

# Impact of Celebrity Endorsement on Sales of Cosmetics

Shahbaz Khan<sup>1</sup>, Harsh Maheshwari<sup>2</sup>

<sup>1</sup> Student, School of Business, Galgotias University

<sup>2</sup> Assistant Professor, School of Business, Galgotias University

## Abstract

Today, celebrity endorsement is becoming a multi-million dollar industry worldwide. In advertising, marketers have endorsed celebrities with their products and brands to increase their sales and change viewers' perception of their brand, which positively affects their purchasing behavior. This study focuses on celebrity endorsement and its impact on customer purchasing behavior and their perception of a company's product or brand. This study uses a quantitative method to find out the effect of celebrity endorsement on purchasing behavior. The data of 100 respondents are collected through a questionnaire and the results were analyzed. Respondents learned how they perceive a celebrity and its characteristics and how celebrity endorsement affects their purchasing behavior. The conclusion is that celebrity-endorsed ads are more attractive than non-endorsed ads. It also showed that celebrity endorsement has a significant impact on purchasing behavior. Finally, the results of the study further showed that celebrity popularity has a significant impact on customer purchasing behavior. The study focuses on understanding consumer buying behavior based on various factors such as age, gender, income, media and many other relevant variables.

**Keywords:** Celebrity endorsement, Buying behavior, Advertisement

## 1. Introduction

### 1.1 Background to the Research

In today's world, celebrities are seen as role models. People change their lifestyle in relation to their favorite celebrity. This issue has a great impact on the buying behavior of people. This attracts customers and ultimately increases the productivity of the company. Celebrities don't always have any influence on people's minds when it comes to making purchases. But mostly it has a big impact on the perception of choosing any product. We always think that when our favorite celebrity wears them. Then we should use it to be like them (Khatri 2006). Advertising has gone through various stages over the past 150 years, from classic to modern. Today, it is the best strategy used by marketers to influence customers by showing celebrities with their products, it contains different types of lies, excitement, absurdity, sexuality, etc. Belch, G. and Belch, M. (2008) agreed that the main objective of formulating such strategies is to achieve high levels of brand exposure, longing, focus and curiosity. Marketers associate famous people with their products. McCracken (1989) argued that these famous personalities had a great influence on consumer buying behavior, making it the most attractive medium of advertising today. The main purpose of advertising and the adoption of this strategy is to influence the products of customers (Ohanian 1990).

## 1.2 Advertising

The main purpose of any advertisement is to create attention and arouse interest in the consumer. Today, almost all companies that operate in various industries use advertising as the main means of promoting their goods and services, because it is the best way to communicate information to the public in an effective and efficient manner. According to the consumer's purchase intention, advertising plays a crucial role, it becomes very important for companies to use all the packages and tools through which customers become familiar with their offers through various advertising campaigns (Ohanian 1991).

## 1.3 Celebrities

Erdogan (1999) concludes that celebrities are people who are known by a very large number of people. They have special uniqueness and characteristics such as magnetism, unusual standard of living or special abilities that are not normally experienced by ordinary people. That it can be said that in society they are different from ordinary people. Celebrity role models include actors (eg Saif Ali Khan, Shan, Salman Khan, Amitabh Bachan etc.), models (eg Preeniti Chopra, Ali Zafar, Bipasha Basu, Kareena Kapoor etc.), athletes (eg Yousuf Pathan, Shahid Afridi, Sachin. Tendulkar etc.) are noteworthy.

## 1.4 Celebrity endorsement

Khatri (2006) studied that celebrity endorsement is an advertising strategy to attract customers. Analyzing the current market, it has now become necessary for marketers to use various famous personalities to interact with their brands to create a unique identity for the brand and make their company's brand or product famous, which leads to high costs for the company Use this strategy. , but today it is used as an effective strategic tool to achieve maximum profit. It also shows that there may be a risk, because there is no certainty that fame can come with the sale of the business. But it creates a buzz and increases the popularity of the company and the brand. This can increase customer expectations of a real star, fulfilling the company's promise. There are certain corners where real people can work better than celebrities suggest, but not always.

