Factors Influencing the Purchase Decision of Celebrity Endorsement Products in Zhejiang

Tong Ye¹, Seongdok Kim²

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Abstract

The purpose of this study is to determine the factors that influence Zhejiang Chinese consumers' decision to purchase celebrity endorsed products. The source attractiveness model, the source credibility model, and the meaning transfer model were reviewed to identify the important factors in this current study. The researcher used an online questionnaire to survey 389 respondents who live in Zhejiang Province and have purchased celebrity-endorsed products. Besides, this study used convenience sampling and snowball sampling to analyze 389 data sets. Multiple Linear Regression was utilized to examine the extent to which the four independent variables (attractiveness, credibility, trustworthiness, and reliability of celebrity) influence the dependent variable (consumers' purchase decision). In this current study, the results showed that celebrities' attractiveness, credibility, and reliability made Zhejiang Chinese consumers buy celebrity-endorsed products. The key recommendations were suggested to improve consumers' purchase decisions regarding celebrity-endorsed products accordingly.

Keywords: Purchase Decision, Celebrity Attractiveness, Celebrity Credibility, Celebrity Trustworthiness, Celebrity Reliability

JEL Classification Code: M37, G41, A14, D12

1. Introduction

Nowadays, with the continuous development of mass media, celebrity endorsement has become common for companies or brands to promote their products, which is a way to enhance the added value of advertising by associating a product brand with the characteristics of a celebrity. With the development of the economy and the increasing competition in the market, the acceptance and trust of a product in the market is crucial to its brand image and marketing strategy, so more and more businesses are choosing celebrities as product endorsers. To make the message in an ad more effective for consumers, a company or brand chooses to hire a celebrity to promote their brand or product (Abhishek & Sahay, 2016). Consumers can easily identify products by the image of well-known brands (Poghosyan, 2015).

Basically, celebrity endorsements are now one of the popular ways to promote products in the United States and elsewhere (Kok Wei & Li, 2013). For example, according to Choi and Berger (2010), about 20% of TV ads are the star-endorsed in the U.S., while retailers and other companies spend about 10% of their money on celebrity endorsed product advertisements for promoting their products. Although the history of celebrity endorsement in China is relatively short, celebrity endorsement has become a very common form of advertising in China today (Huang, 2012). Enhancing brand image and building brand trust through celebrity endorsements is one of the common methods marketers use (Erdogan et al., 2001).

Celebrity endorsement is an effective marketing strategy. Consumers will idealize their favorite celebrities and, to some extent, will perceive the products endorsed by celebrities as having high quality. After Rajasekar (2018) research, it has been found that celebrity endorsements play an important role in brand image building in consumers' minds and ultimately

1* Tong Ye, Graduate School of Business and Advanced Technology Management, Assumption University of Thailand. E-Mail: mafukuri@gmail.com

2 ** Seongdok Kim, Graduate School of Business and and Advanced Technology Management, Assumption University of Thailand. E-Mail: seongdokkim@au.edu

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