difference between advertisements endorsed by celebrity, advertisements endorsed by non-celebrity and advertisements with no endorsement at all in influencing the consumer's attitude towards the advertised product.

#### Sampling Plan

#### Samples and their size

a) **Consumers:-** 200 adult consumers were considered for the study.

**b) Product Selected for Study:-** Low-involvement product(Shampoo) specifically Pantene was selected. Advertisement with Celebrity, advertisement with non-celebrity and advertisement with no endorsement in it for Pantene were selected in order to know the purchase intention of consumers.

#### **Sampling Method**

Probability/Random sampling method was used for study.

Sources of Data :- The research study employed both secondary and primary sources of data. The details are as under:a) Primary sources of Data :- Personal Interview and Mall Intercept.

**b)** Secondary sources of Data :- Company related websites, Leading Magazines and Newspapers, Company Reports, Research papers, books.

#### Findings of the study

The study was undertaken in two phases. In 1<sup>st</sup> phase relative effectiveness of advertisement with celebrity endorsement, advertisement with non-celebrity endorsement and advertisement with no endorsement at all on consumer's attitude towards advertisement was analysed. In 2<sup>nd</sup> phase relative effectiveness of advertisement endorsed by celebrity, advertisement endorsed by non-celebrity and advertisements with no endorsement on consumer's attitude towards the advertised product was analysed.

#### Dependent and Independent variables

To conduct the study, three print advertisements are used as stimulus and thus they are considered as **Independent variables**. One advertisement for low involvement product named PANTENE consist of celebrity, other advertisement consist of non-celebrity and the third advertisement consist of no endorsement. One **Dependent variable** named Consumer Purchase Intention was taken. To measure the purchase intention of consumers, two variables were studied, consumer's attitude towards advertisement and consumer's attitude towards the advertised product.

Three Print advertisements are given below:





Figure 1. Print Advertisements of Shampoo with celebrity endorsement, non-celebrity endorsement and no endorsement for the same product PANTENE

#### **Hypothesis-1**

Comparative Analysis of effectiveness of advertisements endorsed by celebrity, advertisements endorsed by non-celebrity and advertisements with no endorsement for Shampoo product PANTENE on consumer's attitude towards advertisement especially in case of Print media.

> For carrying out the above analysis, a sample of 200 adult consumers was taken. The product considered for study was Shampoo that consumers usually like to use to wash their hair.

> Before starting the experiment, the age and gender was noted down. Consumer attitude towards advertisement, a four-item scale, was measured on five point likert scale with five options on scale. Anchors used in this scale were: "attractive, appealing, convicting and credible". The subjects were asked to rate their opinion on five-point likert scale to measure the consumer's attitude towards advertisement.

After noting down the responses following hypothesis were developed and tested.

•  $H_{null1}$ : There is no significant difference between advertisement endorsed by celebrity, advertisement endorsed by non-celebrity and advertisement with no endorsement in it in influencing the consumer attitude towards advertisement for the same product especially in case of print media.

•  $H_{alt1}$ : There is a significant difference between advertisement endorsed by celebrity, advertisement endorsed by non-celebrity and advertisement with no endorsement in it in influencing the consumer attitude towards advertisement for the same product especially in case of print media.

The responses of consumers were served as data for testing the above hypothesis. The resultant data was analyzed using the **Repeated measures ANOVA test** using SPSS software. The value of alpha was assumed to be 0.05. The table that shows the output for the above hypothesis are given below.

From the table 2, it is observed that the Sig. (significance value) in Wilks' Lambda row is .000 which is less than 0.05 which reveals that the **null hypothesis is rejected** (i.e. there is a significant difference between means of all three conditions).

Next, from table 3, it is observed that the data is sufficient to say the advertisements (pair of data) are likely to be different.

And from table 1, it is observed that Advertisement Attitude1 has highest mean (3.98) as compared to Advertisement

Attitude2 and Advertisement Attitude3. Moreover, Advertisement Attitude2 has mean (2.86) greater than the mean (1.84) of AdvertisementAttitude3.

