

Influence of Celebrity Endorsements on the Purchase of Ice Cream during Covid Pandemic

Avil Saldanha*

Abstract

Covid 19 had a devastating effect on the Indian ice cream sector, resulting in a huge reduction in ice cream sales. The current study focuses on the possibility of the use of celebrity endorsement by ice cream brands to revive sales. The objectives of the study are to find whether celebrity endorsement influences the frequency of ice cream purchase. The study further investigates the relationship of demographic variables like age, gender, and income on the influence of celebrity endorsement on consumers' purchase intention. 480 respondents of various age groups, genders, and income groups were a part of this study. The respondents were chosen from the South Indian states of Karnataka and Kerala. The results of the study indicate that celebrity endorsement influences the purchase frequency of ice cream by consumers. The study found that perception of celebrity endorsement influence on purchase intention varied among respondents of different gender and income groups respectively. However, no such difference in perception concerning celebrity influence was observed among respondents of various age groups.

Keywords: Celebrity Endorsement, Purchase Frequency, Ice Cream, Celebrity Influence

* Department of Management, St. Joseph's Institute of Management, Bengaluru, Karnataka, India; avil@sjim.edu.in

1. Introduction

The lockdown in India was imposed in four phases in 2020 to reduce the impact of the Covid-19 pandemic. Phase 1 of lockdown was for 21 days [March 25, 2020, to April 14, 2020] (Mahajan, 2020). Phase 2 of lockdown was for 19 days [April 15, 2020, to May 03, 2020]. Phase 3 of lockdown was for 14 days [May 04, 2020, to May 17, 2020]. The last phase of lockdown was for 14 days [May 18, 2020, to May 31, 2020]. All places of worship were closed during these lockdown phases (Cássaro & Pires, 2020; Patel et al., 2020). Cultural, social, religious activities, and outdoor entertainment were prohibited during the lockdown. The majority of the white-collared working population worked from home. Only hospitals, banks, grocery stores, pharmacies, and other essential services were allowed to operate during the lockdown (Sheth, 2020).

According to analysts, the 10,000 crores Indian ice cream industry suffered shrinkage of about Rs 2,000-2,500 crore during the lockdown. 40-45% of the industry's annual business is contributed by March, April, and May. Per capita ice cream consumption in India is low, accounting for 370-380 grams as compared to heavy consumption countries like the USA, where the per capita ice cream consumption is about 22 liters. The Indian ice cream industry is dominated by the top 20 players who account for 70% of the Rs 10,000 crore market, about 100 odd small companies account for the balance of Rs 3,000 crore (Goel, 2020). Overall, in 2020 the Indian ice cream industry shrunk by about 60-70% (Sarkar, 2021).

2. Celebrity Endorsement

McCracken (1989) defines a Celebrity endorser as, “any individual who enjoys public recognition and who uses this recognition when they appear in the advertisement, in front of the consumers”. Hussain (2019) states that the use of celebrity endorsers is a widespread practice around the world. He attributes the popularity of celebrity endorsement to numerous potential benefits associated with it.

Marketers have successfully used celebrities with attractive personalities and with clear-cut attributes such as trustworthiness

and dependability (Atkin & Block, 1983). Celebrities are considered role models by their followers. People try to change their lifestyles in line with their favorite celebrities. Endorsement by their preferred celebrities produces a positive effect on the purchasing decision of consumers (Miciak & Shanklin, 1994). Attributes such as intimacy, similarity, and admiration must exist to ensure the effectiveness of the celebrity's messages (Mc Cracken, 1989). The profitability of products is affected positively by endorsement by a well-known celebrity (Mathur et al, 1997).

The three important attributes that celebrities need to communicate to the consumers are attractiveness, credibility, and power. Attractiveness is represented by familiarity, likeability, and similarity. Credibility includes skills, knowledge, and expertise regarding the products endorsed by them. Power allows the celebrity endorser to affect the consumer (Byrne et al., 2003). The relevance and effect of celebrity endorsement as an approach in marketing communication has caught the attention of academic researchers (Erdogan & Zafer, 1999). Celebrity endorsement is a valued approach that has the potential to promote the growth of an assortment of products (Norr, 2007). In the hope that celebrity endorsement will encourage favorable attitudes towards the brand and thus increase sales and profits, companies spend enormous funds on celebrities to endorse their products (Nam-Hyun 2008).

Celebrity endorsement has gained wide acceptance both locally and internationally. 20% of all commercials in the United States of America contain notable celebrities (Bradley, 1996). Tom et al. (1992) state that celebrities who have become representatives of organizations, are frequently endowed with referent power, expert power, and legitimate power.

