

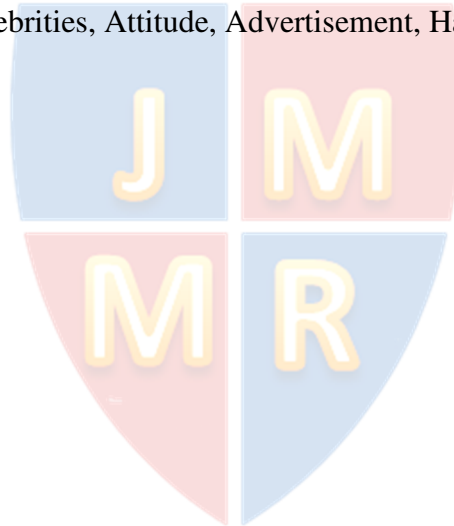
Do celebrities influence buying habits?

James B. Bexley
Sam Houston State University

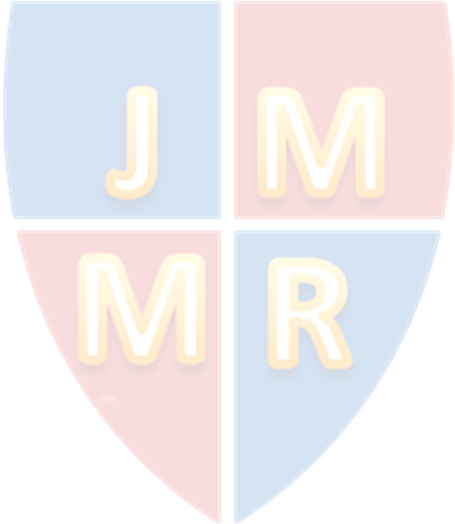
ABSTRACT

Millions of dollars are spent each month to pay celebrities to be a spokesperson or have their name used to promote various goods and services. Therefore, it is important to determine the effectiveness and benefits for corporations to pay celebrities to promote their goods and services. This empirical study examines the influence of celebrities in the buying habits of individuals in all age groups in the Greater Houston, Texas area including the cities of Huntsville, Conroe, and The Woodlands. Additionally, it breaks down the influence of celebrities by various age groups. Other factors influencing buying habits are also reviewed and analyzed.

Keywords: Endorsement, Celebrities, Attitude, Advertisement, Habits



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INTRODUCTION

Most studies relating to celebrity endorsements have focused upon the premise that most people are influenced by celebrities hence the focus has been celebrity selection, effects of celebrities on advertising effectiveness, influence on brands, etc. However, limited study has taken place on the pure influence of celebrities on the population. Therefore, the need for such an empirical study.

What constitutes a celebrity? James (2004) noted that a celebrity endorser is a well-known person (e.g., actors, sports figures and television personalities) due to success in a field other than the endorsed product. Similarly, McCracken (1989) defines a 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”

With the popularity of the Internet as a means of social networking, there could be an argument made that bloggers influence purchasing more than celebrities. According to a recent study, “78 percent of the female American adult population are active social media users, and 20 percent are motivated to consider products promoted by or with a blogger they know, than they are by promotions featuring a celebrity at 12 percent,” (BlogHer Social Matters Study, 2011).

On the other side of the conventional argument, Shimp (2000) noted that the use of celebrities is one of the most prevalent forms of advertising to the retail market with approximately 25 percent of United States advertisements incorporate celebrity endorsements.

LITERATURE REVIEW

The importance of examining the impact of celebrities on male and female of varying ages is obvious when 10 percent of the budget of advertisers is invested in celebrity advertising (Erdogan et al, 2001). Celebrity endorsers are being used in about 25 percent of all television advertisements in order to promote brands (Agrawal and Kamakura, 1995).

James (2004) noted that a celebrity endorser is a well-known person (e.g., actors, sports figures and television personalities) due to success in a field other than the endorsed product. (Liu et al, (2007) in their study indicated that celebrity endorsements have a strong effect on consumers, however, generally consumers are not inclined to purchase when they are presented with a brand message.

