GLO GHANA’S CELEBRITY ENDORSEMENTS AND STUDENT PURCHASE DECISION: CASE STUDY OF CHRISTIAN SERVICE UNIVERSITY COLLEGE

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A PROJECT WORK SUBMITTED TO CHRISTIAN SERVICE UNIVERSITY COLLEGE IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF A BACHELOR OF BUSINESS ADMINISTRATION DEGREE IN BUSINESS STUDIES.

JUNE, 2013
STATEMENT OF AUTHENTICITY

We have read the university regulations relating to plagiarism and certify that this report is our own work and does not contain any unacknowledged work from any other source. We also declare that we have been under supervision for this report herein submitted.

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SUPERVISOR’S DECLARATION

I hereby declare that the preparation and presentation of this dissertation were supervised in accordance with the guidelines on supervision laid down by Christian Service University College.

Certified by:

Stephen Banahene (Mr.)  ……………………...            …………………...

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ABSTRACT

This study examines the impact of celebrity endorsement on the purchase decision of student consumers of Glo Ghana’s products by undertaking a case study of a selected University in the Kumasi Metropolis (Christian Service University College). The purpose was to make bare the significance of celebrity endorsement as a marketing communications strategy and how to best utilize this tool for organizational success in today’s competitive telecommunications market. The objectives were to find out whether celebrity endorsements affect consumers’ purchase decisions, to examine the influence of celebrity endorsers as compared with ‘normal people’, to ascertain whether celebrity endorsements are successful in motivating student consumers to purchase telecommunication products and to analyze and conclude whether celebrities do influence student consumers’ decision to purchase.

Qualitative Method was used for the study. Questionnaires were given out to 84 respondents sampled from a population of 507, being the number of students in the university who use Glo products. The study revealed that student consumers are motivated by celebrity endorsement to make purchase. It revealed that students attach class and quality to celebrity endorsed brands and products. Also, the researchers found out that celebrity endorsements help create a better brand and product awareness and influences brand choice among students. It was however interesting for the group to find out that inasmuch as celebrity endorsement influences student consumers’ purchase decision, most students would buy a brand regardless of whether a celebrity endorses it or not. The study therefore recommends that care should be taken when using a celebrity to endorse products, in order not to get a negative outcome. Management should therefore get to know what entices student consumers in celebrities and what factors make their student
consumers hate or like a celebrity. The study also recommends that management should not overlook other important strategies, even as they work to get the best out of celebrity endorsement.
DEDICATION

We dedicate this piece to our various families, Dr. Kwaku Ahenkora, Head of Business Department of Christian Service University College and our project supervisor, Mr. Stephen Banahene.
ACKNOWLEDGEMENT

The successful completion of this work could not have been possible without the support of certain individuals within and outside Christian Service University College (CSUC). We are very grateful to our supervisor, Mr. Stephen Banahene, for his critical review of this work and the useful advice and suggestions that made this work a success. We also acknowledge the help from all lecturers at the Business Department of CSUC in the form of advice and directions. We say thank you to our families for being supportive throughout the research period.

Finally, we say a big thank you to the almighty God without whom nothing is possible. Lord, we thank you for the health, wisdom and understanding you have given us. May your name be praised.
TABLE OF CONTENT

Title Page ........................................................................................................................................... i
Statement of Authenticity .................................................................................................................... ii
Abstract................................................................................................................................................ iii
Dedication ........................................................................................................................................... v
Acknowledgement ............................................................................................................................. vi
Table of Content ............................................................................................................................... vii
List of Tables ....................................................................................................................................... x
Definition of Terms .......................................................................................................................... xi

CHAPTER ONE
INTRODUCTION

1.1 Background to the Study ............................................................................................................. 1
1.2 Statement of the problem ........................................................................................................... 2
1.3 Research Objectives .................................................................................................................. 4
1.4 Research Questions ................................................................................................................... 4
1.5 Significance of the study .......................................................................................................... 4
1.6 Scope of the study ....................................................................................................................... 5
1.7 Organization of the study .......................................................................................................... 5
CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction ............................................................................................................. 6
2.2 An Assessment of The Role Of Television Advertisements On Adolescents In The Purchase Of Consumer Packaged Goods Endorsed By Celebrities ........................................ 6
2.3 Celebrity and Product Match-Up ........................................................................... 13
2.4 Winning Celebrities and Companies They Endorse ............................................ 21
2.5 Celebrity Endorsements Gone Bad ....................................................................... 25
2.6 Corporate Firms, Ghanaian Entertainers and Endorsement Deals ...................... 27

CHAPTER THREE

METHODOLOGY

3.1 Introduction ............................................................................................................. 31
3.2 Description of the Study Area .............................................................................. 31
3.3 Research Design .................................................................................................... 32
3.4 Sample Frame ........................................................................................................ 32
3.5 Instrument Used ..................................................................................................... 33
3.6 Data Collection Procedure .................................................................................... 33
3.7 Data Analysis .......................................................................................................... 33
CHAPTER FOUR
ANALYSIS OF FINDINGS, DISCUSSION AND PRESENTATION OF RESULTS

4.1 Introduction ............................................................................................................ 34
4.2 Presentation and Interpretation ............................................................................. 34
4.3 Discussion of Results ............................................................................................. 44

CHAPTER FIVE
SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction ............................................................................................................ 47
5.2 Summary of Findings ............................................................................................... 47
5.3 Conclusion ............................................................................................................... 48
5.4 Recommendations ................................................................................................... 49
5.5 Recommendations for Further Studies ................................................................. 50

References .................................................................................................................. 51
Appendix ...................................................................................................................... 53
LIST OF TABLES

<table>
<thead>
<tr>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1</td>
<td>Gender of Respondents</td>
<td>34</td>
</tr>
<tr>
<td>4.2</td>
<td>Age of Respondents</td>
<td>35</td>
</tr>
<tr>
<td>4.3</td>
<td>Products Used by Respondents</td>
<td>36</td>
</tr>
<tr>
<td>4.4</td>
<td>Factors that Motivate Purchase</td>
<td>37</td>
</tr>
<tr>
<td>4.5</td>
<td>Belief that products endorsed by celebrities are of good quality</td>
<td>38</td>
</tr>
<tr>
<td>4.6</td>
<td>Celebrity endorsements help increase Glo Ghana’s total Revenue</td>
<td>38</td>
</tr>
<tr>
<td>4.7</td>
<td>Celebrities use products they endorse</td>
<td>39</td>
</tr>
<tr>
<td>4.8</td>
<td>Celebrity endorsements create product awareness</td>
<td>39</td>
</tr>
<tr>
<td>4.9</td>
<td>Guarantee of brand Quality</td>
<td>40</td>
</tr>
<tr>
<td>4.10</td>
<td>Celebrity-Brand association</td>
<td>40</td>
</tr>
<tr>
<td>4.11</td>
<td>Celebrity endorsements determine the choice of unfamiliar brands</td>
<td>41</td>
</tr>
<tr>
<td>4.12</td>
<td>Purchase of brand is influenced by liking for endorsing celebrity</td>
<td>41</td>
</tr>
<tr>
<td>4.13</td>
<td>Buy a brand because favourite celebrity endorsed it</td>
<td>42</td>
</tr>
<tr>
<td>4.14</td>
<td>Purchase brand regardless of celebrity endorsement</td>
<td>43</td>
</tr>
<tr>
<td>4.15</td>
<td>Celebrity endorsement is not necessary</td>
<td>43</td>
</tr>
</tbody>
</table>
DEFINITION OF TERMS

For the purpose of the study, certain words and terms were used which may not be familiar to readers. Such words and terms have been explained as follows:

Primary data: - This is the name given to data that were collected under the control and supervision of the person or the organization making particular study.

Secondary data: - This is the name given to data that are being used for some purpose other than that for which they were originally collected.

Normal people: - Normal people, as used in this study, means the everyday people around us who do not enjoy the public recognition and attention that celebrities enjoy. A normal person could be a teller at a bank, a school teacher or even a driver.

Celebrity: - According to Schlecht, Celebrities are people who enjoy public recognition by a large share of a certain group of people.

Brand: - A trademark or distinctive name identifying a product or manufacturer.

Endorsement: - A recommendation of a product in an advertisement.


Margin of error (Confidence interval): - How sure you need to be that the answers given by your respondents reflect the views of your population.

Confidence level: - How confident you can be that the actual mean falls within your confidence interval.
CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND OF THE STUDY.

Advertising has gone through a major face of change over the past century and half, from classical to modern view. Today, marketers are developing strategies using various appeals including sexual, emotional, humor among others (Belch and Belch, 2001). The Motive behind formulating such strategies is to gain high brand exposure, attention, interest, desire and action (Belch and Belch, 2001). These, marketer’s do by employing well known and famous personalities. As stated by McCraken (1989), celebrities tend to create greater effect on the consumers’ buying behavior. McCraken (1989) further states that “celebrity endorsement advertising is a ubiquitous feature of modern marketing”.

