



Impact of Celebrity Endorsement on Consumer Buying Behaviour of Jewellery : A Study in Odisha

¹*Dr. Somabhusana Janakiballav Mishra*, ²*Prof. Debasish Rout*, ³*Dr. Ranjan Kantha*,
⁴*Parthasarathi Bhatta*

^{1,2}Assistant Professor, Amity Global Business School, Bhubaneswar

³Dean, Amity Global Business School, Bhubaneswar

⁴Student, MBA, Amity Global Business School, Bhubaneswar

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ABSTRACT

The largest gold jewellery market in the world is located in India. Gold has merged into the Indian mentality and has become an indispensable component of Indian society. In India, gold jewellery is the most popular type and is in high demand since buying gold on auspicious events like festivals, weddings, and birthdays is seen as good luck. Due to the expansion of organized shops, customer purchasing habits are significantly shifting. Companies spend a lot of money on celebrity advertising in today's cutthroat market as they work diligently to establish a place in the thoughts of the consumer. It is considerably more difficult for businesses to draw clients to their goods and services due to the cutting-edge competition and the introduction of new advertising methods. Almost every jewellery brand is roping on celebrities in order to attract more and more customers. This study was conducted to know the impact of celebrity endorsement on consumer buying behavior of jewellery in Odisha. A sample of 200 consumers was taken from different regions of the state. Data collected was analyzed using Percentage analysis and chi-square test. It has been found that celebrity endorsement has a positive impact on consumers buying jewellery and due to high making charges a great chunk of consumers don't prefer branded jewellery which are endorsed by celebrities.

Keywords: Jewellery, Celebrity, Advertisement, Buying behavior, Endorsement

INTRODUCTION

Celebrity endorsement links a celebrity's reputation to a company or item. You may make people want to buy your goods by using this method to get revered figures to endorse it. According to Stacy Jones, head of Hollywood Branded, a marketing firm for celebrities, "consumers are proved to follow the trends of celebrities and adopt in their own lives the items that individuals they crave and admire use." "A celebrity associated with your brand gives you visibility that may have an effect on sales and unquestionably raises consumer knowledge of your brand." Getting that exposure can be difficult, but it can be a crucial first step in convincing customers to buy your products.

In the Indian economy, the jewellery sector has so far been a glossy symbol. Over 4.64 million people are employed in India's gems and jewellery industry, which provides about 7% of the nation's GDP and 15% of its total merchandise exports. As of 2017, its market was estimated to be worth USD 60 billion, and it made up a staggering 29% of all jewellery consumed worldwide.

Over 300,000 people are involved in the industry, but only about 18% of them are organised, and that's if you include both national companies like Tanishq, Reliance Jewels, and the Gitanjali Jewels as well as local retail chains like Kalyan Jewellers, Malabar Gold, PC Jewellers, TBZ, GRT Jewellers, P N Gadgil, Thangamayil Jewellery, Joyalukkas, LCJ, Khimji etc.

Nowadays, celebrity endorsement can be found almost anywhere you look, whether it be in advertising, inaugurations, or special product releases. Celebrity has evolved into a tool for attracting interest and mileage. Celebrity endorsement or promotion is the simplest method in the Indian jewellery industry, where every aspiring jewellery company aspires to establish itself as a brand.

The jewellery industry is exceedingly complex, according to Ramesh Kalyanaraman, executive director of marketing and human resources at Kalyan Jewellers. Patterns, styles, sensibilities, and tastes in our country are as varied as the languages and dialects we speak. As a result, he claims, his company has chosen a local brand representative in each of the southern states.

The distinctions in visual appeal have their own function. The wedding market and the aspirations of the typical Indian are catered to by regional gold and diamond jewellery manufacturers, whereas fashion jewellery is trend-based and targets a more specialised urban, globally influenced clientele who can afford a new item every season.

LITERATURE REVIEW

Numerous advantages of celebrity endorsement have been identified by prior studies. According to numerous studies (e.g., Amos et al., 2008; Atkin and Block, 1983; Erdogan, 1999; Kamins et al., 1989; Malik and Guptha, 2014; O'Mahony and Meenaghan, 1997; Seno and Lukas, 2007), using a celebrity endorser can increase attention to advertisements, elicit more positive attitudes toward the advertisements and the endorsed products/brands, and result in increased purchase intentions.

Businesses now rely on marketing techniques, particularly in the jewellery industry, to stay competitive in today's ever-more-complex business environment. Effective marketing can result in the development of brand equity and personality, which raises perceived quality and brand recognition (Gombeski, Martin, and Britt, 2015; Keller and Dato-on, 2015; Krush, Sohl, and Saini, 2015; Ryoo, Jeon, and Lee, 2015).

Sung and Kim (2010) contend that brand personality is made up of the marketing mix—price, person, place, and product—as well as brand exposure. According to several sources, marketing tactics are essential for developing distinctive brand personas.

According to studies, branding and marketing are among the finest ways for a company to gain equity in its industry. The firm may profit from brand loyalty developed (Caruana, Ramasashan, &Krentier, 2015).

Because obtaining recurring business is one of businesses' top priorities, customer loyalty is crucial. According to Caruana et al. (2015) and Hsiao &Chiou (2015), a company's sales and earnings are frequently increased by its most devoted clients. Investors are also drawn to businesses with a strong consumer base (Karjaluoto, Jayawardhena, Pihlstrom, &Leppaniemi, 2015; Love, Staton, &Rotman, 2015). Karjaluoto et al. (2014) examined the relationship between customer loyalty and service quality, trust, and perceived value.

Advertisements can attract a very tiny proportion of early adopters and instant consumers, who are crucial to businesses in fiercely competitive marketplaces, in addition to convincing individuals to use the company's goods and services (Bruce, Foutz, &Kolsarici, 2012). rely on client loyalty.