## 1.5 Attention, awareness, attitude

Zafar (2009). suggested that in this process, well-known personalities explain the message about the main motive of the product. That is why companies prefer that they develop awareness.

## 1.6 Buying Behavior

Shopping behavior is a process in which people look for a product/service that they need or want, decide to buy the most necessary and suitable one from various options, use it and dispose of it. When making a marketing decision, the buying process model plays a very important role for everyone. This forces salespeople to think about every step of the process, not just the purchase decision, because if marketers are still thinking about the purchase decision, it may be too late for the company to influence customer choices. According to this model, the customer goes through all the steps to buy each good or service. However, in more routine purchases, the customer often skips a few steps (Kirmani and Shiv1998).

## 1.7 COSMETICS

Cosmetic products are defined as "products that have a minor effect on the human body and are intended to clean, beautify, improve attractiveness, change appearance or maintain or promote good health of the skin or hair", while functional cosmetics are defined as "products that fulfill certain functions such as skin whitening, minimizing facial and body lines, protection against the sun and tanning."

## 1.8 Factors effecting Buying Behavior

According to Brewster, Sparrow, and Vernon (2007), factors that influence purchasing decisions differ from person to person, by age group, and by geographic location. Every civilization has its own set of

customs, traditions, and values. Our tastes alter over the course of our lives depending on our age, requirements, way of life, income, and psychological issues. Both internal (memory and thinking style) and external (media, word-of-mouth, publicity, and feedback) variables might be involved.

### **1.9 Impact of Endorsement on Buying Behavior:**

According to Ranjbarian, Shekarchizade, and Momeni (2010), advertising is the act of persuading members of a certain market to purchase goods and services. The advertisement message can be disseminated in a variety of methods, including TV commercials, radio spots, print advertisements, web promotions, billboard marketing, in-store promotions, etc

## **2. Literature Review**

Famous people have been used in advertisements since the eighteenth century, and these widespread promotional practices have made a lot of intellectual and practical problems clear. The majority of academic research on celebrity endorsements covers the topics of charismatic spokespersons and spokesperson credibility, and it advises famous people to influence consumers through outward manifestations of their personalities (Ahmed 2012; Ohanian 1990, 1991).

(Biswas and Gupta, 2016) found that celebrity endorsement has a positive impact on consumer purchase intention and brand loyalty.

To track how consumers' attitudes and intentions to buy have changed as a result of the celebrity source endorsement An investigation of the physical attractiveness of celebrity endorsers was done by Kahle and Homer in 1985. The research's findings are interpreted using the underlying social adaptation theory. The study's main finding is that participants prefer the product more than participants who view an unattractive source when they see an attractive endorser.

After reading the research paper Impact of Celebrity Endorsement on Consumer Buying Behaviour by Kumar Seedani and Manoj Kumar Ahuja et al. (2015), we can conclude that advertisements featuring celebrities are more popular and regarded as attractive than those without celebrities.

Apporv Bafna, prof. Pervin Gandhi and Avi Jain et al. (2016) in their study Influence of Celebrity Endorsements on the Consumer Behavior for Facial Care Behaviour, concluded that a comprehensive study was conducted and it was found that the majority of the population uses products from the facial care category and only facial care products. . to take care of is deeply focused on products. A very large number of supporters support such products. Data was collected from 400 respondents. A very important fact that was revealed in Limelight is that celebrities do not play a central role in selling products because they do not influence the buying behavior of consumers. In the case of face washes, only 2.5% influence on the consumer's purchase intention and the quality of the face wash, suitability for the skin, is considered to be of primary importance.

Azizi Wafa, Fatima Zohra Chekima, Syed Khalid Wafa and Rini Suryati Sulong (2018). In their paper The Impact of Celebrity Credibility on Purchase Intention of Cosmetic Products: The Moderating Role of Ethnocentrism, stated that as different countries and Organisations are developing various types of products—that is, the same products—but differentiating them with the help of advertisements, one of the widely used methods is taking help from celebrities to endorse the products. Additionally, it is important to keep ethnocentrism in mind as the national and international markets grow.

