



EFFECTIVENESS AND IMPACT OF CELEBRITY ENDORSEMENT ON CONSUMER PURCHASE DECISION

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ABSTRACT

Now a days, in the competitive market, celebrity endorsements have become a powerful tool for influencing consumer purchase decisions. By using famous personalities like actors, athletes and influencers a company can increase brand awareness, trust and sales. The main objective of this study is to show the impact of celebrity endorsement on consumer purchase decisions. The study focuses on the urban consumer purchases decision and total 50 consumers have been selected as sample randomly. Structured questionnaire has been made to collect data from the selected sample. Various types of statistical tools regression analysis, correlation analysis and test of hypothesis has been used to analyze the collected data. Finally, some recommendations have been made based on analyzed data,

KEY WORDS: Celebrity, Endorsement, Consumers, Effectiveness, Purchase Decision.

INTRODUCTION

Celebrity advertising significantly influences urban consumers in Bangladesh, particularly impacting brand recall, credibility, and purchasing intentions for personal care, fashion, and lifestyle products. The effectiveness of celebrity endorsement as a marketing strategy lies in the ability of a well-known individual to capture the audience's attention, enhance brand credibility, and influence consumer attitudes toward the product or service being endorsed (Erdogan, 1999). These celebrities need not to be necessarily an international superstar, but they should be extremely familiar to their target audience. We see celebrities in television, film, radio, magazines and where not, celebrity endorsements get about billions and trillions yearly and are highly recommended in the dreamy world of advertisements to promote their products. (Adam, M. A. and Hussain, N. 2017). For instance, while a celebrity's expertise or attractiveness may enhance consumer attitudes toward a brand, the celebrity's credibility and relevance to the product category are crucial for ensuring that the endorsement resonates with consumers (Hsu & McDonald, 2002). Moreover, when a celebrity's personal brand is tarnished by negative publicity or controversial behavior, it can negatively affect consumer attitudes toward both the celebrity and the endorsed brand (Zabid A. R. and Nallamuthu, 2002). Several theoretical frameworks have been proposed to explain the underlying mechanisms of celebrity endorsements. The Source Credibility Model (Hovland and Weiss, 1951).

OBJECTIVES OF THE STUDY

The objectives of the study are as follows:

- (i) To show the impact of celebrity endorsement on consumers' purchase decision.
- (ii) To measure celebrity endorsement as key factor for business success.
- (iii) To focus the effect of celebrity endorsement on the awareness and recall of consumers.

REVIEW OF RELATED LITERATURE

Kumar, S. and Patra, S. (2017) conducted research and focused that a celebrity advertising that helps to enhance the sales and provides mutual benefit to both brand and celebrity. This paper reviews the determinants of celebrity advertising and its role to brand equity. Result endorses that celebrity profession, trust, attractiveness and decent match with the brand, image, and fame is a most useful tool to attract or fascinate the more customers.

Jain, V. (2011) mentioned that the instrument of celebrity endorsement has nowadays become apervasive element in advertising and communication management. Author stated that India as a country is known for loving its stars. The Indians idolize their Bollywood actors and cricketers. The research focused on examining the perception of these Indian consumers about the celebrity endorsement process and the subsequent impact on their purchase decisions.



Spry, A. and Pappu, R. (2011) suggested that endorser credibility has an indirect impact on brand equity when this relationship is mediated by brand credibility. This mediating relationship was moderated by type of branding. However, the “endorser credibility-brand credibility” and “endorser credibility-brand equity” relationships did not vary according to the type of branding employed.

Addo, J. O. (2016) focused that celebrity endorsement (CE) has been successful as one of the Marketing Communications tools and has attained such popularity but abundant extant literature and various research works have not considered challenges Corporate Organizations are confronted with in their business endeavor by engaging Celebrities to endorse the organization’s brands.