According to Silvera Austad (2004), celebrities are people who enjoy public recognition among a large group of people and possess distinctive qualities like attractiveness, trustworthiness among other things. It must be stated that many big brands have recognized the importance of celebrity endorsement as a marketing communication tool (Soderlund, 2003). Celebrity endorsement is a billion Dollar industry in today’s era (Kambitsis et al, 2002). Marketers spend huge sums of money on celebrity endorsement contracts annually (Katyal, 2007), thus showing the importance of celebrities in the advertising industry.

Recently, the famous golfer Tiger Woods refused a 75 million Dollar endorsement offer from bookies Power Paddy saying, “The deal wasn’t lucrative enough”. It is reported that Tiger Woods earned around 110 million Dollars through endorsement, with Nike being the largest contributor with 30 million Dollars (Celebriscoop 2010). Considering the prices companies are willing to pay and the effect it has on consumers’ buying behavior, celebrity endorsement
appears to be a very popular advertising tool in today’s modern day marketing (McCraken, 1989; Belch, 2001; Soderlund, 2003).

In 1984, Nike signed University of Carolina basketball star Michael Jordan in hopes that his endorsement would spur greater interest in the Nike name. Nike needed a new way to branch out and capture a more diverse customer base. The Jordan campaign did just that, by earning record revenue levels for Nike. Revenue increased from $919,806 to $946,371 in the first year, and by 1986, Nike had cracked the million dollar barrier with $1,069,222. (Gatton student research publication. Volume 1, number 1. Gatton College of Business and Economics, University of Kentucky, 2009)

Celebrity endorsement is a practice gaining grounds in recent times. It has become pervasive in the advertising industry in Ghana, as it has become a multi-million cedi venture. Marketers use celebrity endorsement to influence the purchase decisions of consumers, in order to increase sales as well as expand market shares.

Telecommunication companies in Ghana have over the years adopted the use of celebrity endorsement as a marketing communications tool.

1.2 STATEMENT OF THE PROBLEM

Over the years, Marketers in Ghana have adopted the use of celebrity (Christian, Entertainment, Industry, sports among others) endorsement as a marketing communications tool. Though not clear when the first celebrity endorsement took place in Ghana, the practice is known to have existed in the country for a number of years. An example of some of the early endorsement deals in the country is Ike Quartey endorsement for Gold star, now LG. How effective these endorsements are on student consumers’ purchase decisions, is a question researchers are still finding answers to.
Research proves that celebrity endorsement advertising strategies can, under the right circumstances escalate the selling power of a brand to unimaginable heights. Celebrity endorsements if used effectively, make the brand stand out, galvanize brand recall and facilitates instant awareness. In Ghana, some firms are using celebrities to market their products and reaping the enormous benefits but it is woefully inadequate (Corporate firms, Ghanaian entertainers and endorsement deals by Arnold Asamoah-Baidoo, 2009).

Telecommunication companies in the country are utilizing this marketing communications tool, signing entertainment and sports celebrities among others, all in the bid to influence consumer purchase decisions. Students, due to research works business and entertainment reasons, now form a big part of telecommunications’ customer base. Therefore, the effect of celebrity endorsement their decision making is a subject worth looking into. MTN sealed an endorsement deal with Samini (Renowned Hip-Life artiste), Michael Essien and Stephen Appiah (Renowned Ghanaian footballers) among others. Jackie Appiah (A top actress in the Ghanaian movie industry) became the face of IPMC. KASAPA, now Expresso, sealed an endorsement deal with Chris Attoh.

Asamoah Gyan, a striker of the Black Stars of Ghana, has recently signed as an Ambassador for telecommunication giant, Glo, with a deal reported to be in the region of US$ 130,000 a year.

However, it is not always the celebrity endorsement positively serves companies. Some of the endorsements turn out to adversely affect the image of the companies and products endorsed. The problem now, is how to effectively use celebrity endorsement to positively influence the purchase decision of student consumers. It is this curiosity that has driven us as a research team, to explore the impact of celebrity endorsement on the purchase decision of Glo Ghana’s student consumers.
1.3 RESEARCH OBJECTIVES

The main objectives of this research are:

- To assess the effect of celebrity endorsements on consumer purchase decisions.
- To evaluate the influence of celebrity endorsers as compared with ‘normal people’.
- To evaluate the effectiveness of celebrity endorsements in motivating student consumers to purchase telecommunication products.
- To analyze and conclude whether celebrities do influence student consumers’ decision to purchase.

1.4 RESEARCH QUESTIONS

- Do celebrity endorsements affect consumer purchase decision?
- How do celebrity endorsers influence consumer purchase decision as compared to ‘normal’ people?
- Is celebrity endorsement a worthwhile venture for Glo Ghana in today’s competitive telecommunications market?

1.5 SIGNIFICANCE OF THE STUDY

This study aims to make bare the significance of celebrity endorsement as a marketing communications strategy and how to best utilize this tool for organizational success in today’s competitive markets. The group aims to:

- To make suitable recommendations concerning the use of celebrity endorsements to market telecommunication products.
To add secondary data, as reference materials for academic and corporate use in future.

1.6 SCOPE OF THE STUDY

This study could have been done on all the telecommunication companies in the country but the group chose to concentrate its study on Glo Ghana. This is because Glo is the latest telecommunication company in the country and a search done by the group has shown that there has not been as much research about Glo Ghana on similar or related topics as there have been about the other telecommunication companies. The research seeks to evaluate the impact of Glo Ghana’s celebrity endorsements, since 2010 when they started operation in Ghana, on the purchase decision of its consumers.

We selected students from all levels in Christian Service University College, both male and female. We chose students as our respondents because we believe that they use many telecommunication products and services due to frequent communication needs stemming from business, research works and entertainment.

1.7 ORGANIZATION OF THE STUDY

This project work is structured into five chapters. Chapter one covers the background of the study, statement of the problem, research objectives and questions, significance of the study, scope of the study and organization of the study. Chapter two presents literature review on related topics. Chapter three presents the research methodology, chapter four contains the analysis, presentation and discussion of results and chapter five presents summary of the dissertation, draws conclusions and provides recommendations.
CHAPTER TWO

LITERATURE REVIEW

2.1 INTRODUCTION

This chapter shows the works that have been done by other researchers on this topic and its related topics. For purpose of this study, we are reviewing literature on the following themes: An assessment of the role of television advertisements on Adolescents in the purchase of consumer packaged goods endorsed by celebrities; Impact of Celebrity Endorsement on a brand; Winning celebrities and companies they endorse; Celebrity endorsements gone bad; Corporate firms, Ghanaian entertainers and endorsement deals.

2.2 AN ASSESSMENT OF THE ROLE OF TELEVISION ADVERTISEMENTS ON ADOLESCENTS IN THE PURCHASE OF CONSUMER PACKAGED GOODS ENDORSED BY CELEBRITIES.

2.2.1 Who is a Celebrity?

Celebrities are people who enjoy public recognition by a large share of a certain group of people whereas attributes such as attractiveness, extraordinary lifestyle are just examples and specific common characteristics which cannot be observed, though it can be said that, within a corresponding social group celebrities generally differ from the social norm and enjoy a high degree of public awareness (Schlecht, 2003). Celebrities are people who enjoy public recognition by a large share of a certain group and they have distinctive characteristics, such as attractiveness and trustworthiness (Silvera & Austad, 2004). In our day to day activities, we perform many acts, at home, at the work place, in sports, in social life, etc. But these acts
may be daily routine or just "acts" per say giving no extra-ordinary results, not noticed by anybody surrounding us, and not taken into notice by the media, but if a person acts or performs something which gives spectacular results and is noticed by the masses, then that person has "done something" special that most of the masses cannot do. He is regarded as a special person with some "extra" given by that "Almighty" above. The people start feeling that he/she is great and exceptional, and start celebrating his/her acts which produce success. If the success rate for that person is very high to "deliver" same results, he becomes a "CELEBRITY". It may be in field of sports, cinema, music, theatre, social life, politics, science and anything but something with some special results. Celebrities are popular among the public and they take pleasure in being recognized by numerous people. Good looks, classy lifestyles and special skills are only some of celebrities’ special features that are different from general people and are seen by the public, which grants them a large amount of the public’s attention. Friedman and Friedman (2002) explain, that a celebrity is a person such as an actor, sportsman, presenter, entertainer, etc, who is different from the general public and is recognized by them, because of his or her achievements. Celebrities such as Tiger Woods, Lionel Messi, Usain Bolt, Rafeal Nadal and Michael Jordan have made hundreds of millions of dollars from endorsements and in return have helped the sports apparel company Nike become dominant global brand.

Michael Jordan once claimed “I never thought a role model should be negative” this is because when a role model is negative, the person is perceived to have adverse effects on his or her audience Arens,Weigold & Arens (2011). Before the world’s famous golfer, Eldrick Tont “Tiger” Woods who has an estimated net worth of $500 million, he handled his public life with class before he got involved in a scandal, made a former statement that “if you are given a chance to be a role model, I think you should always take it because you can
influence a person’s life in a positive light and that’s what I want to do. That’s what it’s all about” Arens et al (2011).