The use of celebrity endorsements are utilized by marketers in order to help implant data in consumers' minds which they can easily recall in purchasing situations (Amos et al, 2008). Celebrity endorsement tends to focus awareness of a company's advertising, promote positive feelings towards the company's products (Solomon, 2002). To further complicate celebrity endorsement's future, BlogHer Social Matters Study (2011) noted that active social media users (20 percent) are motivated to consider products promoted by or with a blogger they know, than they are by promotions featuring a celebrity at 12 percent,”

METHODOLOGY

A questionnaire was prepared that sought the answer to several items. These items included a question of gender (male or female), a question inquiring the age group of the person (Under 20 years of age, 20-39 years of age, 40-65 years of age, or over 65 years of age). A question was asked concerning what influenced their purchases (friend, celebrity, product quality, product price, or none of the above). A reinforcement question was asked concerning

the degree, if any, of celebrity influence (definitely influence, some influence, or no influence). If the respondent indicated that they were influenced by celebrity then an additional question was asked to determine what category of celebrity influenced him/her (athlete only, movie personality only, television personality only, athlete and movie personality, athlete and television personality, movie personality and athlete, or movie personality and television personality).

The questionnaires were presented to 250 individuals randomly selected individuals from the Greater Houston, Texas area including the cities of Huntsville, Conroe, and The Woodlands during September- November 2011. All questionnaires were self-administered by the participants without interference from researchers. A total usable sample of 215 participants was obtained. The sample was composed of 120 women (55.81 percent) and 95 men (44.19 percent). A cluster sampling procedure with age and gender as main control variables was applied. The age of the respondents was 17.67 percent under 20 years of age, 48.37 percent 20 thru 39 years of age, 27.45 percent 40 thru 65 years of age, and 6.51 percent over 65 years of age as indicated in Table 1 (Appendix).

DISCUSSION

When examining the responses to what influences the purchases of the respondents, 42.78 percent were influenced by product quality. Males and females also indicated that product quality most influenced them at 47.36 percent and 39.18 percent respectively. Product price came in second at 26.98 percent. Males indicated that product price was also second at 25.26 percent while females indicated that product price and recommendation by friend tied at 28.33 percent. Friend recommendation was third at 26.05 percent with males indicating 23.16 percent and as previously indicated females 28.33 percent for a tie with product price. Celebrity endorsement was fourth at 2.79 percent with males listing 2.22 percent and females indicating 3.33 percent. None of the above was 1.40 percent, with males at 2.11 percent and females at 0.83 percent.

With regard to question number two concerning celebrity influence, 61.86 percent indicated that celebrities had no influence on their purchasing decisions. A breakout by gender showed 65.26 percent of males (Table 2B) and 59.17 percent of females (Table 2A) were not influenced by celebrities.

Of those that indicated definite or some influence by celebrities, they were asked to answer the third question (Table 3) to determine what category of celebrity most influenced them. Movie stars and television personalities most influenced the respondents at 32.10 percent. Athletes and movie stars came in second at 19.75 percent. Athletes and television personalities came in third at 17.28 percent. Movie stars and athletes came in fourth at 11.11 percent, Athletes only came in fifth at 9.88 percent. Television personalities only came in sixth at 7.41 percent. Coming in last in seventh place was movie personalities only at 2.47 percent.

LIMITATIONS OF THE STUDY

This study has some limitations. The primary limitation of this research relates to generalization. The sample was restricted to a small area of the United States with only 215 responses and this causes our results to be generalized. This study relied exclusively on questionnaires to assess influence attitude toward celebrity endorser.

CONCLUSIONS

The goal was to determine whether or not celebrities influence purchases, and if so, to what degree the influence existed. Surprisingly, only 2.79 percent of the respondents were influenced by celebrities. Age and gender caused some insignificant variances. Product quality was the significantly most important influence in the purchase experience.

