

ASHESI UNIVERSITY COLLEGE

**ANALYZING THE EFFECTIVENESS OF CELEBRITY ENDORSEMENT ON
CONSUMER BUYING BEHAVIOR IN THE TELECOMMUNICATION INDUSTRY
IN GHANA**

BY

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DECLARATION

I hereby declare that this dissertation is the result of my own original work and that no part of it has been presented for another degree in this university or elsewhere.

Candidate's Signature:

Candidate's Name:

Date:.....

I hereby declare that the preparation and presentation of the thesis were supervised in accordance with the guidelines on supervision of thesis laid down by Ashesi University College.

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Date:

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ABSTRACT

This research paper investigates the effect of celebrity endorsements on buying behavior in the telecommunications industry in Ghana. The paper seeks to provide fresh insight on the use of celebrity endorsement as a marketing tool in Ghana.

The objectives of the studies are to examine how celebrity endorsements are being employed by firms in the telecommunication market in Ghana and its effect on marketing performance. It also analyzes how celebrity endorsements affect consumer behavior and purchasing decisions and make recommendations for the use of celebrity endorsements to promote brands.

The study involved both secondary and primary research. Secondary research entailed a critical review of the Literature on the subject of celebrity endorsement and involved the analysis of celebrity endorsement models such as the source-credibility model, source-attractiveness model, the meaning transfer model and celebrity/product fit concepts.

The primary research comprised a qualitative approach where a series of interviews were conducted with marketing executives in the telecommunication industry to gain insight into the choice of this mode of promoting brands. A survey was also conducted. This was targeted at university students in two leading universities in Ghana. The questionnaire constructed and used in the survey was based on an in-depth interview conducted among marketing executives and on questionnaires developed and used by researchers and authors of the various celebrity models in India and the USA.

This study serves as a pioneer in research of celebrity endorsement and buyer behavior in Africa. The work should generate insights and provide guidance or principles that will direct the use of celebrity endorsement to promote brands in Africa.

Key Concepts: *Celebrity Endorsement, Consumer Buying Behavior, Source-Credibility Model, Source-Attractiveness Model, Meaning Transfer Model, Celebrity/Product Fit*

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CHAPTER 1

1.1 Introduction and Background

Have you ever found yourself paying more for a product, or choosing a particular product out of a bunch because of a celebrity's association with that product? The effect of this can be easily overlooked but arguably, largely effective.

The fast-paced world coupled with current trends in consumer's short-attention span has given birth to a problem that advertisers and marketers alike are battling to resolve. This looming problem in brief: "How do you make your product stand out from others?" Generally, advertisers and businesses as a whole design and implement strategies that are aimed at attracting attention and distinguishing their products from competitors, with the ultimate intention of also influencing purchase in their favor. Here is where celebrities come into play. Celebrities associated with a product are used to attract attention from all the clutter. It is also expected that the qualities of a particular celebrity extends to the product thus making it more likeable by customers.

A celebrity endorser is thus someone who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement (McCracken, 1989). In the United States, industry sources report that a sizeable chunk of television and newspaper advertisements involve celebrity endorsements (Agrawal & Kamakura, 1995). A good 20% of television adverts feature a celebrity and as this number increases, so does the number and value of the celebrity contracts (Agrawal & Kamakura, 1995).

The intuitive approach to marketing suggests that consumers are expected to react favorably to endorsed goods.

This study thus seeks to explore the effect celebrity endorsements have on consumer buying behavior, lending it to the Ghanaian Telecommunication industry, where companies and organizations in general can capitalize upon to propel their brand.