In recent years, using celebrity endorsers has become more and more common. According to Byrne & Breen, studies have indicated that a more positive response, along with higher purchasing intentions have been gained by using celebrity endorsers compared to non-celebrity endorsers (Byrne & Breen, 2003, The Naked Truth of Celebrity Endorsement). Sales will greatly rise due to the availability of celebrity endorsed products that attract customers. Inasmuch as, celebrities add up to a brand’s image, corporate firms must also understand that they take a risk when they associate their brands with a celebrity, this is because their conducts might go against the image of a company and the norms of society. Thus, it is a duty of every company to ensure that celebrities endorsing their brands are socially responsible. Initially, this strategy seems a no-risk and all-gain situation, but, as with any dynamic marketing communication strategy, there are potential hazards. Individuals can change, and endorsement relations can sour. In a sense, celebrity endorsement strategy can be a two-edged sword, which makes selecting a celebrity endorser from innumerable alternatives in the presence of potential marketing pitfalls very challenging. It has been found that negative information about a celebrity endorser not only influences consumers' perception of the celebrity, but also the endorsed product (Till and Shimp1995). While a celebrity can effectively draw attention to an advertisement his or her impact on other variables-brand awareness, recall of copy points and message arguments, brand attitudes, and purchase intentions—must also be considered (Belch & Belch 1995). A common concern is that consumers will focus their attention on the celebrity and fail to notice the brand being promoted (Rossiter and Fercy ,1987). As Cooper (1984) puts it "the product not the celebrity, must be the star."
Embarrassment has occurred for some companies when their spokesperson or celebrity has become embroiled in controversy (Hertz Corporation & OJ.Simpson, 1994). Celebrities may disappear out of the media flashlights before the end of a contractual term as was the case in Schick Inc's relation with Mark Spitz, winner of seven Olympic gold medals (Ziegel 1983). It is not usual for celebrities to alter their image, but when this occurs it can spell failure for a campaign. Another important issue is that of celebrity' greed and subsequent overexposure when a celebrity becomes an endorser for many diverse products (e.g. the Spice Girls in 1997). If a celebrity's image ties in with many brands, impact and identity with each product may lessen since the relationship between the celebrity and a particular brand is not distinctive (Mowen & Brown 1991). This can not only compromise the value of the celebrity in the eyes of star's fans (Graham 1999), but also can make consumers overtly aware of the true nature of endorsement which has less to do with brand/product attributes, and more to do with generous compensation for the celebrity, leading consumers to overt cynicism about their motives (Tripp, et al. 1994).

As can be inferred from this quick overview, selecting celebrity endorsers is not an easy task, but with time many scholars have attempted to construct models to aid in selecting celebrity endorsers. Cari I. Hovland and his associates presented one of the earliest models in 1953. Following his initial Source Credibility Model, three additional models are cited; the Source Attractiveness Model (McGuire, 1985) the Product Match-Up Hypothesis (Forkan, 1980; Kamins, 1989. 1990) and the Meaning Transfer Model (McCracken, 1989).

2.2.2 What is Product Endorsement?

A product endorsement is a form of testimonial from someone which indicates that they like or approve of a product. Commonly, product endorsements are solicited from people who are socially prominent, allowing companies to advertise their products with statements like “as
used by such-and-such an actress,” or “the official product of a company.” It's hard to miss a Celebrity Endorsement & Brand Building product endorsement on product packaging and in advertisements; most companies keep their endorsements front and center so that they are always in the public eye. The concept of the product endorsement is quite ancient. In England, for example, several companies have been advertising themselves as “by appointment to the Queen” for hundreds of years, indicating that they enjoy the patronage of the British royal family. Consumers are often seduced by the idea of purchasing a product which is endorsed by someone wealthy or famous, as though by buying the product, the consumer also becomes affiliated with the person who endorses it. Modern product endorsements can come with contracts worth substantial amounts of money. For example, many sports stars agree to participate in product endorsement campaigns with the understanding that the company will compensate them for the trouble; some stars donate the proceeds to charities they support, using the product endorsement as a public relations campaign.

In exchange for an endorsement contract, someone may agree to use the product publicly whenever possible, and they may be restricted from using products made by a competitor. A product endorsement does not necessarily mean that a product is good. It just means that the company has managed to work its public relations connections to get a big name associated with it. Some endorsements take the form of written testimonials, where people write about how the product changed their lives. Historically, such testimonials were often printed on the packaging directly product never possible. Modern testimonials are more commonly included in advertising campaigns, with excerpts only on the packaging. Many companies also use photographs or motion pictures of famous people on their products to create a visual connection between the endorser and the product, which is why sports stars appear on various sports merchandise. (Sic)
2.2.3 Who are Celebrity Endorsers?

According to McCracken's (1989) definition, a celebrity endorser is an individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement. Research has shown that in general, celebrity endorsement influences the feelings of the consumers and can also influence the attitude consumers have towards the advertisement and attitude towards the brands, which can increase the purchase intentions and, consequently, increase sales. Advertising professionals rely on the assumption that using a celebrity to endorse a brand will result in an increase in consumer recall of the brand. Advertisers believe that using a celebrity endorser will foster, in the mind of the consumer, a match or connection between the celebrity endorser and the endorsed brand. Celebrities have tremendous mass followings; they pull crowds with their presence only. If it is understood that Majid Michel is coming to shoot a film, at a particular location on a particular day, then there will be a big commotion in that area because of the crowd. Celebrities are people who enjoy specific public recognition by a large number of certain groups of people. They have some characteristic attributes like attractiveness, extraordinary lifestyle or special skills that are not commonly observed. Thus, it can be said that within a society, celebrities generally differ from the common people and enjoy a high degree of public awareness. According to Friedman and Friedman, a “celebrity endorser is an individual who is known by the public for his or her achievements in areas other than that of the product class endorsed”. Compared to other endorser types, famous people always attach a greater degree of attention, recall and loyalty. Increasingly, researchers question empirical evidence substantiating a direct link between using a celebrity endorsement to achieve higher brand recall. Celebrity endorsement can enable consumers to establish a connection between the celebrity and the brand which aid consumer recall of the endorsed brand. A celebrity endorser used in an advertisement can be interpreted as a reference group. A reference group
is defined as any person or group of persons that serves as a point of comparison (or reference) for an individual by communicating values, attitudes and providing a specific guide for behavior (Shiffman & Kanuk, 2006). Given the high costs associated with using celebrity endorsements, marketers have relied on rating systems to evaluate the potential value added by celebrity endorsers. When brands use celebrities for endorsements, the “meaning” of the celebrity transfers to the brand. That can be a double edged sword. When negative information about the celebrity is publicized in the media, the brand can suffer. The worse the perception of the information, the worse the brand suffers, but in this age of intense competition, where capturing a position in the consumers’ mind space is extremely tough, celebrity endorsements give an extra edge to the companies for holding the viewers’ attention. Celebrities can catalyze brand acceptance and provide the enormous momentum that brands require by endorsing the intrinsic value to the brand.

### 2.2.4 Attractiveness of Endorser

The success of celebrity endorsement depends very much on the attractiveness of the celebrity as well. To understand the importance of attractiveness, consumers need to watch television and other print media. Generally advertisements employ attractive celebrities or individuals. Consumers are inclined to have positive stereotypical images of such people and research shows that attractive celebrities are naturally able to change customer beliefs (Debevec & Kernan, 1984; Chaiken, 1979). Thus according to Friedman et al., Petty and Cacioppo and also Petroshius and Crocker in 1976, 1981 and 1989 respectively, attractive celebrities make the customers buy the products.

In 1972, Cohen and Golden suggest that celebrity endorser’s physical attractiveness is an important criterion to make the message an effective one among the customers. An attractive celebrity affects the brand they endorse especially given their ‘star’ status and their physical
attractiveness (Kamins, 1990). A variety of researches have shown that a physically attractive celebrity endorser greatly enhances the brand image and its products. This notion was also supported by Kahle and Homer (1985) who showed that physical attractiveness of celebrities creates a great response to the brand image by its target audience.

2.3 CELEBRITY AND PRODUCT MATCH-UP

"A sign of a celebrity is that his name is often worth more than his services.” - Daniel J Boorstin. The motif behind total branding may be decocted as an attempt to amalgamate diverse activities to win customer preference. Apropos to this context, the topic “Impact of celebrity endorsement on overall brand”, is a significant one. The crescendo of celebrities endorsing brands has been steadily increasing over the past years. Marketers overtly acknowledge the power of celebrities in influencing consumer-purchasing decisions. It is a ubiquitously accepted fact that celebrity endorsement can bestow special attributes upon a product that it may have lacked otherwise. But everything is not hunky-dory; celebrities are after all mere mortals made of flesh and blood like us. If a celebrity can aggrandize the merits of a brand, he or she can also exacerbate the image of a brand. If I may take the liberty of rephrasing Aristotle’s quote on anger, “Any brand can get a celebrity. That is easy, but getting a celebrity consistent with the right brand, to the right degree, at the right time, for the right purpose and in the right way... that is not easy.” Celebrity endorsements are impelled by virtue of the following motives:

- Instant Brand Awareness and Recall.
- Celebrity values define, and refresh the brand image.
- Celebrities add new dimensions to the brand image.
- Instant credibility or aspiration
- PR coverage.
- Lack of ideas.
- Convincing clients.