Bogollu, V. V. R. and Saravanan, S. A. (2023) conducted research and the purpose of this study was to investigate the impact of number of endorsers on consumers' attitudes regarding advertisements and brands, as well as their decisions to make purchases. The findings indicated that there is no direct relationship between the endorsers and the intention to make a purchase; however, attitudes toward ads, attitudes towards brands, and purchase intentions have a positive relationship with a single celebrity endorsement, attitude towards advertisement and purchase intention have a positive relationship with both single and multiple celebrity endorsement.

Štreimikienė et al. (2021) stated that most of social media overlap and have more than one characteristic, aim or purpose. They have analyzed the impact of social media for sales promotion in entertainment sector. Authors also found that elements (promotion of sales increase; brand strengthening), maintaining connections with present and potential company’s clients that are used by the entertainment companies on social media help to promote sales with users’ engagement. They have mentioned that regular communication of entertainment companies on social media has a positive impact on sales, because users tend to follow such type of accounts actively.

Genchev and Todorova (2017) figured out that sales promotion is one of the best tools to attract new customers and retain old ones, including marketing activities by adding more value to the products for a limited period of time in order to stimulate consumer purchases and effectiveness of intermediaries. The study confirms that sales promotion is an effective instrument which has a positive direct impact on users purchase behavior.

Ezenyilimba et al (2019) conducted a research and focused on the effect of sales promotion on customer patronage, of alcoholic beverages (A study of Consumer of Alcoholic Beverages in Aguata LGA). Authors revealed that both dependent and independent variables (price, pack, contest and coupons) had significant effect on customer patronage. They recommended that in as much as sales promotion is a key element in the advancement of Brewer industry, tools selected should be sustained overtime while being flexible due to economic instability so as to avoid downward fluctuations in their profit margin.

Sedliacikova et al. (2020) focused on ethical practices during the samplings. They have shown that customers perceive samplings positively. Sampling has found its application in Slovakia, and it is a relatively accessible tool for promotion of sales (also from the viewpoint of producers). Authors have brought findings focused on the popularity of the sampling in practice, purchasing habits of the customers, and at the same time, it opens a space for further improvements.

Khan et al. (2019) made a study and tested the impact of various sale promotion strategies and its impact of consumer buying behavior. They have analyzed the collected data through correlation and regression modeling help to conclude that buy one get one free, price discounts and coupons are positively related with consumer buying behavior, whereas, free samples and bonus packs are not significantly related with the dependent variable.

Gorawar, V. and Santhosh (2025) stated that various celebrity endorsement attributes—credibility, attractiveness, expertise, and celebrity–brand alignment—affect consumer attitudes and purchase intentions in the urban setting of Bengaluru, India. The findings of this study was offer a framework for marketers to develop impactful endorsement strategies tailored to consumer expectations in India’s evolving urban markets.

MATERIALS AND METHODS

A research methodology is the systematic, theoretical analysis of the methods applied to a study, outlining the "how" and "why" of data collection and analysis. It acts as a roadmap, explaining the research design (qualitative, quantitative, or mixed methods), sampling strategies, and, crucially, justifying why these approaches were chosen to ensure reliability and validity.

Sources of Data

Both primary and secondary sources have been used to collect data.

Sample size

50 consumers have been selected as sample size randomly.



Collection of Data

For primary data, a structured questionnaire has been prepared and send to the selected consumers. The selected sample has filled up the questionnaire. Secondary data has been collected from various types of published books, journals and websites.

Analysis of Data

Various types of statistical tools like regression analysis, correlation analysis and test of hypothesis have been used to analyze the collected data

Hypotheses of the Study

H0 1: Celebrity endorsement has positive impact on consumers' purchase decision

H0 2 Celebrity endorsement is a key factor for business success

Ho 3 Celebrity endorsement has positive impact to increase awareness and recall of consumers

Concept of Celebrity and Celebrity Endorsement

A celebrity means someone who is famous, especially in areas of entertainment such as films, music, writing, or sport. Celebrity comes directly from the Latin *celebritatum*, meaning famous, and is related to the verb *celebrate* which means to honor something with the proper ritual. McCracken (1989) defined celebrity endorser as "any individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement". Kamins (1989), defined celebrity endorser as "an individual who is known to the public for his or her achievements in areas other than that of the product endorsed". While Stafford et al., 2003 gave a clear definition by defining celebrity endorser as, "a famous person who uses public recognition to recommend or co-present with a product in an advert".