1.2 Objectives

The concept of celebrity endorsements is indeed far-reaching, and depending on the amount of effort put into it will determine marketing success for firms. The focus of this study is thus to probe the following:

- i. To analyze how celebrity endorsements affect consumer behavior and purchasing decisions in the Telecommunication industry in Ghana
- ii. To examine how celebrity endorsements are being employed by the Telecommunication companies in Ghana and its effect on marketing performance
- iii. To generate recommendations as to how celebrity endorsements can be leveraged effectively by Ghanaian firms and organizations

1.3 Research Question

This study is geared towards exploring the effect celebrity endorsement has on consumer buying behavior in Ghana. The research question is thus:

“How do celebrity endorsements used in advertisements affect consumer buying behavior in Ghana’s telecommunication industry?”

The findings encountered during this study will thus be used as a basis to recommend to companies and organizations in Ghana, as to how celebrity endorsements can be leveraged effectively as an advertisement tool.

1.4 Significance of the Study

In today's very competitive marketplace, the image portrayed by a business plays a major role in the securing of maximum returns. Over the years however, celebrity endorsers have aided businesses in boosting this image by lending their credibility to products or services. By the end of the year 2011, popular Hip-hop Producer and rapper in the United States, Dr. Dre gained \$110 million from sales of his pricey 'Beats by Dr.Dre' premium headphones which have become seemingly ubiquitous and are priced between \$150 and \$400 (Daily Mail, 2012). This huge success is attributed to endorsements from popular sportsmen and musicians such as Lady Gaga, Sean 'P.Diddy' Combs amongst several others (Daily Mail, 2012).

Essentially, the final aim of every advertising strategy is to instigate the actual behavior of the targeted audience, whether purchase intention or actual consumption (Sharma & Melfi, 2008). Celebrity endorsement strategies if used effectively, together with new tools that have come about because of the current developments, especially in information technology will ensure success in this highly digital and computerized marketplace.

Bearing in mind that several empirical studies have been conducted on celebrity endorsement as a marketing tool in countries such as the United States of America, India, China and many more, and few to none of such studies in Ghana, the need for this particular study was birthed.

Findings of this study will hence be helpful in understanding the perception and attitude of Ghanaian consumers towards celebrity endorsed goods and services in the Telecommunication industry which may reveal some interesting insights and directions for future research.

The Telecommunication industry in Ghana is mainly of interest predominantly because of the heavy use of celebrities as brand endorsers and the general increase in activity in the industry as mentioned by the National Communications Authority (2013).

Recommendations made at the end of this study will also assist Ghanaian businesses in leveraging the advantages associated with celebrity endorsement strategies.

1.5 Organization of the Thesis

The thesis will be organized into the following 5 chapters.

1. Introduction: This chapter opens up the whole study, detailing the objectives and significance of the topic. The research question is also presented and introduced in this chapter.

2. Literature View: The literature review examines and analyses text and literature relating to trends in consumer behavior and theories and models surrounding celebrity endorsements.

3. Methodology: The methodology outlines the approach employed in gathering and analyzing research data to support the findings in the study.

4. Findings and Discussion: The research data gathered is presented here and analyzed.

5. Conclusions and Recommendations: This chapter presents conclusions drawn from the study as well as recommendations to businesses as to how celebrity endorsements can be leveraged effectively.

CHAPTER 2: LITERATURE REVIEW

This chapter captures the marketing phenomenon known as celebrity endorsement and how it has been developed and used up until now. The chapter will thus shed light on the history of celebrity endorsements in relation to consumer behavior, while discussing certain key theories and models and how they have been applied and evolved over the years. The relevance of these revelations is further contextualized to fit the purpose of this paper.

2.1 Who is a Celebrity Endorser?

The strategy of employing celebrity endorsements in advertising to increase message persuasiveness and thus influence buyer behavior is dated back to the 1800's (Knott & James, 2004). McCracken (1989) argues that celebrities tend to create a greater effect on the consumers' buying behavior; the celebrity endorser is a ubiquitous feature of modern marketing (McCracken, 1989). The question however still stands, who is a celebrity endorser?

Kamins et al (1989) put forward that a celebrity endorser is an individual (i.e., actor, sports figure, entertainer, etc.) who is known to the general public for his or her accomplishments in areas other than that of the product class endorsed.