2.3.1 The scope of a celebrity on the incumbent brand:

Simply stating, a brand is a differentiated product and helps in identifying your product and making it stand out due to its name, design, style, symbol, color combination, or usually a mix of all these. Before we can scrutinize the effects of celebrity endorsement on the overall brand, we have to ferret the implicit nuances that act as sources of strong brand images or values:

**Experience of use**; This encapsulates familiarity and proven reliability.

**User associations**; Brands acquire images from the type of people who are seen using them. Images of prestige or success are imbibed when brands are associated with glamorous personalities.

**Belief in efficiency**; Ranking from consumer associations, newspaper editorials etc.

**Brand appearance**; Design of brand offers clues to quality and affects preferences.

**Manufacturer’s name & reputation**; A prominent brand name (Sony, Kellogg’s, Bajaj, Tata) transfers positive associations.

The celebrity’s role is the most explicit and profound in incarnating user associations among the above-mentioned points. To comprehend this, let us analyze the multiplier effect formula for a successful brand:
S=P* D*AV -- the multiplier effect. Where S is a successful brand, P is an effective product. D is Distinctive Identity and AV is Added values.

The realm of the celebrity’s impact is confined to bestow a distinctive identity and provide AV to the brand; the celebrity does not have the power to improve or debilitate the efficiency and features of the core product. Thus, we are gradually approaching an evident proposition claiming, “The health of a brand can definitely be improved up to some extent by celebrity endorsement. But one has to remember that endorsing a celebrity is a means to an end and not an end in itself.” An appropriately used celebrity can prove to be a massively powerful tool that magnifies the effects of a campaign. But the aura of cautiousness should always be there. The fact to be emphasised is that celebrities alone do not guarantee success, as consumers nowadays understand advertising. They know what advertising is and how it works. People realize that celebrities are being paid a lot of money for endorsements and this knowledge makes them cynical about celebrity endorsements.

2.3.2 Compatibility of the celebrity’s persona with the overall brand image.

A celebrity is used to impart credibility and aspirational values to a brand, but the celebrity needs to match the product. A good brand campaign idea and an intrinsic link between the celebrity and the message are musts for a successful campaign. Celebrities are no doubt good at generating attention, recall and positive attitudes towards advertising provided that they are supporting a good idea and there is an explicit fit between them and the brand. On the other hand, they are rendered useless when it comes to the actual efficiency of the core product, creating positive attitudes to brands, purchase intentions and actual sales. Certain parameters that postulate compatibility between the celebrity and brand image are:

- Celebrity’s fit with the brand image.
- Celebrity—Target audience match
• Celebrity associated values.
• Costs of acquiring the celebrity.
• Celebrity—Product match.
• Celebrity controversy risk.
• Celebrity popularity.
• Celebrity availability.
• Celebrity physical attractiveness.
• Celebrity credibility.
• Celebrity prior endorsements.
• Whether celebrity is a brand user.
• Celebrity profession.

Some successful ongoing global endorsements are as follows:

• Celebrity endorsements have been the bedrock of Pepsi's advertising. Over the years, Pepsi has used and continues to use a number of celebrities for general market and targeted advertising, including Shaquille O'Neal, Mary J. Blige, Wyclef Jean, and Busta Rhymes, who did a targeted campaign for their Mountain Dew product.
• George Foreman for Meineke. He has also sold more than 10 million Lean Mean Fat-Reducing Grilling Machines since signing with the manufacturing company.
• James Earl Jones for Verizon and CNN.
• Nike golf balls, since the company signed Tiger Woods in 1996, have seen a $50 million revenue growth. Nike's golf line grossed more than $250 million in annual sales. In 2000 he renegotiated a five-year contract estimated at $125 million.

Other successful endorsements like Nike—Michael Jordan, Dunlop—John McEnroe, Adidas—Prince Naseem Hamed, and sonon.
• Venus Williams, tennis player and Wimbledon champion has signed a five-year $40 million contract with sportswear manufacturer Reebok International Inc.

2.3.3 Advantages of a celebrity endorsing a Brand

Brands have been leveraging celebrity appeal for a long time. Across categories, whether in products or services, more and more brands are banking on the mass appeal of celebrities. As soon as a new face ascends the popularity charts, advertisers queue up to have it splashed all over. Witness the spectacular rise of Sania Mirza and Irfan Pathan in endorsements in a matter of a few months. The accruement of celebrity endorsements can be justified by the following advantages that are bestowed on the overall brand:

• Establishment of Credibility: Approval of a brand by a star fosters a sense of trust for that brand among the target audience- this is especially true in case of new products. We had the Shah Rukh-Santro campaign. At launch, Shah Rukh Khan endorsed Santro and this ensured that brand awareness was created in a market, which did not even know the brand.

• Ensured Attention: Celebrities ensure attention of the target group by breaking the clutter of advertisements and making the ad and the brand more noticeable.

• PR coverage: is another reason for using celebrities. Managers perceive celebrities as topical, which create high PR coverage. A good example of integrated celebrity campaigns is one of the World’s leading pop groups, the Spice Girls, who have not only appeared in advertisements for Pepsi, but also in product launching and PR events. Indeed, celebrity-company marriages are covered by most media from television to newspapers (e.g. The Spice Girls and Pepsi)
• Higher degree of recall: People tend to commensurate the personalities of the celebrity with the brand thereby increasing the recall value. Golf champion Tiger Woods has endorsed American Express, Rolex, and Nike. Actress Catherine Zeta-Jones is used by T-Mobile and Elizabeth Arden. 007 Pierce Brosnan promotes Omega, BMW, and Noreico.

• Associative Benefit: A celebrity’s preference for a brand gives out a persuasive message - because the celebrity is benefiting from the brand, the consumer will also benefit.

• Mitigating a tarnished image: Cadbury India wanted to restore the consumer's confidence in its chocolate brands following the high-pitch worms controversy; so the company appointed Amitabh Bachchan for the job. Last year, when the even more controversial pesticide issue shook up Coca-Cola and PepsiCo and resulted in much negative press, both soft drink majors put out high-profile damage control ad films featuring their best and most expensive celebrities. While Aamir Khan led the Coke fightback as an ingenious and fastidious Bengali who finally gets convinced of the product's `purity,' PepsiCo brought Shah Rukh Khan and Sachin Tendulkar together once again in a television commercial which drew references to the `safety' of the product indirectly.

• Psychographic Connect: Celebrities are loved and adored by their fans and advertisers use stars to capitalise on these feelings to sway the fans towards their brand.

• Demographic Connect: Different stars appeal differently to various demographic segments (age, gender, class, geography etc.).

• Mass Appeal: Some stars have a universal appeal and therefore prove to be a good bet to generate interest among the masses.
• Rejuvenating a stagnant brand: With the objective of infusing fresh life into the stagnant chyawanprash category and staving off competition from various brands, Dabur India roped in Bachchan for an estimated Rs 8 crore.

• Celebrity endorsement can sometimes compensate for lack of innovative ideas.

2.3.4 Disadvantages of a celebrity endorsing a brand:

The celebrity approach has a few serious risks:

• The reputation of the celebrity may derogate after he/she has endorsed the product: Pepsi Cola's suffered with three tarnished celebrities - Mike Tyson, Madonna, and Michael Jackson. Since the behaviour of the celebrities reflects on the brand, celebrity endorsers may at times become liabilities to the brands they endorse.

• The vampire effect: This terminology pertains to the issue of a celebrity overshadowing the brand. If there is no congruency between the celebrity and the brand, then the audience will remember the celebrity and not the brand. Examples are the campaigns of Dawn French—Cable Association and Leonard Rossiter—Cinzano. Both of these campaigns were aborted due to celebrities getting in the way of effective communication. Another example could be the Castrol commercial featuring Rahul Dravid.

• Inconsistency in the professional popularity of the celebrity: The celebrity may lose his or her popularity due to some lapse in professional performances. For example, when Tendulkar went through a prolonged lean patch recently, the inevitable question that cropped up in corporate circles - is he actually worth it? The 2003 Cricket World Cup also threw up the Shane Warne incident, which caught Pepsi off guard. With the Australian cricketer testing positive for consuming banned
substances and his subsequent withdrawal from the event, bang in the middle of the event, PepsiCo – the presenting sponsor of the World Cup 2003 - found itself on an uneasy wicket

- Multi brand endorsements by the same celebrity would lead to overexposure: The novelty of a celebrity endorsement gets diluted if he does too many advertisements. This may be termed as commoditisation of celebrities, who are willing to endorse anything for big bucks. Example, MRF was among the early sponsors of Tendulkar with its logo emblazoned on his bat. But now Tendulkar endorses a myriad brands and the novelty of the Tendulkar-MRF campaign has scaled down.

- Celebrities endorsing one brand and using another (competitor): Sainsbury’s encountered a problem with Catherina Zeta Jones, whom the company used for its recipe advertisements, when she was caught shopping in Tesco. A similar case happened with Britney Spears who endorsed one cola brand and was repeatedly caught drinking another brand of cola on tape.