3. Literature Review

3.1. Literature on Celebrity Endorsement

Warren (2007) states that as soon as a new celebrity is born, marketers tend to persuade them to endorse their brand. According to Alonso (2006), under the right circumstances, celebrity endorsement produces good results, and the high expenses on this kind of promotion are justified. Mitka (2008) indicates that celebrity

endorsement should be used with caution, while the right use of celebrity can enhance the brand, the use of mismatched celebrity can negatively impact the brand.

Celebrity endorsement addresses the consumer need from a psychological angle and is an efficient strategy used by marketers. Subsequently, it impacts the consumer's decision-making and behavior towards the promoted product (Khatari, 2006). Past research on celebrity endorsement has concentrated mainly around five topics: celebrity credibility (Goldsmith et al., 2000); celebrity impact on consumers and brands (Ohanian, 1991); celebrity attractiveness (Rekha & Maran, 2012); celebrity product match-up (Kamins, 1990); and celebrity meaning transfer (McCracken, 1989).

The impact of a campaign can be amplified by the proper utilization of the celebrity endorser (McCracken, 1989). However, the consumers are aware that celebrities are paid for the brand endorsement and this reduces the credibility of celebrity endorsement (Bloemer & Lemmink, 1992). A celebrity needs to match the product as a basic connection between the celebrity and the message is an absolute requirement for the success of an advertising campaign involving a celebrity (Erdogan, 1999).

3.2. Literature on Effect of Demographic Variables

Consumers (ages 18-24) actively follow celebrities and develop their identities and appearance based upon celebrities as per a study by the University of Arkansas in association with the Manchester Business School in London (McGowan, 2012). This study indicates that the consumers in this age group are more susceptible to celebrity brand endorsements than other age groups. A study by research agency Nielson in the year 2015 analyzed the level of trust in advertising placed by different generations. The results of this study indicated that Generation Z (ages 15-20) and Millennial (ages 21-34) audiences were more strongly drawn towards celebrity endorsement (Okoli, 2020). A study by Ilicic et al. (2016) found that consumer attachment to celebrities was higher among younger consumers and resulted in brand attachment when the celebrity-endorsed the brand. They also found that the celebrity influence was weaker among older consumers.

The results of the study by Ohanian (1991) indicated that there was no substantial impact of gender on consumer's perceptions of a celebrity's trustworthiness, attractiveness, expertise, or on the possibility of purchasing a celebrity-endorsed product. As per past research, while men and women respond differently to persuasive messages, women were found to be more easily persuaded than men by celebrity endorsement (Wollin, 2003; Widgery and McGaugh, 1993). Boyd and Shank (2004) conducted a study on gender matching between sports celebrity endorsers and consumers. Their study focused on determining whether gender matching would affect consumers' perceptions of the trustworthiness, attractiveness, and expertise of the celebrity. They found a significant interaction on trustworthiness, but no significant effect on attractiveness or expertise; female endorsers were rated more favorably than male endorsers by women, and male endorsers were more favorably rated by men. A study by Laura (2020) found that women tend to believe more in brands endorsed by celebrities as compared to men, who are more practical and restrained about this tendency.

Gauns et al. (2018) found that there is a significant association between the demographic profile of consumers such as age, gender, income, etc., and the effectiveness of celebrity endorsement. They also found that consumers prefer celebrity-endorsed advertisements to non-celebrity-endorsed advertisements.

3.3. Based on the literature review, the researcher proposes to test the following hypothesis:

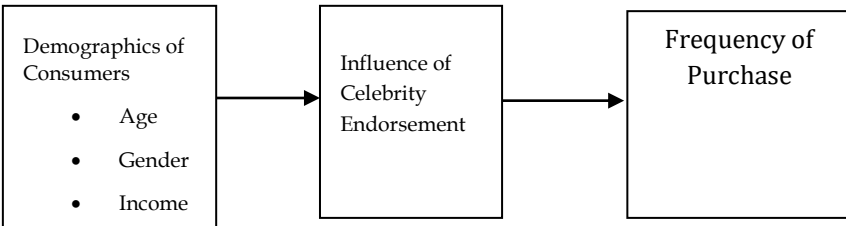
H0.1: There is no association between celebrity endorsement and frequency of purchase of ice cream.

H0.2: There is no significant difference between various age groups with respect to the influence of celebrity endorsement in the purchase of ice cream.

H0.3: There is no significant difference between genders with respect to the influence of celebrity endorsement in the purchase of ice cream.

H0.4: There is no significant difference between various income groups in different professions with respect to the influence of celebrity endorsement in the purchase of ice cream.