Celebrity endorsements is been accepted to be a "ubiquitous feature of modern-day marketing" (McCracken 1989). Early Research has found that "celebrities are more effective than other types of endorsers, such as the professional expert, the company manager, or the typical consumer" (Friedman and Friedman, 1979). Using celebrity endorsers, companies may easily crack into consumers symbolic association to an aspirational reference group, as celebrity endorsers are perceived as dynamic, attractive, and likable (Assael, 1984; Atkins and Block, 1983; Kamins, 1990).

Key Aspects of Celebrity Endorsement

- Impact on Sales & Brand: Research indicates that celebrity-endorsed brands often outperform those without, as public admiration for the celebrity translates into brand loyalty.
- Mechanism (The Match-Up Hypothesis): The effectiveness hinges on the "fit" between the celebrity's persona and the product, such as a sports star endorsing athletic gear.
- Key Attributes: Effective endorsers are generally perceived as credible, trustworthy, attractive, and familiar.
- Evolving Trends: Traditional celebrity marketing is shifting toward social media influencers (SMIs) as consumers become more informed.
- Significant Examples: Famous collaborations include Nike with Michael Jordan and Bud Light with Justin Timberlake.

Statistical Analysis

To test the hypotheses, simple linear regression was used.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.252 ^a	.064	.044	.90716
a. Predictors: (Constant), Celebrity Endorsement				

Table 1: Celebrity Endorsement -Model Summary

Source: Developed by the Researcher from SPSS Output

This table provides the R and R². The R value represents the simple correlation and is 0.252 for celebrity endorsement and consumers' purchase decision (the "R" column) which indicates a low degree of correlation. The R² value (the "R square" column) indicates how much of the total variation in the dependent variable consumers' purchase decision can be explained by the independent variable celebrity endorsement. In this case 6.40% can be explained, which is very low.



Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.279	.645		5.082	.000
	Celebrity Endorsement	.251	.139	.252	1.804	.077
a. Dependent Variable: Consumer Purchase Decision						

Table 2: Statistical Analysis-Coefficients

Source: Developed by the Researcher from SPSS Output

The coefficients table shows us with the necessary information to predict consumer purchase decision from celebrity endorsement contributes statistically significantly to the model (by looking at the “Sig.” column). Furthermore, we can use the values in the “B” column under the “Unstandardized Coefficients” column to present the regression equation.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
2	.218 ^a	.047	.027	1.02775
a. Predictors: (Constant), Celebrity Endorsement				

Table 3: Celebrity Endorsement -Model Summary

Source: Developed by the Researcher from SPSS Output

This table indicates the R and R². The R value represents the simple correlation and is 0.218 for celebrity endorsement and key factor for business success (the “R” column) which indicates a low degree of correlation. The R² value (the “R square” column) indicates how much of the total variation in the dependent variable key factor for business success can be explained by the independent variable celebrity endorsement. In this case 4.70% can be explained, which is very low.

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
2	(Constant)	3.354	.655		5.124	.000
	Celebrity Endorsement	.219	.142	.218	1.544	.129
a. Dependent Variable: Key Factor for Business Success						

Table 4: Statistical Analysis-Coefficients

Source: Developed by the Researcher from SPSS Output

The coefficients table shows us with the necessary information to predict key factor for business success from celebrity endorsement contributes statistically significantly to the model (by looking at the “Sig.” column). Furthermore, we can use the values in the “B” column under the “Unstandardized Coefficients” column to present the regression equation.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
3	.152 ^a	.023	.003	1.04080
a. Predictors: (Constant), Celebrity Endorsement				

Table 5: Celebrity Endorsement -Model Summary

Source: Developed by the Researcher from SPSS Output

This table describes the R and R². The R value represents the simple correlation and is 0.152 for celebrity endorsement and increase awareness and recall of consumers (the “R” column) which indicates a low degree of correlation. The R² value (the “R square” column) indicates how much of the total variation in the dependent variable increase awareness and recall of consumers can be explained by the independent variable celebrity endorsement. In this case 2.30% can be explained, which is very low.



Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
3	(Constant)	3.730	.593		6.292	.000
	Celebrity Endorsement	.138	.130	.152	1.063	.293
a. Dependent Variable: Increase Awareness and Recall of Consumers						

Table 6: Statistical Analysis-Coefficients

Source: Developed by the Researcher from SPSS Output

The coefficients table shows us with the necessary information to predict increased awareness and recall of consumers from celebrity endorsement contributes statistically significantly to the model (by looking at the “Sig.” column). Furthermore, we can use the values in the “B” column under the “Unstandardized Coefficients” column to present the regression equation.

To test the hypotheses, ANOVA was used.

H₀1: Celebrity endorsement has positive impact on consumers’ purchase decision

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.679	1	2.679	3.255	.077
	Residual	39.501	48	.823		
	Total	42.180	49			
a. Predictors: (Constant), Celebrity Endorsement						
b. Dependent Variable: Consumer Purchase Decision						

Table 7: Celebrity Endorsement - ANOVA

Source: Developed by the Researcher from SPSS Output

Table # 7 depicts the calculated value of F (3.255) less than the critical value F (4.04) with (1,48) degree of freedom at 5 percent level of significance. So, the null hypothesis is accepted. If we also compare the sig. value then we can see that the significance value is higher than alpha i.e. .05. So, null hypothesis is accepted. It indicates that celebrity endorsement has positive impact on consumers’ purchase decision.

H₀2: Celebrity endorsement is a key factor for business success

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
2	Regression	2.519	1	2.519	2.385	.129 ^a
	Residual	50.701	48	1.056		
	Total	53.220	49			
a. Predictors: (Constant), Celebrity Endorsement						
b. Dependent Variable: Key Factor for Business Success						

Table 8: Celebrity Endorsement - ANOVA

Source: Developed by the Researcher from SPSS Output

Table # 8 indicates the calculated value of F (2.385) less than the critical value F (4.04) with (1,48) degree of freedom at 5 percent level of significance. So, the null hypothesis is accepted. If we also compare the sig. value then we can see that the significance value is higher than alpha i.e. .05. So, null hypothesis is accepted. It indicates that celebrity endorsement is key factor for business success.

**H₀₃: Celebrity endorsement has positive impact to increase awareness and recall of consumers**

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
3	Regression	1.223	1	1.223	1.129	.293
	Residual	51.997	48	1.083		
	Total	53.220	49			
a. Predictors: (Constant), Celebrity Endorsement						
b. Dependent Variable: Increase Awareness and Recall of Consumers						

Table 9: Celebrity Endorsement - ANOVA

Source: Developed by the Researcher from SPSS Output

Table # 9 describes the calculated value of F (1.129) less than the critical value F (4.04) with (1,48) degree of freedom at 5 percent level of significance. So, the null hypothesis is accepted. If we also compare the sig. value, then we can see that the significance value is higher than alpha i.e. .05. So, null hypothesis is accepted. It indicates that celebrity endorsement has positive impact to increase awareness and recall of consumers.

CONCLUSION

This article reviewed the concept of celebrity advertising and discussed its impact on consumers purchase decision. Celebrity endorsement is an efficient mechanism for promotions of a new product or reposition the brand in dense competitions. So, celebrity endorsement is a very important practice nowadays because it has incredible influence on consumer lifestyle. This paper contributes two-fold literature to the extant literature. Firstly, it contributes to measure celebrity endorsement as a multidimensional construct, measures its overall impact on consumers purchase decision and also measures the variation between each of the dimensions of celebrity endorsement that drive the consumers purchase decision. The celebrity endorsement hypothesis has been accepted and had a positive impact on consumer purchase decisions. Finally, the results of this study show that celebrity endorsements can be a powerful tool for marketers because they have a significant positive impact on consumer's purchase decision.

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