OBJECTIVE

1. To research the individual customer profiles and how they relate to and affected by the credibility of jewellery endorsers.
2. To know whether purchase decision in jewellery is associated with gender of the celebrity endorser.
3. To find out whether celebrity endorsement is associated with making a purchase decision for jewellery from a branded jeweller.

RESEARCH METHODOLOGY

Consumers who had purchased jewellery at some point make up the study's demographic. For the study, a sample of 200 consumers was taken. A standardized questionnaire was used to collect data online. A pilot study was used to pre-test the questionnaire, and based on the feedback, appropriate modifications were made to the final version. With the aid of the necessary statistical tools and methodologies, the acquired data were analyzed.

DATA ANALYSIS

Three criteria—expertise, beauty, and trustworthiness—are used to assess a celebrity's credibility. The process by which a celebrity's outward appearance of attractiveness, reliability, and knowledge arbitrates instantaneous and gradual attitude changes and affiliation has been the subject of research studies (Baker and Churchill, Jr. 1977). In this study the credibility and gender of the celebrity was considered to know whether they have any effect on purchase decision of the consumer. Jewellery brands use both male and female celebrities, whereas mostly the consumers are female. So here attempt has been made to know if credibility and gender have equal importance on the decision of consumers.

Opinion of the respondents were collected on a 7 point scale regarding what extent credibility and gender affect purchase decision of the buyer.

The hypothesis that we have taken here is

H0: There is no significant difference between the mean ratings given by the respondents to credibility and gender of a celebrity.

H1: There is a significant difference between the mean ratings given by the respondents to credibility and gender of a celebrity endorsing jewellery.

Anova: Single Factor

TABLE – 1 SUMMARY

Groups	Count	Sum	Average	Variance
Credibility	200	1000	5	2.01005
Gender	200	480	2.4	2.251256

TABLE – 2 ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	676	1	676	317.2736	1.3E-52	3.864929
Within Groups	848	398	2.130653			
Total	1524	399				

In Table 1, the mean ratings for credibility and gender were mentioned. For credibility the mean rating is 5 and for gender the mean rating is 2.4. From this we can assume that credibility is more significant in making an impact than gender. From Table 2, it is clear that the P- value for this test of ANOVA is 0.000, which is less than 0.05. Hence, the H₀ is rejected and it is concluded that there is a significant difference between the mean ratings given by the respondents to credibility and gender of a celebrity endorsing jewellery.

Chi-square: Association test**TABLE – 3 SUMMARY**

Purchase Decision			
Gender of Celebrity Endorser	Yes	No	Total
Male	66	25	91
Female	89	20	109
Total	155	45	200

Table 3 shows us the summary of respondent's opinion regarding purchase decision and gender of celebrity endorser. It is seen from the table that 155 respondent's opinion regarding buying jewellery is positive getting influenced by a celebrity both male and female. 45 respondents say their purchase decision is not influenced by celebrity.

The hypothesis considered for this is:

H₀: There is no significant association between the gender of celebrity endorser and purchase decision of a buyer.

H₁: There is a significant association between the gender of celebrity endorser and purchase decision of a buyer.

TABLE - 4 Chi-square test

Purchase Decision			
Gender of Celebrity Endorser	Yes	No	Total
Male	70.525	20.475	91
Female	84.475	24.525	109
Total	155	45	200
P value	0.123874461		

Table 4 represents the P-value of the chi-square test which is 0.123. This value is greater than 0.05. So, here the null hypothesis is accepted and it is concluded that there is no significant association between the gender of celebrity endorser and purchase decision of a buyer.

TABLE – 5 SUMMARY

Purchase Decision			
Celebrity Endorsement	Yes	No	Total
Yes	132	31	163
No	23	14	37
Total	155	45	200

To test whether celebrity endorsement is associated with making a purchase decision for jewellery from a branded jeweler we have conducted a chi-square test. Table 5 shows the summary of what is observed from the data related to celebrity endorsement and purchase decision of buyer.

The hypothesis considered is:

H0: There is no significant association between celebrity endorsement and purchase decision regarding jewellery from a branded shop.

H1: There is a significant association between celebrity endorsement and purchase decision regarding jewellery from a branded shop.

TABLE – 6 Chi-square test

Purchase Decision			
Celebrity Endorsement	Yes	No	Total
Yes	126.325	36.675	163
No	28.675	8.325	37
Total	155	45	200
P value	0.013330234		

Table 6 is the expected frequency table for the chi-square test and it also shows the P value= 0.01, which is less than 0.05. So, there is evidence to reject the null hypothesis. So we conclude here that celebrity endorsement is associated with making a purchase decision for jewellery from a branded jeweller.

CONCLUSION

A successful advertising campaign can spark discussion about a specific product. A celebrity's presence increases brand recall and helps consumers connect with the brand. This is one of several elements that affect sales, but it's not the most crucial or significant one. In this research paper we have collected data from 200 respondents. Majority respondents were female. Irrespective of their income all of them have purchased jewellery at sometime or other. It is seen from the analysis that there is a significant difference between the mean ratings given by the respondents to credibility and gender of a celebrity endorsing jewellery. Celebrity's gender who is endorsing the brand is not that significant, whereas credibility that includes attractiveness, trustworthiness and knowledge of the celebrity seems more important while taking a purchase decision for jewellery. To know whether there is a significant association between the gender of celebrity endorser and purchase decision of a buyer we have conducted chi-square test. The result from the test specified that there is no association between buying decision and gender of a celebrity endorser. Attempt was made to see whether celebrity advertisement influences the buying decision of branded jewellery in this research study. It was found that buying decision of a branded jewellery is actually influenced by celebrity endorsement.

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