McCracken however explains that "the celebrity endorser is defined as any individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement" (McCracken, 1989).

A celebrity in this case includes movie and television stars as well as individuals from the world of sport, politics, business, art and the military (McCracken, 1989).

Similarly, Canning & West (2006) describe a celebrity as an individual who is frequently in the public eye and typically has a high profile in, amongst others, the

sports and entertainment industries (Canning & West, 2006). However, in this fast-moving and highly versatile era of marketing, a celebrity may well be a popular caricature or even an animated character like Fred Flinstone (Kumar, 2010).

Celebrity endorsements are therefore used as strategic marketing tools that influence consumer behavior in favor of a particular product or brand by lending some of the celebrity's attributes to the particular product or brand.

Thus, the use of celebrity endorsements is a strategy that should enhance the marginal value of advertisement expenditures and create brand equity by means of the "secondary association" of a celebrity with a brand (Agrawal & Kamakura, 1995).

In order for this strategy to be effective, it is important for a celebrity to be credible enough for a consumer to want to be associated with the particular product or brand.

There are nonetheless established models that explain the effectiveness of celebrity endorsements and how they operate to stimulate consumer purchase behavior.

These models are taken into consideration when selecting a celebrity endorser.

2.2 The Source-Credibility Model

Studies exploring celebrity endorsements are fundamentally grounded on the source-credibility and source-attractiveness models. These celebrity endorsers are generally viewed by consumers as credible sources of information about the particular product or firm they endorse (Amos, Holmes, & Strutton, 2008).

The source-credibility Model essentially refers to "a communicator's positive characteristics that affect the receiver's acceptance of a message" (Kumar, 2010).

Alternatively, Byrne et al (2003) suggest that source-credibility is the extent to which the recipient sees the source as having relevant knowledge, skill or experience and trusts the source to give unbiased, objective information. The source-credibility model hence contends that the effectiveness of a message depends upon the perceived level of expertise and trustworthiness associated with an endorser or communicator (Amos, Holmes, & Strutton, 2008).

Trustworthiness is disclosed by Ohanian (1990) as "the listener's degree of confidence in, and level of acceptance of, the speaker and the message." It can hence be said that trustworthiness plays an important role in influencing consumer behavior based on the explanation given by Ohanian. Furthermore, an experiment by Basehart & Miller (1990) revealed that if the perceived trustworthiness of the source is high, attitude change is more likely to occur. All these are factored in when the choice for a celebrity endorser is to be made.

Expertise on the other hand can be defined as the perceived ability of an endorser to make or provide valid assertions (Kumar, 2010). Kumar (2010) maintains further that "the expertise of an endorser includes the knowledge, experience and skills developed by the endorser while working in the same field." Putting this into perspective, Ohanian (1990) contended that the perceived expertise of celebrity endorsers is more important than their attractiveness and trustworthiness in influencing purchase intentions.

Information from a credible source influences beliefs, opinions, attitudes and behavior that go through a process called internalization, which occurs when the receiver adopts the opinion of the credible source, since their information is accurate (Byrne, Whitehead, & Breen, 2003).

As mentioned earlier, source credibility, even though a key factor in the celebrity endorser selection process should not be the only factor that should be considered.

2.3 The Source Attractiveness Model

“The source-attractiveness model posits that the attractiveness of any source is determined by the communication receiver’s perceptions of the source’s similarity, familiarity and likeability (Amos, Holmes, & Strutton, 2008).”

Similarity is the supposed resemblance between the source and the receiver; familiarity arises through knowledge of the source via repeated exposure (Byrne, Whitehead, & Breen, 2003). It is further discussed that, if consumers perceive a celebrity endorser as being similar to them and that they are familiar with and like the celebrity, they will tend to find the celebrity more attractive (Amos, Holmes, & Strutton, 2008).