In their research paper Influence of Celebrity Endorsement on Consumer Purchase Decision: A Case of Karachi, Afsheen Khan and Samreen Lodhi (2016) came to the conclusion that consumers view celebrities as important factors in advertisements, and that for them, advertisements without celebrities

are less trustworthy than those that do. Customers always choose things that fit their brand, hence the majority of customers like purchasing goods that have the endorsement of the celebrity of their choice. Therefore, celebrities do have an impact on consumers' decision to buy.

### **Research Objective**

- To investigate the effect of celebrity endorsement on cosmetics purchasing habits.
- To investigate how professionals and students see celebrity endorsements.
- To determine the link between celebrity endorsement and consumer purchasing habits.
- To examine how much a brand influences celebrity endorsement.

### **3. Methodology**

The goal of the study is to determine how celebrity endorsements affect online shoppers' spontaneous purchases of cosmetics. The goal of the study is to better understand how online and offline consumers make purchasing decisions depending on a variety of criteria, including age, gender, income, and many more. To keep the study on track for effective and relevant results, a variety of tactics have been explored. A properly organised questionnaire with categorization and objective parts is created to gather primary sources of data from people living in India. The respondents for the study were chosen by the researcher using convenience sampling. The impact of celebrity endorsement on cosmetics purchasing has been studied using a variety of current concepts, theories, data, publications, and research works.

#### **Research Design**

The study has a quantitative and descriptive approach. There have been both primary and secondary data sources gathered.

#### **Sample Size**

The sample size for this study's analysis of how celebrity endorsement affects consumer behavior is 100. The random sampling method is applied.

#### **Instrument Selection**

The question was taken from Kumar's research study on the subject of the influence of celebrity endorsement on purchasing decisions.

#### **Variables**

The purchase habits are the dependent variable, while the celebrity endorsement is the independent variable. We operationalize celebrity in terms of its three key qualities: appeal, credibility, and meaning transmission. We also see their effect on consumer behaviour.

### **4. The Data**

Both primary and secondary data are used to gather data. A standardised questionnaire is created and sent to participants to obtain primary data. Due to the requirement for a somewhat modest sample size and the need to keep research costs to a minimum, a sample size of 100 respondents is chosen. Convenience sampling was utilised by the researcher to choose the study's respondents. However, to prevent any ambiguity in the results, foreigners were not included in this study.

The people who use the samples commonly buy cosmetics items and are frequently exposed to celebrity endorsement advertisements. The secondary information is gathered from sources including internet articles, journals, linked research projects, and publications. The respondents' responses are gathered, coded, and evaluated. The many questions, such as "Multiple Response" and "Likert Scale," are all coded in accordance with the regulations. The required analysis is performed following the coding.

**5.Data Analysis and Results**

**Table 1: Demographic Analysis**

Gender					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	30	30	30	30
	Female	70	70	70	100
	Total	100	100	100	

Total population is 100 taken in account, in which 30 are male respondents and 70 are female respondents

**Table 2: Age Analysis**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	15-30	70	70	70	70
	Above 30	30	30	30	100
	Total	100	100		

If we look around to the age factor, most of the respondents are between the age of 15- 30, which are 70 and only 30 respondents above 30, because in this research we focused the students more

**Table. 3: Social Status Analysis**

Social Status					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Middle Class	78	78	78	78
	Upper Middle Class	15	15	15	93
	Upper Class	7	7	7	100
	Total	100	100	100	

There are 78 respondents who belong to Middle class, 15 from upper middle class and 7 respondents are from upper class families. So we conduct research from different people related from different social classes

**Table. 4: Medium advertisement Medium Analysis**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	TV	53	53	53	53
	Internet	40	40	40	93
	Newspaper	7	7	7	100
	Total	100	100	100	

We ask from the respondents that which medium is important to watch celebrity advertisements, most of the respondents i.e. 53 go for the TV advertisements, so we can say that TV is the effective source of conveying advertisements, next high frequency is Internet i.e. 40 respondents went for and 7 have chosen newspaper.

**Table. 5: Celebrity Vs. Non-celebrity Analysis**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Celebrity endorsed ads	81	81	81	81
	Non-Celebrity endorsement	19	19	19	100
	Total	100	100	100	

We also ask from our respondents that which advertisements attracts them more, celebrity endorsed or non-celebrity endorsed, 81 respondents out of 200 said that celebrity endorsed advertisement, only 19 respondents voted to non-celebrity advertisements. So we can say that celebrity-endorsed advertisements are more attractive in the perception of the viewers.