Thus, it can be concluded that there is a significant difference between advertisements endorsed by celebrity, advertisements endorsed by non-celebrity and advertisements with no endorsement at all in influencing the consumer attitude towards advertisement for the same product especially in case of print media and Advertisements endorsed by celebrity has more favourable impact as compared to advertisements endorsed by non-celebrity and advertisements with no endorsement at all in creating positive attitude towards advertisement.

#### Hypothesis-2

Comparative Analysis of effectiveness of advertisements endorsed by celebrity, advertisements endorsed by non-celebrity and advertisements with no endorsement for Shampoo product PANTENE on consumer's attitude towards advertised product especially in case of Print media.

> For carrying out the above analysis, a sample of 200 adult consumers was taken. The product considered for study was Shampoo that consumers usually like to use to wash their hair.

➤ Before starting the experiment, the age and gender was noted down. Consumer's attitude towards the advertised product, a four-item scale, was measured on five point likert scale with five options on scale. Anchors used in this scale were: "Suitability of Shampoo(ranging from unsuitable to suitable), Smooth and silky Shampoo(ranging from strongly disagree to strongly agree), the Shampoo in the ad makes hair shinier(ranging from strongly disagree to strongly agree) and influence of Shampoo(ranging from negative influence to positive influence on five point likert scale)". The subjects were asked to rate their opinion on fivepoint likert scale to measure the consumer's attitude towards the advertised product.

After noting down the responses following hypothesis were developed and tested.

•  $H_{null1}$ : There is no significant difference between advertisement endorsed by celebrity, advertisement endorsed by non-celebrity and advertisement with no endorsement in it in influencing the consumer attitude towards the advertised product especially in case of print media.

•  $H_{alt1}$ : There is a significant difference between advertisement endorsed by celebrity, advertisement endorsed by non-celebrity and advertisement with no endorsement in it in influencing the consumer attitude towards the advertised product especially in case of print media.

The responses of consumers were served as data for testing the above hypothesis. The resultant data was analyzed using the **Repeated measures ANOVA test** using SPSS software. The value of alpha was assumed to be 0.05. The table that shows the output for the above hypothesis are given below.

From the table 5, it is observed that the Sig. (significance value) in Wilks' Lambda row is .000 which is less than 0.05 which reveals that the **null hypothesis is rejected** (i.e. there is a significant difference between means of all three conditions).

Next, from table 6, it is observed that the data is sufficient to say the advertisements (pair of data) are likely to be different.

And from table 4, it is observed that ProductAttitude1 has highest mean (4.28) as compared to ProductAttitude2 and ProductAttitude3. Moreover, ProductAttitude2 has mean (3.68) greater than the mean (2.38) of ProductAttitude3.

# Table 1. Descriptive Statistics Mean Std. Deviation N AdvertisementAttitude1 3.9800 1.10713 200 AdvertisementAttitude2 2.8600 .96178 200 AdvertisementAttitude3 1.8400 .92666 200

Table 2. Multivariate Tests									
Effect		Value	F	Hypothesis df	Error df	Sig.	Partial Eta Squared	Noncent. Parameter	Observed Power <sup>b</sup>
Advertisements	Pillai's Trace	.679	209.869 <sup>a</sup>	2.000	198.000	.000	.679	419.738	1.000
	Wilks' Lambda	.321	209.869 <sup>a</sup>	2.000	198.000	.000	.679	419.738	1.000
	Hotelling's Trace	2.120	209.869 <sup>a</sup>	2.000	198.000	.000	.679	419.738	1.000
	Roy's Largest Root	2.120	209.869 <sup>a</sup>	2.000	198.000	.000	.679	419.738	1.000

#### Table 3. Pairwise Comparisons

#### (I) Advertisements (J) Advertisements Mean Difference (I-J) Std. Error Sig.<sup>a</sup> 95% Confidence Interval for Difference<sup>a</sup>