Given the results of this study, it would appear that corporations are not getting the benefit from the expenditures made to utilize celebrities in advertising or promoting their products. From the literature review, it was determined that 10 percent of the budget of advertisers is invested in celebrity advertising. Celebrity endorsers are being used in about 25 percent of all television advertisements in order to promote brands.

It would be interesting to have a significant sample from all of the states to determine the reliability of the study.

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APPENDIX

TABLE 1
TOTAL RESPONSE BY AGE AND SEX

Categories	Total	Under 20	20-39	40-65	Over 65
Survey Totals #	215	38	104	59	14
Survey Totals %	100	17.67%	48.37%	27.45%	6.51%
Female Totals #	120	20	58	33	9
Female Totals %	55.81%	16.67%	48.33%	27.50%	7.50%
Male Totals #	95	18	46	26	5
Male Totals %	44.19%	18.95%	48.42%	27.37%	5.26%

TABLE 2A
TOTAL/FEMALE PURCHASE INFLUENCE

	Total	Female	Under 20	20-39	40-65	Over 65
<u>1. Purchase Influence</u>	215	120	20	58	33	9
Total % of Question 1	100%	55.81%	9.30%	26.98%	15.35%	4.19%
a.Friend Recommended #	56	34	8	18	7	1
a.Friend Recommended %	26.05%	15.81%	3.72%	8.37%	3.26%	0.47%
b.Celebrity Endorsement #	6	4	1	2	0	1
b.Celebrity Endorsement %	2.79%	1.86%	0.47%	0.93%	0.00%	0.47%
c.Product Quality #	92	47	4	22	19	2
c.Product Quality %	42.78%	21.86%	1.86%	10.23%	8.84%	0.93%
d.Product Price #	58	34	7	15	7	5
d.Product Price %	26.98%	15.81%	3.26%	6.98%	3.26%	2.33%
e.None of Above #	3	1	0	1	0	0
e.None of Above %	1.40%	0.47%	0.00%	0.47%	0.00%	0.00%

TABLE 2B
TOTAL/MALE PURCHASE INFLUENCE

	Total	Under					Over 65
		Male	20	20-39	40-65	65	
<u>1. Purchase Influence</u>	215	95	18	46	26	5	
Total % of Question 1	100%	44.19%	8.37%	21.40%	12.09%	2.33%	
a.Friend Recommended #	56	22	5	12	5	0	
a.Friend Recommended %	26.05%	10.23%	2.33%	5.58%	2.33%	0.00%	
b.Celebrity Endorsement #	6	2	2	0	0	0	
b.Celebrity Endorsement %	2.79%	0.93%	0.93%	0.00%	0.00%	0.00%	
c.Product Quality #	92	45	4	25	12	4	
c.Product Quality %	42.78%	20.93%	1.86%	11.63%	5.58%	1.86%	
d.Product Price #	58	24	6	9	8	1	
d.Product Price %	26.98%	11.16%	2.79%	4.19%	3.72%	0.47%	
e.None of Above #	3	2	1	0	1	0	
e.None of Above %	1.40%	0.93%	0.47%	0.00%	0.47%	0.00%	

TABLE 3A
TOTAL/FEMALE CELEBRITY INFLUENCE

	Total	Female	Under			Over 65
			20	20-39	40-65	
<u>2. Celebrity Influence</u>	215	120	20	58	33	9
Total % of Question 2	100.00%	55.81%	9.30%	26.98%	15.35%	4.19%
a.Definitely influence #	13	7	4	2	1	0
a.Definitely influence %	6.04%	3.26%	1.86%	0.93%	0.47%	0.00%
b.Some Influence #	69	42	8	23	9	2
b.Some Influence %	32.09%	19.53%	3.72%	10.70%	4.19%	0.93%
c.No Influence #	133	71	8	33	23	7
c.No Influence %	61.86%	33.02%	3.72%	15.35%	10.70%	3.26%

