

INFLUENCE OF CELEBRITY ENDORSEMENT TOWARDS CONSUMER PURCHASE INTENTION: A CASE STUDY OF JAKEL TRADING SDN BHD (SEGAMAT, JOHOR)

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ABSTRACT

Celebrity endorsement is one of marketing strategy to help appeal brand to new consumer. The involvements of celebrities or well-known person represent their image and promise of their brands. Celebrity endorsement has considerable influence in sales when promoting a product and brand. In addition, celebrity endorsement can influence consumer purchase intention as consumer who make a repetitious purchase and would return back to the company. Objective of this study is to identify factors that influence celebrity endorsement on consumer purchase intention at Jakel. The data of this study have been collected through a survey on questionnaire that has been distribute to 100 respondents that comes to purchase product at Jakel Trading Sdn Bhd. The result for this study has been analysed using Statistical Package for the Social Sciences (SPSS). The finding showed the factors that influence celebrity endorsement towards consumer purchase intention at Jakel Trading Sdn Bhd are expertise, respect and similarity factors. Meanwhile, trustworthiness and attractiveness factors are not significant relationship towards consumer purchase intention.

Keywords: Celebrity Endorsement, purchase intention, TEARS Model.

CHAPTER 1: INTRODUCTION

1.1 BACKGROUND OF STUDY

In today's world of market industry, celebrity endorser is being treated as a role model and spokesperson of some products or services. Celebrity branding or known as celebrity endorsement is a type of advertising campaign or marketing strategy used by brands, companies or Non-Profit Organization (NGO) which involves celebrities or a well-known person exploit their own social status or their popularity to help promote a product, service on even raise awareness on environmental or social matters. Kamins (1989) on his study found that celebrity endorser is a famous personality who endorses the brand normally over the media and individual who is known to the public for his or her achievement in the career other than of the product class endorse.

The strategy of celebrity endorsement has positive effects for both company and celebrity. For example, Nike appointed Michael Jordan as their sport industry. Nike extremely relied on Michael Jordon social status to make the brand internationally well known. Celebrity endorsements come to another level in the late 1900's, instead of image of them promoting a brand, companies started to conduct press conferences with the celebrity making statement about special deals, this meant celebrities has now become a spokesperson for the company. Evidently, the more companies have their celebrity ambassador to hold press conferences and announce special deals, sales for the brand were increasing immensely and more deals were introduced to the market. The studies have shown that by having celebrity ambassadors have improved sales enormously. For example, Rihanna is music icon and puma athletic- wear brand partnered in 2014. In 2016 as part of her line Fenty X Puma, she released sneakers which immediately sold out (Hannah Chapple, 2016).

In addition, celebrity is a person who well recognized by the people and has a good reputation in the people's mind and in the society (Patel, 2009). Consumer that has a favourite celebrity can be one of the person that aware on the product that their celebrity endorsed. It can give impact to the company on consumer purchase intention. By using celebrity endorser make customer aware about the product or brand image. It also directly helps company to makes consumer aware on their product and creates an emotional need to the consumer. The consumers might follow endorser product because they actually believes the positive characteristics on the celebrity that endorsed the product.