Figure 1: Theoretical model by authors



4. Research Gap

There has been academic research on the relationship between consumer age groups and the effectiveness of celebrity endorsement (McGowan, 2012; Ilicic et al., 2016; Okoli, 2020). There have been some studies on the topic of gender matching between the celebrity and the consumers and its influence on the effectiveness of celebrity endorsement (Boyd & Shank, 2004; Laura, 2020). Some other studies have investigated the association between the demographic profile of consumers and the effectiveness of celebrity endorsement (Gauns et al., 2018). Past researchers have also studied the effect of gender (Ohaninan, 1991; Widgery & McGaugh, 1993; Wolin, 2003) of the celebrity and its impact on consumer’s purchasing intention. However, the current study focuses on the effect of demographic variables like age, gender, and income of the consumers on the influence of celebrity endorsement towards purchase frequency.

5. Methodology

5.1. Data Collection and its Analysis

The primary data was collected by the researcher using a structured questionnaire. 480 respondents were part of this study. Data was collected using Google Forms. The time period of data collection was in the months of April and May 2020. The data was

collected from respondents in two South Indian states namely Karnataka and Kerala.

The questionnaire was self-administered. The influence of celebrity endorsement was measured using a five-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree) followed by demographic questions such as age, gender, income, etc. A question on the frequency of purchase of ice cream was also included in the questionnaire.

5.2. Tools and technique

For the purpose of analysis, SPSS software was used. The data was coded using Microsoft Excel. The analysis was done using statistical tests such as Chi-Square and ANOVA. The Chi-Square test was used to check whether there was an association between celebrity endorsement and frequency of purchase. ANOVA tests were used to analyze the opinion of various demographic groups regarding the influence of celebrity endorsement. Furthermore, a descriptive analysis of the demographic data has been represented in tabular format.

6. Results & Discussion

Table 1: Demographic data of the Respondents

Demographics	Count	%
Age		
Below 15 years	19	3.96%
15-30 years	297	61.88%
31-45 years	81	16.88%
46-60 years	39	8.13%
Above 60 years	44	9.17%
Gender		
Male	214	44.58%
Female	263	54.79%
Others	3	0.63%

Marital Status		
Single	290	60.42%
Married	180	37.50%
Others	10	2.08%
Education		
Under Graduate	126	26.25%
Graduate	169	35.21%
Post Graduate	185	38.54%
Profession		
Student	233	48.54%
Private Employed	92	19.17%
Government	68	14.17%
Employed.	29	6.04%
Self Employed	58	12.08%
Others		
Annual Family Income		
Less than 5 lakhs	215	44.79%
5 to 10 lakhs	138	28.75%
10 to 15 lakhs	68	14.17%
15 to 20 lakhs	31	6.46%
Above 20 lakhs	28	5.83%

The above table depicts the demographic profile of the respondents. Data was collected from respondents of five age categories. The majority of respondents were in the 15-30 years category. Only 4% of respondents were in the below 15 years category. The majority of the respondents were females (54.8%), followed by 44.6% of male respondents and 0.6% of respondents from other gender groups. 48.5% of the respondents were students, 19.2% of the respondents were private employees, 14.2% were government employees, 6% were self-employed and 12.1% were others. The majority of respondents (44.8%) had an annual family income of less than 5 Lakhs. The next highest category (28.8%) was the respondents with 5 to 10 lakhs annual family income. Only 5.8% of respondents had an annual family income of more than 20 lakhs.

Table 2: Association between Celebrity Endorsement & Frequency of Buying Ice Cream

Celebrity Endorsement Influence and Frequency of Buying Ice Cream Crosstabulation							
Count							
		Celebrity endorsement influences me to purchase ice cream					
		1	2	3	4	5	Total
Frequency of buying ice cream	1	0	4	0	0	0	4
	2	8	30	33	36	16	123
	3	13	24	51	27	10	125
	4	34	58	67	46	23	228
Total		55	116	151	109	49	480

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	28.318 ^a	12	.005
Likelihood Ratio	27.064	12	.008
Linear-by-Linear Association	4.200	1	.040
N of Valid Cases	480		

a. 5 cells (25.0%) have an expected count less than 5.

b. The minimum expected count is .41.

There is an association between celebrity endorsement and frequency of purchase of ice cream, as p-value is 0.005 ($p < 0.05$).

Table 3: Influence of Celebrity Endorsement with Reference to Age

ANOVA					
Celebrity endorsement influences me to purchase ice cream					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	10.830	4	2.707	2.043	.087
Within Groups	629.418	475	1.325		
Total	640.248	479			

There is no significant difference between various age groups with respect to the influence of celebrity endorsement in the purchase of ice cream, as p-value is 0.087 ($p > 0.05$).