**Table. 6: Frequency Analysis**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Often	41	41	41	41
	Occasionally	47	47	47	88
	Rarely	9	9	9	97
	Never	3	3	3	100
	Total	100	100	100	

We asked the respondents that how frequently they come across advertising using celebrity endorsement, most of the people said occasionally and often it shows that celebrity endorsed advertisement are very popular and mostly watched by the viewers.

## 6. Conclusion

The main purpose of this study was to find out the effectiveness of celebrity endorsement as a marketing tool and to investigate the use of celebrity endorsement in the cosmetics industry, and after examining several studies, various facts came into focus. As we all know, competition is quiet high in every sector and in this study we are talking about cosmetics and the competition is clearly tough. Many national and international brands are there for cosmetic products, so in order to survive, they have to choose different strategies to sell their products and make a profit at the same time. One of the strategies is to promote cosmetic products, and organizations enlist the help of celebrities to endorse their products. As we all know, communication is very important for organizations so that more and more people can know about their product and various information related to the product such as its price, specialty, etc. For the young generation, celebrities are like role models who want to copy their style and more. It is also very clear from the research cited in this study that the tarnished image of a celebrity has a very bad effect on

product sales and people prefer to buy products that are endorsed by celebrities than those that are not. They consider such silent products to be reliable. Another important thing that came into focus was that the mere presence of a celebrity in an advertisement does not matter much, other factors such as the price of the product, features, suitability for the skin, recommendation etc. are most important. A celebrity endorsing a cosmetic product is irrelevant because all consumers know well that a celebrity endorsing a product does not necessarily use the same product. Advertisements play a key role, but the promotion of cosmetic products cannot create a perception in the consumer, but the use of cosmetic products can create a perception, although the high price does not count the consumer in terms of quality. Consumers do not want to sacrifice the quality of cosmetic products. Organizations should focus on looks, fan following and other similar factors when choosing a celebrity for their product. According to the findings of this study, celebrity-endorsed advertising are more appealing than non-celebrity-endorsed advertisements. The best media for seeing commercials, according to respondents, is TV, followed by the internet. The influence of celebrity endorsement on consumer behavior is substantial. Respondents made it quite apparent that they do buy the goods and services that celebrities recommend. People like to buy the items more if they are sponsored by the celebrity, which illustrates how media awareness and influence affect today's consumers. It has also been noted that celebrity endorsement advertising increase sales and product purchases.

### Acknowledgements

First and foremost, I would like to thank to my supervisor of this project, Professor Harsh Maheshwari for the valuable guidance and advice. He inspired me greatly to work in this project. His willingness to motivate me contributed tremendously to my project. I also would like to thank him for showing me some example that related to the topic of my project. Besides, I would like to thank the authority of Galgotias University for providing me with a good environment and facilities to complete this research. Finally, an honorable mention goes to my families and friends for their understandings and supports on me in completing this research. Without helps of the particular that mentioned above, I would face many difficulties while doing this project.

### 7. Authors' Biography

1<sup>st</sup> Author-Shahbaz khan, Student, School of Business, Galgotias University

2<sup>nd</sup> Author-Harsh Maheshwari, Assistant Professor, School of Business, Galgotias University

### References

1. Agrawal, J. and Wagner A.K. (1995), The Economic Worth of Celebrity Endorsers: An Event Study Analysis, *Journal of Marketing*, 59, 56-62
2. Ahmed, R.R. and Ahmad, S. (2014), Pharmaceutical drug promotion in Pakistan: Issues in ethical & non-ethical practices, *Middle-East Journal of Scientific Research*, 20 (11), 1630-1640
3. Ahmed, R.R., Parmar, V. and Ahmed, J. (2012), Factors that affect attitude towards Generic Drugs Perception: Comparison of Physicians & General Practitioners of Karachi City, *International Journal of Management, IT and Engineering*, 2 (11), 151-178
4. Atkin, C. and Block M. (1983), Effectiveness of Celebrity Endorsers, *Journal of Advertising Research*, 23, 57-61