- Mismatch between the celebrity and the image of the brand: Celebrities manifest a certain persona for the audience. It is of paramount importance that there is an egalitarian congruency between the persona of the celebrity and the image of the brand. Each celebrity portrays a broad range of meanings, involving a specific personality and lifestyle. Madonna, for example, is perceived as a tough, intense and modern women associated with the lower middle class. The personality of Pierce Brosnan is best characterized as the perfect gentlemen, whereas Jennifer Aniston has the image of the ‘good girl from next door’.

Despite the obvious economic advantage of using relatively unknown personalities as endorsers in advertising campaigns, the choice of celebrities to fulfill that role has become
common practice for brands competing in today's cluttered media environment. There are several reasons for such extensive use of celebrities. Because of their high profile, celebrities may help advertisements stand out from the surrounding clutter, thus improving their communicative ability. Celebrities may also generate extensive PR leverage for brands. For example, when Revlon launched the "Won't kiss off test" for its Colorstay lipsticks in 1994 with Cindy Crawford kissing reporters, the campaign featured on almost every major news channel and equally widely in the press.

A brief assessment of the current market situation indicates, that celebrity endorsement advertising strategies can, under the right circumstances, indeed justify the high costs associated with this form of advertising. But it would be presumptuous to consider celebrity endorsement as a panacea for all barricades. Celebrity endorsement if used effectively, makes the brand stand out, galvanizes brand recall and facilitates instant awareness. To achieve this, the marketer needs to be really disciplined in choice of a celebrity. Hence the right use of celebrity can escalate the Unique Selling Proposition of a brand to new heights; but a cursory orientation of a celebrity with a brand may prove to be claustrophobic for the brand. A celebrity is a means to an end, and not an end in himself/herself.

2.4 WINNING CELEBRITIES AND COMPANIES THEY ENDORSE.

Since the late 1930s when Red Rock Cola hired baseball great, Babe Ruth to endorse its soft drink brand, companies around the world have used athletes and celebrities to promote their products. Companies utilize celebrity endorsements as part of an entire branding process to communicate their brands to particular sets of customers.
When selecting a celebrity endorser, a company might consider the attractiveness of the celebrity (in terms of physical appearance, intellectual capabilities, competence and lifestyle), the credibility of the celebrity (his or her perceived expertise and trustworthiness) and the apparent compatibility between the celebrity and the brand.

2.4.1 Investing

Companies expect to see a return on their investments - both in terms of rising stock prices and increased sales – when paying the big bucks to sign a celebrity. Research has shown that stock prices rise one quarter of 1% following the announcement of an athlete endorser, and sales increase an average of 4%. Sales may also enjoy a bump whenever the athlete experiences a career triumph such as a Grand Slam win or Olympic gold medal. Here are six celebrities and the companies they endorse:

**Michael Jordan**

In 1984, Nike (NYSE: NKE) launched what would become the most successful athlete endorsement campaign in history. Michael Jordan, one of basketball’s greatest players, signed on with Nike before he ever even played a game in the NBA. Fresh out of college, Nike offered Jordan $500,000 and his own shoe line. The Jordan Brand is now a subsidiary of Nike that grossed over $1 billion in 2009. That figure represents approximately 5% of Nike’s overall revenues. Decades after the initial deal was signed, Jordan continues to boost Nike’s bottom line. According to 2009 statistics provided by SportsOneSource, the Jordan Brand had a 10.8% share of the U.S. shoe market, and 75% of all basketball shoes sold in the U.S. are Jordans.
Maria Sharapova

Maria Sharapova gained attention at 17 when she defeated two-time defending champion, Serena Williams in the 2004 Wimbledon final. Despite an impressive career prize money earnings of more than $16 million, Sharapova has earned far more through endorsement deals. In January 2010, Sharapova renewed her contract with Nike (NYSE: NKE) for $70 million over eight years, making it the biggest deal ever for a female athlete. Sharapova has been the highest paid female athlete in the world for seven straight years. She earns twice as much as any other female athlete. Sharapova earned $25 million last year compared to 2010 No. 1 seed tennis player, Caroline Wozniacki’s $12.5 million. Sharapova also has endorsement deals with Canon, Motorola, Colgate, Palmolive, Prince, Tiffany and Evian.

William Shatner

William Shatner may already be better known for his comedic presence as Priceline’s Negotiator than for his role as Captain James Tiberius Kirk on "Star Trek". Priceline (Nasdaq: PCLN ) came close to being another dotcom bust when the entire travel industry was challenged following the Sept. 11 terrorist attacks. Priceline rebuilt its brand around hotels - instead of airfares - and expanded its market in Europe. In addition to rebranding, Priceline brought in the Negotiator to boost revenues. The relationship has been mutually beneficial. Priceline’s stock has soared to over $500, and Shatner has allegedly made hundreds of millions of dollars on the deal.

Justin Bieber

According to Forbes, teen heartthrob, Justin Bieber earned $53 million from May 2010 - May 2011. He earned nearly $40 million from touring, and another $13 million from endorsement deals, merchandising and music sales. Bieber endorses the One Less Lonely Girl nail polish
collection from Nicole by OPI, a brand sold exclusively at Walmart. The line sold out within weeks at more than 3,000 Walmart locations across the U.S. Bieber also endorses the privately owned Proactiv brand, an acne treatment system. Proactiv, which reportedly spends between $12 and $15 million per year on endorsements, will pay Bieber $3 million over two years for his Proactiv endorsement. There were 125,000 YouTube downloads and 500,000 views of Bieber’s Proactiv clips logged during the first day that the deal was announced. Guthy-Renker, the firm that markets and sells Proactiv, notes a visible uptick in sales when Proactiv is endorsed by musical artists like Bieber, Jessica Simpson, Katy Perry and Avril Lavigne.

**U2**

In 2004, the band U2 endorsed Apple’s iPod as part of its Silhouette ad campaign. Other bands, including the Black Eyed Peas and N.E.R.D., were part of the breakthrough campaign. U2 brought Apple’s stock shares (Nasdaq: AAPL) to a 52-week high within 72 hours of the endorsement. U2’s then-new single "Vertigo" was released through a 30-second ad and was offered for sale exclusively on iTunes. U2, which had been known for turning down multi-million dollar endorsement deals, was not paid for the "Vertigo" ad but was able to gain a new, younger audience because of the deal.

**Angelina Jolie**

Angelina Jolie is Hollywood’s highest paid actress, and is known equally for her beauty and humanitarian efforts. Earlier this year, the luxury fashion house, Louis Vuitton (NYSE Euronext: LVMH) signed Jolie to its Core Values advertising campaign. The endorsement deal will earn Jolie $10 million. Vuitton’s Core Values campaign will run for 18 months, and feature other celebrities that are known humanitarians including U2’s Bono. Bono and his
wife, Ali Hewson, donated their fees to several charitable organizations including Conservation Cotton Initiative, which supports sustainable farming practices in Africa.

2.4.2 The bottom line

It seems that consumers inherently like to eat, drink, wear and drive the same products that celebrities use. Many consumers see the success of celebrities and, whether by conscious decisions or subconscious processes, wish to emulate the famous by using the same products. Companies are on to this and spend millions of dollars each year securing celebrities to endorse their products.

2.5 CELEBRITYENDORSEMENTS GONE BAD

Umbro is ending its long-running ties with the former England captain. In the wake of sponsors cutting their ties with the disgraced former cycling champion Lance Armstrong amid doping allegations from US anti-doping chiefs, Marketing Week looks at the five celebrity endorsement deals brands might wish they had never signed.

2.5.1 O.J Simpson and Hertz - 1992

Before he became famous for all the wrong reasons, O.J Simpson, the former NFL football star was the face of Hertz rental cars. He fronted a series of commercials for the car rental corporation throughout the 1970s alongside other celebs including Jamie Lee Curtis. The deal – worth a reported $550,000 (£343,526) a year – came to abrupt end in 1992 when reports first surfaced of domestic abuse between Simpson and his former wife Nicole Brown Simpson. Two years later, the athlete was arrested – and eventually found not guilty by criminal court jury - for the murder of his ex-wife and her friend Ronald Goldman.
2.5.2 John Terry and Umbro - 2012

The sportswear brand announced its decision not to renew its deal with the former England captain last month following allegations he racially abused Anton Ferdinand during a match against Queens Park Rangers last season. It was not the first time the football player’s future with Umbro has come under scrutiny. In 2010 it was revealed that he had a four month affair with his then team-mate Wayne Bridge’s then-girlfriend Vanessa Perroncel, prompting speculation about his tie-up with the brand. Terry has been the face of Umbro since 2002, in a deal worth a reported £4m, however on-going off-the-field transgressions meant the company felt the time was right to distance itself from the defender.

2.5.3 Michael Phelps and AT&T and Rosetta Stone - 2009

The 22-time Olympic Gold medallist came under fire after a picture surfaced online showing him smoking cannabis at a party in Southern California in 2009. In response, AT&T and Rosetta Stone decided not to extend their deals at the end of the year. Kellogg followed soon after and cancelled its sponsorship, worth a reported $500,000 (£312,325), saying the athlete’s image was no longer “consistent with the image of Kellogg.” Sandwich chain Subway, however stuck by Phelps, even going so far as to have him front an advert title ‘Be Yourself.’