Likeability on the hand arises from affection for the source due to their physical appearance, behavior or other personal characteristics (Byrne, Whitehead, & Breen, 2003).

As hinted above, attractiveness, when discussed does not only entail physical attractiveness, it further encompasses characteristics such as personality and athletic ability (Amos, Holmes, & Strutton, 2008). Additional studies conducted around the source-attractiveness model, precisely, the impact of endorser attractiveness on opinion change, product evaluation and other measures of effectiveness established that attractive endorsers have a more positive bearing on the products they endorse than less attractive endorsers (Amos, Holmes, & Strutton, 2008).

Source-attractiveness principally leads to persuasion through a process of identification, whereby the receiver is motivated to seek a relationship with the source and assumes a similar position in terms of beliefs, attitudes, preferences or behavior (Byrne, Whitehead, & Breen, 2003).

There is no doubt that attractive celebrity endorsers enhance attitudes towards advertising and brands, but whether they are able to create repeat purchase intentions is less clear (Byrne, Whitehead, & Breen, 2003). Evidently, the source-attractiveness model is not devoid of disparities.

There are however concerns that are raised about the full application of the source-credibility and source attractiveness models. The sole reliability on these models is questioned, as McCracken (1989) criticizes that "the source models tell us about degrees of attractiveness and credibility when what we need to know about is kinds of attractiveness and credibility".

In effect, the source models do not tell us why a particular celebrity will be successful in endorsing one product but not the other, and also these source models fail at explicitly revealing the differences amongst endorsers. These issues thus give rise to the development and introduction of the meaning transfer model.

2.4 The Meaning Transfer Model

McCracken proposed the meaning transfer model to prove that celebrities possess unique sets of meanings which might be transferable to the products endorsed by them (Kumar, 2010).

As shown in the model presented in Figure 1, there is a conventional path for the movement of cultural meaning in consumer societies. Meaning begins as something resident in the culturally constituted world, in the physical and social world constituted by the categories and principles of the prevailing culture (McCracken, 1989). This meaning is then transferred to consumer goods or products and then finally to the consumer. It is further argued that the movement from the culturally constituted world to consumer goods is facilitated by advertising and the fashion system (McCracken, 1989).

In effect, the meaning transfer model suggests that celebrities develop a persona through the types of roles they play in society and how the media portrays them. The culturally constituted society then assigns meanings to celebrities. Effectively, when celebrities endorse a product, the meanings developed around them are transferred to the product. Purchase of the product by the consumer is usually after identification with the celebrity and in hope of claiming some these transferred meanings for their own lives (McCracken, 1989).