				Lower Bound	<b>Upper Bound</b>
1	2	$1.120^{*}$	.106	.000 .865	1.375
	3	$2.140^{*}$	.104	.000 1.888	2.392
2	1	-1.120*	.106	.000 -1.375	865
	3	$1.020^{*}$	.103	.000 .772	1.268
3	1	$-2.140^{*}$	.104	.000 -2.392	-1.888
	2	$-1.020^{*}$	.103	.000 -1.268	772

#### **Table 4. Descriptive Statistics**

	Mean	Std. Deviation	Ν
ProductAttitude1	4.2800	.89757	200
ProductAttitude2	3.6800	1.21034	200
ProductAttitude3	2.3800	1.25037	200

#### Table 5. Multivariate Tests

Effect		Value	F	Hypothesis df	Error df	Sig.	Partial Eta Squared	Noncent. Parameter	Observed Power <sup>b</sup>
Advertisements Pi	Pillai's Trace	.642	177.802 <sup>a</sup>	2.000	198.000	.000	.642	355.604	1.000
	Wilks' Lambda	.358	177.802 <sup>a</sup>	2.000	198.000	.000	.642	355.604	1.000
	Hotelling's Trace	1.796	177.802 <sup>a</sup>	2.000	198.000	.000	.642	355.604	1.000
	Roy's Largest Root	1.796	177.802 <sup>a</sup>	2.000	198.000	.000	.642	355.604	1.000

#### **Table 6. Pairwise Comparisons**

#### Measure:MEASURE\_1

Measure:MEASURE\_1

(I) Advertisements (J) Advertisements Mean Difference (I-J) Std. Error Sig.<sup>a</sup> 95% Confidence Interval for Difference<sup>a</sup>

				Lower Bound	<b>Upper Bound</b>
1	2	$.600^{*}$	.116	.000 .320	.880
	3	$1.900^{*}$	.101	.000 1.655	2.145
2	1	600*	.116	.000880	320
	3	$1.300^{*}$	.143	.000 .954	1.646
3	1	-1.900*	.101	.000 -2.145	-1.655
	2	-1.300*	.143	.000 -1.646	954

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Thus, it can be concluded that there is a significant difference between advertisements endorsed by celebrity, advertisements endorsed by non-celebrity and advertisements with no endorsement at all in influencing the consumer attitude towards the advertised product especially in case of print media and thus Advertisements endorsed by celebrity has more favourable impact as compared to advertisements endorsed by non-celebrity and advertisements with no endorsement at all in creating positive attitude towards the advertised Product.

#### **Final Conclusion**

From the overall analysis, it can be concluded that the advertisements endorsed by Celebrity leads to higher consumer purchase intention as compared to advertisements endorsed by Non-Celebrity and advertisements with No Endorsement at all.

#### Limitations of the study & scope of future research

(a)The study evaluated the impact of celebrity verses noncelebrity verses no endorsement in the Print advertisement for one product only namely PANTENE Shampoo. But the same impact could also be evaluated for other products like corn flakes, biscuits, wafers etc.

(b)The select group of products, Celebrities and ages sampled limit the degree to which these findings can be generalized.

(c)The celebrity considered in the study especially for created Print advertisements was popular celebrity but it may happen that they may not be the favourite celebrity of consumer and hence this inconsistency may have affected the responses for products taste assessment and product liking.

#### Policy Recommendation and Concluding remarks

> The study revealed that an advertisement endorsed by celebrity has significant impact in creating positive attitude towards advertisement. This information suggests that if advertisers of products make use of celebrity endorsement for advertising their products then they are likely to get their desired impact and appropriate reach for the money spent.

> The study also revealed that an advertisement endorsed by celebrity is more influential in developing positive attitude of consumers towards the advertised product. This information suggests that if advertisers of products make use of celebrity for endorsing the products then they would be able to increase the sales of the endorsed products and thereby increasing the profits.

Thus, the study shows that the advertisement with celebrity endorsement has more positive impact in influencing the purchase intention of consumers.

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