2.5.4 Jerry Seinfeld and Microsoft - 2008

The software giant roped in comedian Jerry Seinfeld to spearhead its ad battle against Apple in 2008. The comedian starred with Microsoft’s co-founder in a baffling TV spot that showed the two discussing shoes before the billionaire philanthropist shakes his behind as he walks across a car park. The campaign, which cost a reported $300m (£187m) was meant to herald
a new dawn for the company and its trouble Windows Vista operating system. The ads were pulled after a wave of public backlash forced the business to rethink its advertising strategy.

2.5.5 Hulk Hogan Ultimate Grill - 2008

George Foreman’s Lean, Mean, Fat- reducing Grilling Machine was one of the most successful celebrity endorsements ever, but Hulk Hogan failed to have the same impact for Ultimate Grill, which launched in 2008. The indoor grill failed to reach the success of Foreman’s effort, not least because it had a habit of setting fire to cooking oil sprays when heating up, which caused a product recall.

2.6 CORPORATE FIRMS, GHANAIAN ENTERTAINERS AND ENDORSEMENT DEALS.

Show business or the entertainment industry is one sector that generates so much revenue for the economy of any nation and for the showbiz personalities/ celebrities or entertainers. Elsewhere, celebrities are tagged as very rich, they reside in the glitzy mansions, the drive in the most expensive and luscious cars and they fly the best private jets – and of course, they are highly respected and influential in society.

Unfortunately, the Ghanaian celebrity or entertainer is the least rich, the least respected, drives the rickety cars, reside in the mundane house and have no say in what so ever. They are so divided and virtually cannot make decisions for themselves, how much more influence the Government to do something for them, but it’s a different topic for a different platform.

For a musician, the avenues to make money are via album sales, concerts or gigs, royalties, music tours and endorsement deals. The actor, comedian, radio/TV presenter and the others
make money from their respective fields of endeavour and endorsement deals – so generating money through endorsement deals runs through all sectors of the industry.

Endorsements are one of the most powerful marketing tools that a company/brand can use to promote a product or service. It is simply when a person talks or writes about a particular product/service in a favourable manner and recommends that you buy it at the end of the endorsement. Endorsement is also a channel of brand communication in which a celebrity acts as the brands spokesperson and certifies the brand’s claim and position by extending his/her personality, popularity, stature in society to the brand. For the understanding of the lay man; In Ghana, there is competition within the corporate world like the banks, telecommunication groups, Textiles companies, Food processing companies, and many others and need to market their brands and services to Ghanaians. These companies need the Ghanaian celebrities as endorsers in their advertising campaigns to fulfill that role that has become a common practice for brands competing in today’s cluttered media environment.

Research proves that celebrity endorsement advertising strategies can, under the right circumstances escalate the selling power of a brand to unimaginable heights. Celebrity endorsements if used effectively, make the brand stand out, galvanize brand recall and facilitates instant awareness. In Ghana, some firms are using celebrities to market their products and reaping the enormous benefits but it is woefully inadequate. Companies need to use more popular musicians, actors, comedians, satirists, radio presenters, and sportsmen as faces in marketing their brands. In Ghana music, Samini is the only artiste among a fold of popular artistes who has signed a lucrative endorsement deal with a major firm, MTN; Jackie Appiah is the only actress in the whole industry to have a signed a long lasting endorsement deal with Computer firm, IPMC and Radio and TV personalities Chris Attoh and Kwame Faakye are the faces for KASAPA. After the success story of Ghana’s Black Stars at the World Cup, companies tapped on their popularity and stature in making them endorse their
brands. Michael Essien and Stephen Appiah for MTN and FanYogo, Richard Kingston for Polytank and John Mensah for Jago Milk. Do you remember Ike Quartey endorsement for Goldstar, now LG?

Globally, firms have tasted and still tasting success with celebrity-brands partnership. The firms gain from the response of consumers to their products and services and the celebrities gain from the endorsement deals they sign for putting their faces, popularity and integrity on the line. Nike is ranked as one of the world’s most valuable brands, raking in $10.4billion from its consistent use of celebrities to endorse the brand. Celebrity endorsements have been the bedrock of Pepsi’s advertising. The Company has used and continues to use a number of celebrities for general market and targeted advertising including Shaquille O’Neal, Mary J. Blige, Wyclef, and Busta Rhymes. Since Nike signed on Tiger Woods, they have seen a $50million revenue growth. Nike’s golf line has grossed more than $250 million in annual sales. Former heavyweight champ George Foreman endorsed Meinke and it sold $10million Lean fat meat.

If we had a good tracking device in Ghana, it would be obvious that the likes of MTN, IPMC and KASAPA have seen incredible increase in sales of their products by using celebrities to endorse their products. The celebrities don’t just use their faces, popularity and integrity to endorse brands for nothing – check this out; 50 Cent netted $400million for selling his 10 percent endorsement deal shares in beverage company Glaceau to Coca-Cola, Alicia Keys landed a $25million endorsement deal with Glaceau, Tiger Woods signed a lucrative deal worth $125million for Nike, Diddy is making $100million dollars for promoting the vodka drink Ciroc, Beyonce signed a deal with Cosmetic giants L’Oreal fetching the singer/actress $5million and many others.
If Ghanaian performers were not so secretive, we would know how much Samini, Jackie Appiah, Kwame Faakye, Chris Attoh and co. garner from their various endorsement deals. Ghanaian celebrities especially the musicians should not sit down and wait for endorsement deals – they can go out there and lobby for them. They are not getting money from album sales, very little from gigs, peanuts from royalties; nothing from music tours, so endorsement deal is the next viable option. The Ghanaian musician has a huge platform to market a product because he gets to advertise the brand during his many outings, during shows, during interviews and especially in his/her music videos. But not so fast; the corporate firms don’t just go for anybody to endorse their products and services. They base their selection on a number of criteria especially on the character of the celebrity. Before signing a celebrity, the companies pick celebrities who have no questionable characters or do not involve in questionable acts, they pick celebrities who are attractive and have positive images in the society and perceived to have the necessary knowledge in the product - and they pick personalities who can positively and strongly influence the thought processes of consumers and create a positive perception of the brand. So the Ghanaian entertainer, in order to get a lucrative endorsement deal, must shine in his/her field, attain the maximum respect in the society and must live an exemplary life.
CHAPTER THREE
METHODOLOGY

3.1 INTRODUCTION
This chapter covers the methods, techniques and processes used in doing the research. It entails description of the study area, research design, sample frame, instrument used, data collection procedure and data analysis.

3.2 DESCRIPTION OF THE STUDY AREA
Globacom Limited (GLO) is a Nigerian multinational telecommunications company headquartered in Lagos, Nigeria. GLO is a privately owned telecommunications carrier that started operations on 29 August 2003. It currently operates in four countries in West Africa, namely Nigeria, Republic of Benin, Ghana and Côte d'Ivoire.

As at June 2009, GLO had an estimate of over 25 million subscribers. It is a 100 percent Nigerian owned company, privately owned by the Mike Adenuga Group which also consists of Equatorial Trust Bank (ETB)now Sterling Bank, Conoil PLC, a petroleum marketing company, and Conoil Producing, a crude exploration company.

In May 2008, GLO acquired an operating license through its Glo Mobile division in Ghana (Wikipedia, April 2010) and began operations in April 2012. (Masahudu Kunate, Bizcommunity.com, Nov 2012) The mobile operator lost 47,399 SIM subscribers in November 2012, according to the latest mobile market share figures from the National Communications Authority (NCA). Glo’s subscriber base stands at 1,578,446, representing 6.16% of the total market share as at November 31, 2012. In October 2012, it had 1,625,845 subscribers. (Obeeme, scyscraper city, Jan 28 2013) This signifies a 2.9% decrease in Glo’s subscriber base in a month’s period.
3.3 RESEARCH DESIGN

Research design is the specific data analysis techniques or methods that the researcher intends to use to collect data. The design ensures that the researcher gathers the appropriate information to solve the research problem (Saunders et al, 2007). The research design used in this study is qualitative research. It involves the collection and analysis of data, with questionnaires being our main data collection tool and analyzing data in frequencies and percentages with frequency tables.

3.4 SAMPLE FRAME

Population according to Saunders, (2007) is the full set of cases from which a sample is taken. The target population for this study 507, being the number of students using Glo products in Christian Service University College. The number was arrived at after the group conducted a survey, using interviews, to find out students who use Glo products in the University College.

A sample size was calculated using the formula ‘\((z\text{-score})^2 \times \text{StdDev} \times (1-\text{StdDev}) / \text{margin of error})^2\), where StdDev means standard deviation (Smith Scott, Ph.D. Determining sample size: How To Ensure You Get The Correct Sample Size, April, 2013). Using a confidence level of 90% with z-score of 1.645, a margin of error of 9% and standard deviation of 0.5, the group arrived at a sample size of 83.52= 84 respondents. The sampling was done using the simple random method. Names of Glo users were written on papers and pooled. The 84 respondents were then selected randomly out of the pool of written names. The group used this method because we believe that the views of respondents selected through this means will be a true representation of the total population’s views.
3.5 INSTRUMENT USED

Questionnaire is the major instrument used to collect the data. The questionnaire is used in order to get a standard form of answers or response from our target population. Another purpose of the questionnaire is to do away with any form of interviewer bias. 84 questionnaires were given out, one for each respondent. The questionnaire contained 16 questions that lead to the answers necessary to achieve the research objectives.