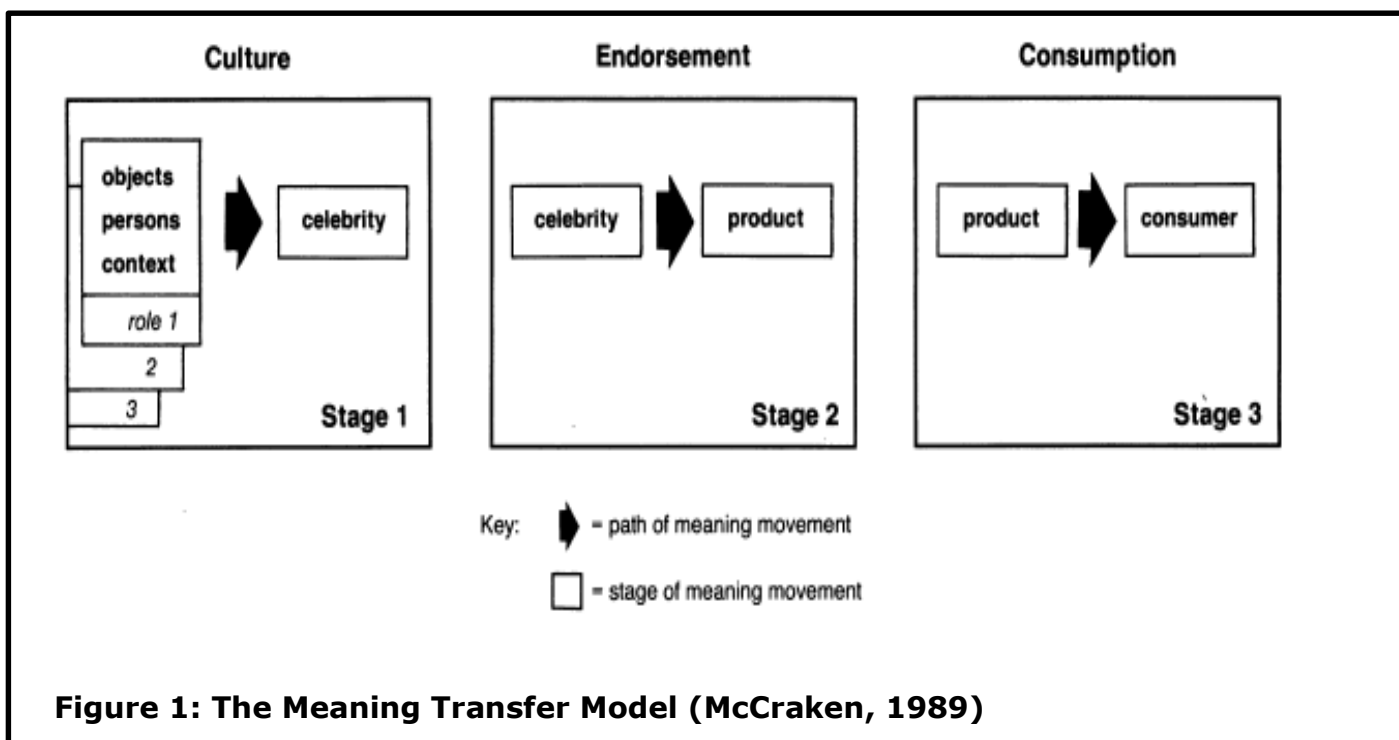


Figure 1: The Meaning Transfer Model (McCrahen, 1989)

Fowles (1996) sums this model up succinctly by stating that “marketers employ celebrities in advertisements assuming that since people follow celebrities and try to look like them, they may also consume products associated with them.”

2.5 The Celebrity/Product Fit

To ensure effective celebrity endorsement however, it is also important to pay attention to the connection between endorser, product and the target market, known as celebrity/product fit. This fit, as mentioned by (Till & Busler, 2000) and cited by Amos et al (2008) is referred to as the match-up hypothesis and discusses the harmony of the match between the celebrity endorser and the brand or product being endorsed.

Essentially, the match between the product and celebrity depends on the common attributes between product features and celebrity image (Kumar, 2010). Byrne et al

(2003) further suggest that, to be successful, it is important to match the product or company's image, the characteristics of the target market, and the personality of the celebrity all in an effort to establish effective messages. In employing celebrity endorsements as a tool for advertising, the importance of establishing a fit cannot be overemphasized. Kumar (2010) agrees with this assertion and cites Erdogan (1999): "advertising through a celebrity with relatively high product compatibility leads to effective advertising as compared to an advertisement featuring less compatible celebrity". As a matter of fact, it is critical to employ celebrities who directly resemble to the brand or product and are perceived to be experts by the target audiences (Byrne et al, 2003; Kumar, 2010).

Additionally, foregoing studies on this established hypothesis state that "customers make a perceived image about the product by comparing the qualities of the product and the celebrity" (Kumar, 2010). This argument is further discussed by Erdogan (1999), cited by Kumar (2010) that if there is no congruence, however, between the celebrity and the endorsed product, it will glare in the consumer's eye that the celebrity is obviously faking it. In this same vein, advertisers should steer clear off the "Vampire Effect", which is described by Evans (1989) and cited by Kumar (2010) as a situation where the celebrity overshadows the endorsed product and the pool of consumers remember only the celebrity and not the product.