Table 4: Influence of Celebrity Endorsement with Reference to Gender

ANOVA					
Celebrity endorsement influences me to purchase ice cream					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	8.981	2	4.491	3.393	.034
Within Groups	631.267	477	1.323		
Total	640.248	479			

There is a significant difference between genders with respect to the influence of celebrity endorsement in the purchase of ice cream, as p-value is 0.034 ($p < 0.05$).

Table 5: Influence of Celebrity Endorsement with Reference to Income

ANOVA					
Celebrity endorsement influences me to purchase ice cream					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	13.509	4	3.377	2.560	.038
Within Groups	626.739	475	1.319		
Total	640.248	479			

There is a significant difference between various income groups with respect to the influence of celebrity endorsement in the purchase of ice cream, as p-value is 0.038 (p<0.05).

Table 6: Summary of Hypothesis Testing and Results

Hypothesis	Statistical Test	p-value	Result
H0.1: There is no association between celebrity endorsement and frequency of purchase of ice cream.	Chi-Square	0.005	Rejected
H0.2: There is no significant difference between various age groups with respect to the influence of celebrity endorsement in the purchase of ice cream.	ANOVA	0.087	Accepted
H0.3: There is no significant difference between genders with respect to the influence of celebrity endorsement in the purchase of ice cream.	ANOVA	0.034	Rejected
H0.4: There is no significant difference between various income groups in different professions with respect to the influence of celebrity endorsement in the purchase of ice cream.	ANOVA	0.038	Rejected

7. Conclusion

The results of the statistical analysis indicate that celebrity endorsement has an influence on the consumers' frequency of ice cream purchases. It is a known fact that a higher frequency of purchase leads to higher overall consumption and higher sales. Based on the results of this study, the researcher concludes that ice cream companies can make use of celebrity endorsement for their brands. Few ice cream brands like Magnum have successfully used celebrity endorsement to promote their products. Magnum has made use of local celebrities for international markets and this has increased the visibility of the brand in the cluttered ice cream market. However, many leading ice cream brands in India like Amul do not believe in celebrity endorsement. Amul depends upon its Mascot (Amul Girl) which is a cartoon character, for promoting its brand. Hence the researcher feels that Indian ice cream brands can experiment with celebrity endorsement, especially for the introduction of new products and for brand extension.

The results of the ANOVA tests conducted using the demographic profile variables of age, gender and income respectively indicate that the demographic profile of consumers affects the celebrity's influence with respect to the endorsed product or service. The study found that perception of celebrity endorsement influence on purchase intention varied among respondents of different gender and income groups respectively. However, no such difference in perception concerning celebrity influence was observed among respondents of various age groups.

The literature also supports this finding of women being more favorable towards endorsement by female celebrities as compared to men who were more inclined to endorsement by male celebrities (Boyd & Shank, 2004). Hence ice cream brands can use more female celebrities along with male celebrities since past literature indicates that women are more receptive to celebrity endorsement. As the perception of consumers in different income brackets vary concerning the influence of the celebrities, premium brands can use sophisticated celebrities in their advertisements whereas lower-end brands can use celebrities with mass appeal. Also, the researchers feel that regional celebrities like vernacular language movie stars,

sportspersons, etc can be effectively used to influence lower-income rural consumers to increase their frequency of purchase and ultimately consumption of ice cream.

The researcher finally concludes by stating that celebrity endorsement is useful to attract consumers even during a stressed period like Covid 19 pandemic with its frequent lockdowns. As stated in the opening paragraph of the introduction there was a massive shrinkage in the sales of the ice cream industry in 2020. Despite this, the influence of celebrities remains strong as shown by the study results. Impulse goods companies like ice cream, soft drinks, chocolate, etc should continue advertising and use of the right celebrities in their advertisements as this will pay rich dividends in the form of increased sales once the pandemic subsides and normalcy returns.

8. Limitations of the Study and Scope for Further Research

The data collected for this study was from respondents in South India, hence it may not be possible to generalize the results to other countries. The data was collected during Covid 19 pandemic period with frequent lockdowns, a period of reduced ice cream consumption. Hence, there maybe some variation in the respondents' responses as compared to the normal period. Another point to be considered is that the respondents may have stated the frequency of purchase of ice cream as per the normal time and not as per the pandemic period. Since the two months of data collection were during the initial period of the covid pandemic in India, the respondents would still have answered according to their perceptions of the pre-pandemic period.

There is further scope to conduct similar studies for other impulse purchase products like soft drinks, chocolates, snacks, biscuits, etc. Similar studies can also be conducted for FMCG products. Similar studies can be done in other geographical regions. Also, the different attributes of celebrity characteristics like credibility, attractiveness, power, transfer of meaning, celebrity product match, etc. can be considered while investigating the effect of the demographic profile of consumers on the impact of celebrity influence on the purchase intentions of consumers.

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