3.6 DATA COLLECTION PROCEDURE

84 questionnaires were given out, one for each respondent. Questionnaires were retrieved a day after administration and data gathered was analysed. Overall, equal chances were given to respondents in order to get fair response from respondents.

3.7 DATA ANALYSIS

Frequency tables and bar graphs were used to analyze the data. SPSS was used for the analysis.
CHAPTER FOUR

ANALYSIS OF FINDINGS, DISCUSSION AND PRESENTATION OF RESULTS

4.1 INTRODUCTION

The research was conducted to find out the impact of celebrity endorsement on the purchase decision of student consumers of Glo Ghana’s products: case study of Christian Service University College.

This chapter used descriptive statistics to interpret the responses from the sample population.

The sample population was taken from students of Christian Service University College.

4.2 PRESENTATION AND INTERPRETATION

Table 4.1: Gender of Respondents

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<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
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The gender characteristics of the sample population shows that 44% of the respondents were male whiles 56% were female. The number of females is above that of the males but the difference is not of significance to the study.

**Table 4.2: Age of Respondents**

<table>
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</table>

**Source:** Field survey, 2013.

The age characteristics of the sample population revealed that 38.1% of the respondents aged between 16-25, 57.1% aged between 26-35 and 4.8% aged between 36-45. None was above 45. Over half the sample population were 26-35 years old.

### 4.1.1 Respondents’ Response to The Use of Glo Ghana’s Products/Services

All respondents (100%) responded in the affirmative.
Table 4.3: Products Used by Respondents

<table>
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<th>Percent</th>
<th>Valid Percent</th>
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<tr>
<td>Glo Mobile Internet</td>
<td>27</td>
<td>32.1</td>
<td>32.1</td>
<td>97.6</td>
</tr>
<tr>
<td>Other</td>
<td>2</td>
<td>2.4</td>
<td>2.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>84</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>


As shown in Table 4.3 above, 26 respondents representing 31% use Glo Connect, 19% use Glo Radio, 15.5 use Glo Pay4Me, 32.1% use Glo Mobile Internet and 2.4% use other products.
### Table 4.4: Factors that Motivate Purchase

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discounts and offers</td>
<td>15</td>
<td>17.9</td>
<td>17.9</td>
<td>17.9</td>
</tr>
<tr>
<td>Lower prices</td>
<td>8</td>
<td>9.5</td>
<td>9.5</td>
<td>27.4</td>
</tr>
<tr>
<td>Recommendation from peers</td>
<td>29</td>
<td>34.5</td>
<td>34.5</td>
<td>61.9</td>
</tr>
<tr>
<td>Celebrity endorsing the product</td>
<td>32</td>
<td>38.1</td>
<td>38.1</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>84</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

**Source:** Field survey, 2013.

Table 4.4 indicates that 17.9% of the respondents purchase telecommunication products based on Discounts and Offers, 9.5% make their purchase based on Lower prices, 34.5% make purchase motivated by recommendation from peers and 38.1% make purchase motivated by Celebrity endorsing the product.
Table 4.5: Belief That Products Endorsed by Celebrities Are of Good Quality

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>39</td>
<td>46.4</td>
<td>46.4</td>
<td>46.4</td>
</tr>
<tr>
<td>No</td>
<td>34</td>
<td>40.5</td>
<td>40.5</td>
<td>86.9</td>
</tr>
<tr>
<td>Not sure</td>
<td>11</td>
<td>13.1</td>
<td>13.1</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>84</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>


As shown by table 4.5, 39 respondents (46.4%) believe that products endorsed by celebrities are of good quality, 34 respondents (40.5%) do not believe that products endorsed by celebrities are of good quality and 11 respondents (13.1%) are not sure whether celebrity endorsed products are of good quality or not.

Table 4.6: Celebrity Endorsements Help Increase Glo Ghana’s Total Revenue

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>54</td>
<td>64.3</td>
<td>64.3</td>
<td>64.3</td>
</tr>
<tr>
<td>No</td>
<td>21</td>
<td>25.0</td>
<td>25.0</td>
<td>89.3</td>
</tr>
<tr>
<td>Not sure</td>
<td>9</td>
<td>10.7</td>
<td>10.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>84</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

From table 4.6, we see that out of the 84 respondents, 54(64.3%) believe that celebrity endorsements help increase Glo Ghana’s total revenue, 21(25%) do not believe in the notion and 9(10.7%) are not sure.

**Table 4.7 Celebrities Use Products They Endorse**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>59</td>
<td>70.2</td>
<td>70.2</td>
<td>70.2</td>
</tr>
<tr>
<td>No</td>
<td>17</td>
<td>20.2</td>
<td>20.2</td>
<td>90.5</td>
</tr>
<tr>
<td>Not sure</td>
<td>8</td>
<td>9.5</td>
<td>9.5</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>84</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

*Source: Field survey, 2013.*

From the table, 59 respondents (70.2%) out of the total 84 respondents believe that celebrities also use products they themselves endorse, 17 respondents (20.2%) do not believe so and 8 respondents(9.5%) are not sure.

**Table 4.8: Celebrity Endorsements Create Product Awareness**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>69</td>
<td>82.1</td>
<td>82.1</td>
<td>82.1</td>
</tr>
<tr>
<td>No</td>
<td>15</td>
<td>17.9</td>
<td>17.9</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>84</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

*Source: Field survey, 2013.*
As shown in table 4.8, 69 respondents (82.1%) agreed that celebrity endorsement help them to know products better while 15 respondents(17.9%) did not agree.

Table 4.9: Guarantee of Brand Quality

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>70</td>
<td>83.3</td>
<td>83.3</td>
<td>83.3</td>
</tr>
<tr>
<td>No</td>
<td>14</td>
<td>16.7</td>
<td>16.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>84</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>


As illustrated in table 4.9, 83.3% (70 out of 84 respondents) agreed that celebrity endorsements guarantee brand quality while 16.7% (14 out of 84 respondents) did not agree.

Table 4.10: Celebrity-Brand Association

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>69</td>
<td>82.1</td>
<td>82.1</td>
<td>82.1</td>
</tr>
<tr>
<td>No</td>
<td>15</td>
<td>17.9</td>
<td>17.9</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>84</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>


82.1% of respondents associate the endorsing celebrity with the brand while 17.9% do not associate the endorsing celebrity with the brand. This means that most consumers think of the
brand when they are thinking about the celebrity who endorsed it.

Table 4.11: Celebrity Endorsements Determine the Choice of Unfamiliar Brands

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>55</td>
<td>65.5</td>
<td>65.5</td>
<td>65.5</td>
</tr>
<tr>
<td>No</td>
<td>29</td>
<td>34.5</td>
<td>34.5</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>84</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>


The analysis in the table shows that 65.5% (55 respondents) choose unfamiliar brands based on celebrity endorsements and the choice of unfamiliar brands by the remaining 34.5% (29 respondents) are not influenced by celebrity endorsements.

Table 4.12: Purchase of Brand is Influenced by Liking for Endorsing Celebrity

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>55</td>
<td>65.5</td>
<td>65.5</td>
<td>65.5</td>
</tr>
<tr>
<td>No</td>
<td>29</td>
<td>34.5</td>
<td>34.5</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>84</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

65.5% will purchase a brand because they like the celebrity endorsing it. 34.5% of the respondents however said that they will not purchase a product because they like the celebrity endorsing it.

Table 4.13: Buy a Brand Because Favourite Celebrity Endorsed It

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>45</td>
<td>53.6</td>
<td>53.6</td>
<td>53.6</td>
</tr>
<tr>
<td>No</td>
<td>39</td>
<td>46.4</td>
<td>46.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>84</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>


The table shows that 53.6% of the respondents will buy a brand if their favourite celebrity endorsed it and 46.4% of respondents will not buy a brand just because their favourite celebrity endorsed it.
Table 4.14: Purchase Brand Regardless of Celebrity Endorsement

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>55</td>
<td>65.5</td>
<td>65.5</td>
<td>65.5</td>
</tr>
<tr>
<td>No</td>
<td>29</td>
<td>34.5</td>
<td>34.5</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>84</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>


From the table, 55 respondents (65.5%) said they would buy a brand regardless of whether a celebrity endorses it or not and 29 respondents (34.5%) said they would not buy a brand regardless of whether a celebrity endorsed it or not.

Table 4.15: Celebrity Endorsement is Not Necessary

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>59</td>
<td>70.2</td>
<td>70.2</td>
<td>70.2</td>
</tr>
<tr>
<td>No</td>
<td>25</td>
<td>29.8</td>
<td>29.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>84</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>


The analysis in table 4.15 shows that 70.2% of the respondents (59 out of 84) will buy a brand recommended by an unknown spokesperson in an advertisement as well while 29.8%
(25 out of 84) will not buy a brand recommended by an unknown spokesperson in an advertisement.