TABLE 3B
TOTAL/MALE CELEBRITY INFLUENCE

	Total	Male	Under 20	20-39	40-65	Over 65
<u>2. Celebrity Influence</u>	215	95	18	46	22	9
Total % of Question 2	100.00%	44.19%	18.95%	48.42%	27.32%	5.26%
a.Definitely influence #	13	6	3	3	0	0
a.Definitely influence %	6.04%	2.79%	1.40%	1.40%	0.00%	0.00%
b.Some Influence #	69	27	7	15	3	2
b.Some Influence %	32.09%	12.56%	3.26%	6.98%	1.40%	0.93%
c.No Influence #	133	62	8	28	19	7
c.No Influence %	61.86%	28.84%	2.72%	13.02%	8.84%	3.26%

TABLE 4A
TOTAL/FEMALE CATEGORIES OF INFLUENCE

	Total	Female	Under 20	20-39	40-65	Over 65
<u>3. Category of Influence</u>	81	49	12	25	10	2
Total % of Question 3	100.00%	60.49%	14.81%	30.86%	12.35%	2.47%
a.Athlete Only #	8	2	0	2	0	0
a.Athlete Only %	9.88%	2.47%	0.00%	2.47%	0.00%	0.00%
b.Movie Personality Only #	2	2	1	1	0	0
b.Movie Personality Only %	2.47%	2.47%	1.23%	1.23%	0.00%	0.00%
c.TV Personality Only #	6	6	0	5	0	1
c.TV Personality Only %	7.41%	7.40%	0.00%	6.17%	0.00%	1.23%
d.Athletes & Movie Str. #	16	5	2	3	0	0
d.Athletes & Movie Str. %	19.75%	6.17%	2.47%	3.70%	0.00%	0.00%
e.Athletes & TV #	14	8	3	2	3	0
e.Athletes & TV %	17.28%	9.87%	3.70%	2.47%	3.70%	0.00%
f.Movie Str. & Athletes #	9	7	1	4	1	1
f.Movie Str. & Athletes %	11.11%	8.64%	1.23%	4.94%	1.23%	1.23%
g.Movie Str. & TV #	26	19	5	8	6	0
g.Movie Str. & TV %	32.10%	23.46%	6.17%	9.87%	7.40%	0.00%

TABLE 4B
TOTAL/MALE CATEGORIES OF INFLUENCE

	Total	Male	Under			Over
			20	20-39	40-65	65
<u>3. Category of Influence</u>	81	32	10	18	3	1
Total % of Question 3	100.00%	39.51%	12.35%	22.22%	3.70%	1.23%
a.Athlete Only #	8	6	3	3	0	0
a.Athlete Only %	9.88%	7.41%	3.70%	3.70%	0.00%	0.00%
b.Movie Personality Only #	2	0	0	0	0	0
b.Movie Personality Only %	2.47%	0.00%	0.00%	0.00%	0.00%	0.00%
c.TV Personality Only #	6	0	0	0	0	0
c.TV Personality Only %	7.41%	0.00%	0.00%	0.00%	0.00%	0.00%
d.Athletes & Movie Str. #	16	11	4	5	2	0
d.Athletes & Movie Str. %	19.75%	13.58%	4.94%	6.17%	2.47%	0.00%
e.Athletes & TV #	14	6	1	4	1	0
e.Athletes & TV %	17.28%	7.40%	1.23%	4.94%	1.23%	0.00%
f.Movie Str. & Athletes #	9	2	0	2	0	0
f.Movie Str. & Athletes %	11.11%	2.47%	0.00%	2.47%	0.00%	0.00%
g.Movie Str. & TV #	26	7	2	4	0	1
g.Movie Str. & TV %	32.10%	8.64%	2.47%	4.94%	0.00%	1.23%