5. Belch, G.E., and Belch, M.A. (2008), Advertising and Promotion: An Integrated Marketing Communication Perspective. (6th ed.) New York
6. Biswas, S. and Hussain, M.D. (2009), Celebrity endorsement in advertisements and consumer perception, *Journal of global marketing*, 2, 121-137
7. Brewster, C., Sparrow, P. and Vemon (2007), International human resource management. In 3rd edition. london: chartered institute of personnel and development.
8. Erdogan, B.Z. (1999), Celebrity endorsement: a literature review, *Journal of Marketing Management*, 15 (4), 291-314
9. Erdogan, B.Z. (1999), Celebrity endorsement: a literature review, *Journal of Marketing Management*, 15(3), 291–314
10. Gabor, A., Jeanyne, T. and Daniel, P.W. (1987), Star Turns That Can Turn Star-Crossed. *U.S. News and World Report*, 103 (7), 57
11. Giles, D.C. (2000), *Illusions of Immortality: A Psychology of Fame and Celebrity*, London: MacMillan
12. Haghirian P. and Madlberger M. (2005), Consumer attitude toward advertising via mobile devices - an empirical investigation among Austrian user, in *Proceedings of the European Conference on Information Systems*, Regensburg, Germany
13. Heider, F. (1946), Attitudes and cognitive organization, *Journal of Psychology*, 21, 107-112
14. Kaikati G.K. (1987), Celebrity Advertising: A Review and Synthesis, *International Journal of Advertising*, 6 (2), 93-106
15. Bafna, A. , Gandhi, P ., Jain , A. , Dantara, V. , Desai, K., Dholakiya, M., Gurnani, N., Gagnani , P., Udhani , D ., Keshwami, K.,& Kanabar, H. (2016) . Influence of Celebrity Endorsements on the Consumer Behavior for Facial Care Products
16. Pokharel , A., & Pradhan , B. (2017). pp.(1-14). Influence of Celebrity Endorsement on Consumers Buying Behavior of Fast Moving Goods in Kathmandu.
17. Swadia, B.U. (2018). Impact of Advertisement on Buying Behaviour of the Consumers: study of Cosmetic Industry in Ahmedabad City
18. Ifeanyichukwu, C. (2016). Effect of Celebrity Endorsements on Consumers Purchase Decision in Nigeria.
19. Chekima , F.Z. , Wafa , S.A.W.S.K. , & Sulong, S.S. (2018). The Impact of Celebrity Credibility on purchase intention of Cosmetic Products : The Moderating Role of Ethnocentrism
20. Gauns, K.K., Pillai , S.K.B, Kamat, K. , & Chen , R.F. (2017). Impact of Celebrity Endorsement on Consumer Buying Behavior in the State of Goa
21. Kodhai, N.N., & JayaChandran, R. (2016). Pp. (197-199). A Study on impact of endorsement of Celebrity on Purchase of Beauty Care Products
22. Mahalakshmi, M., & Shanmugapriya. (2015). Impact of Celebrity Endorsement with Branded Cosmetic Products among the College students at Coimbatore
23. Adam , M.A. , & Hussain , N. (2017) . pp. (79 – 121) . Impact of Celebrity Endorsement on Consumer Buying Behavior
24. Tahlani, P.,& Patra, S. pp.(51-62). Perception of Ladies of Kolkata towards Celebrity Endorsement for Beauty Creams
25. Yadav, P., Agarwal, V.,& Tripathi , K.V. (2012). Impact of Male Celebrities in Endorsing Cosmetics Brands/ Products



26. P.V.M.V.D, Udovita., & M.I , Hilal , Mujahid. (2018). Factors determining Celebrity Endorsement and impact on Brand Loyalty: A Sri lanka based study on Cosmetic Advertising
27. Ahmed, R. , Seedani, S., Ahuja, M. , & Paryani , S . (2015) . Impact of Celebrity Endorsement on Consumer Buying Behavior
28. Chaudhary, U., & Asthana , A, (2015). Impact of celebrity endorsements on consumer brand loyalty: Does it really matters?