4.3 DISCUSSION OF RESULTS

4.3.1 The first objective was to assess the effect of celebrity endorsements on consumer purchase decisions.

Research has shown that in general, celebrity endorsement influences the feelings of the consumers and can also influence the attitude consumers have towards the advertisement and attitude towards the brands, which can increase the purchase intentions and, consequently, increase sales. From the responses gathered, we found out that celebrity endorsements influence most consumers’ purchase decisions. This can be accounted for by the fact that most consumers attach good quality to products endorsed by celebrities, as shown in the analysis. Also, many consumers believe that celebrities also use the products which they themselves endorse and as such they the consumers will want to use products that their favourite celebrities use in order to have a feel of class.

According to our respondents, celebrity endorsements affect consumers’ purchase decision to a large extent.

4.3.2 The second objective was to evaluate the influence of celebrity endorsers as compared with ‘normal people’.

Advertisements featuring a celebrity make a strong impact on the learning style and memory of a consumer which is an important aspect of marketing communication success. It is been
experienced that, the products endorsed by celebrities help the products standout, and take more notice while shopping due to their improved level of product recall (Bowman, 2002).

According to McCracken's (1989) definition, a celebrity endorser is an individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement. In the information gathered in the literature review, celebrity endorsers have more influence on consumers’ purchase decisions than ‘normal people’ do. Response gathered during our research however says otherwise. Most respondents said that celebrity endorsement is not necessary since they will buy a brand recommended by an unknown spokesperson in an advertisement as well.

4.3.3 The third objective was to evaluate the effectiveness of celebrity endorsements in motivating student consumers to purchase telecommunication products.

According to Friedman and Friedman, a “celebrity endorser is an individual who is known by the public for his or her achievements in areas other than that of the product class endorsed”. Compared to other endorser types, famous people always attach a greater degree of attention, recall and loyalty. Due to the attention and respect that celebrities enjoy from consumers, they are able to influence consumers to make purchase.

As gathered from respondents, student consumers associate the endorsing celebrity with the brand. Their choice of unfamiliar brands is also influenced by celebrity endorsements. As shown in analysis, student consumers will purchase a brand because they like the celebrity endorsing it and will buy a brand if their favourite celebrity endorsed it.

Information gathered from respondents show that celebrity endorsements are successful in motivating student consumers to purchase telecommunication products.
4.3.4 The last objective of the study was to analyze and conclude whether celebrities do influence student consumers’ decision to purchase.

This chapter has served the first part of this objective, being the analysis of our findings. As will be seen in chapter five, there is summary of findings with conclusion based on findings.
CHAPTER FIVE
SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 INTRODUCTION

In this study, the aim of the researchers was to find out the impact of celebrity endorsement on the purchase decision of student consumers of Glo Ghana’s products, using Christian Service University College for its case study. This chapter summarizes the information obtained from the study. The main objectives of the study were; to find out whether celebrity endorsements affect consumers’ purchase decisions, to examine the influence of celebrity endorsers as compared with ‘normal people’, to ascertain whether celebrity endorsements are successful in motivating student consumers to purchase telecommunication products and to analyze and conclude whether celebrities do influence student consumers’ decision to purchase.

Questionnaires were administered to the students. Data was then collected and presented in bar charts and frequency tables with explanations where necessary in chapter four of this study.

5.2 SUMMARY OF FINDINGS

According to the analysis done, majority of the respondents representing 38.1% make purchase motivated by Celebrity endorsing the product. This shows that student consumers are motivated by celebrity endorsement to make purchase.

46.4% believed that products endorsed by celebrities are of good quality, 83.3% agreed that celebrity endorsements guarantee brand quality and 70.2% believed that celebrities also use
the products they themselves endorse. This analysis also shows that the students attach class and quality to celebrity endorsed brands and products.

As revealed by the study, 82.1% agreed that celebrity endorsements help them to know products better and 65.5% said they choose unfamiliar brands based on celebrity endorsements. This indicates that celebrity endorsements help create a better brand and product awareness and influences brand choice among the students. The study also showed that, 82.1% associate the endorsing celebrity with the brand, 65.5% said they will purchase a brand because they like the celebrity endorsing it and 53.6% said they will buy a brand if their favourite celebrity endorsed it. This analysis clearly shows that the students link celebrities to the products they endorse and that how the students feel about a celebrity goes a long way to affect their purchase of products endorsed by that celebrity.

The study showed that celebrities influence student consumers’ decision to purchase and that celebrity endorsement has the power to affect the purchase decision of student consumers of Glo Ghana’s products.

5.3 CONCLUSION

Even though celebrity endorsement plays a major role in influencing the purchase decision of student consumers, it is very important for management of firms to know who to use to endorse their products and services.

From the study conducted, it was found out that many students are influenced by celebrities but these celebrities should be used with caution. Reason being that a person might be a celebrity all right, but might not have positive influence on the student consumers’ purchase decision due to who and what they perceive him to be and the amount of liking they have for
him. It was also found out celebrity endorsement was good at helping student consumers to get to know products better and choose brands to purchase.

The study also shows that student consumers associate celebrities with the products they endorse and that celebrity endorsement, when well utilized, can yield favourable results in influencing student consumers’ purchase decisions.

5.4 RECOMMENDATIONS

Management needs to be careful when using a celebrity to endorse their products. This is because when celebrities are not properly selected to endorse products it can cause irreparable damage to the reputation of a brand and the firm in the eyes of the consumers. Most respondents said that they will buy a product because they like the celebrity endorsing it and that they will buy a brand if their favourite celebrity endorsed.

Management should therefore get to know what entices student consumers in celebrities and what factors make their student consumers hate or like a celebrity so that when student consumers are exposed to it once, the celebrity endorsement and its campaign can have massive effects on them.

Some students also said that they would buy a brand regardless of whether a celebrity endorses it or not. This shows that celebrity endorsement, as helpful as it is, should not be the only marketing communications strategy. Management should not overlook other important strategies even as they work to get the best out of celebrity endorsement.
5.5 RECOMMENDATIONS FOR FURTHER STUDIES

This study presents some recommendations for future research regarding the impact of celebrity endorsements on consumer purchase decisions. The research studied the impact of celebrity endorsement on the purchase decision of student consumers of Glo Ghana’s products: case study of Christian Service University College. Since celebrity endorsement is a broad subject and affects many factors in marketing, many researches can be done on the impact of celebrity endorsement. Other researchers can also delve into other celebrity endorsements in Ghana by monitoring endorsements and campaigns on television, radio, the press and the internet. Further studies into the social and psychological effects of celebrity endorsement on the consumer can also be delved into.

It is recommended that other researchers widen the scope of research to include what has been elaborated above.
References


Endorsed by celebrities, Christian Service University College.


Smith S. Ph.D. (2013) Determining sample size: How to Ensure You Get the Correct Sample Size, Qualtrics.com (8 April, 2013)

APPENDIX

Questionnaire

CHRISTIAN SERVICE UNIVERSITY COLLEGE

Dear respondent, we are final year marketing students of Christian Service University College, carrying out a research on the topic ‘The impact of celebrity endorsement on the purchase decision of student consumers of glo ghana’s products: case study of Christian Service University College’. We need you to answer these few questions to help us with the study. Your help will be very much appreciated.

Instruction

Please tick the answer you select for each question.

Personal information

1. Gender:
   - Male
   - Female

2. Age:
   - 16-25
   - 26-35
   - 36-45
   - 46 and Above

Telecommunications

3. Do you use Glo Ghana’s products/services?
4. If the answer for question 3 is yes, what product(s) do you use?
   - Glo connect(Modem)
   - Glo Radio
   - Glo Pay4me
   - Glo Mobile Internet
   - Other (specify)………………………………………………………………………

5. What are the motivating factors when you plan to buy an item in question 4?
   - Discounts and offers
   - Lower prices
   - Recommendation from peers
   - Celebrity endorsing the product

6. Do you believe products endorsed by the celebrities are of good quality?
   - Yes
   - No
   - Not sure

7. Glo Ghana is investing large amounts of money for using celebrities; do you think it is helping them to increase their total revenue?
   - Yes
   - No
   - Not sure

8. Do you believe the celebrities also use those products which they themselves endorse?
   - Yes
Attitude towards Celebrity Endorsement

9. I think using celebrities in advertisements is good, because it helps me get to know a product better.
   - Yes
   - No

10. I think the use of celebrities in advertisements is a guarantee for the quality of a brand.
    - Yes
    - No

11. I associate the endorsing celebrity with the brand (think of the brand when thinking about the celebrity).
    - Yes
    - No

Impact of Celebrity Endorsement on Consumer Behavior

12. If I am not familiar with brands, I choose those with celebrity endorsed in advertisements.
    - Yes
    - No

13. I buy a brand because I like the celebrity endorsing the brand.
    - Yes
    - No

14. If my favorite celebrity endorsed a brand, I will buy it no matter what.
    - Yes
15. I would buy a brand regardless whether a celebrity endorses that brand or not.
   - Yes
   - No

16. It is not necessary to use celebrities in advertisement, because I will buy a brand recommended by an unknown spokesperson in the advertisement as well.
   - Yes
   - No