2.6 Consumer Buying Behavior

Businesses are essentially setup to fulfill consumer needs, which puts consumers at the central point of businesses. It is hence critical for businesses and marketers to be able to predict consumer buying behavior in relation to their product or service as these consumers are endlessly exposed to various competing brands through different marketing strategies.

Consumer behavior is defined as “the study of individuals, groups, or organizations and the processes they use to select, secure, use, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society” (Kumar, 2010). In effect, the knowledge of consumer buying behavior is crucial to the development of business marketing strategies and advertising campaigns.

2.6.1 Types of Consumer Buying Behavior

There are generally, four types of consumer buying behaviors that can affect the purchase decision making of a consumer.

These are largely based on the level of consumer-product involvement, interest in a product, situation and difference between the products available (Kumar, 2010).

The types of consumer buying behavior are discussed here:

- i. Complex buying behavior: This usually takes place when the customer is highly involved in the product purchase decision. This rather high product involvement occurs when the product to be bought is expensive, infrequently bought, and highly expressive (Kumar, 2010).

In relation to this type of behavior, businesses and marketers need to be strategic and differentiate properly their product from others.

- ii. Dissonance-reducing buying behavior: This arises when the customer is highly involved with the product purchase and observes little difference among the options available (Kumar, 2010). It is only after acquiring the product that the customer gathers the product’s favorable characteristics that validate the purchase decision.

This type of buying behavior implicates the creation of trust, belief and attitude towards a particular brand.

- iii. Habitual buying behavior: As the name suggests, this ordinarily occurs when the customer buys the same product on a regular basis over a period of time. With this buying behavior, consumer-product involvement is low and there is little difference between the brands available (Kumar, 2010).

This thus suggests that the customers buy these products out of their habit or due to their trust or brand loyalty.

- iv. Variety seeking buying behavior: This often arises if the customer is not happy with an earlier product purchase or just out of boredom. With this however, consumer-product involvement is low but the differences among the brands are significant (Kumar, 2010).

As stated by (Scott, 2007) and cited by (Kumar, 2010), this particular buying behavior is recognized as a key determinant factor for brand switching in consumer product category.

Consumer buying behavior is thus an essential and multifaceted area that must be taken into consideration by businesses, as different people have different needs and the meeting of these needs leads to profitability.

Taking consumer buying behavior into consideration, celebrity endorsements can be factored in effectively to stimulate purchase in favor of a particular product or

service, and the effect may vary depending on the type of buying behavior that is being looked at.

2.7 Gaps and Relevance of Literature

Prevailing literature on the effect of celebrity endorsement on the buying behavior of consumers specifies very little to no information on this situation in developing countries in Africa. This thus incites the need for research to be done in this area that can be of some contextual relevance.

The models and concepts discussed in the literature review reveal the intricacies of this phenomenon known as celebrity endorsement and how it can be used to attain marketing success in terms of influencing consumer buying behavior in favor of a product or service. This research will hence serve as a seminal study that analyses how these models will interact in an instance of a developing African country.

More specifically, this research focuses on the telecommunication industry in Ghana and studies how celebrity endorsements influence consumer buying behavior. As per the literature, consumer buying behavior in this industry can be mostly described as of the dissonance-reducing type and its niceties will be revealed as the study unravels.

The next chapter thus presents the process of data collection and accompanying appropriate justifications.

CHAPTER 3: METHODOLOGY

The use of celebrity endorsements as a tool for marketing, as mentioned, is supposed to influence consumer buying behavior in favor of a particular product. This study thus seeks to explore this subject in Ghana and make recommendations as to how this tool can be utilized and leveraged effectively. This chapter explains into detail the processes used in the data gathering phase. The chapter thus documents the types of research methods, research instruments and data analyses that were used for fulfillment of the objectives the study.

3.1 Research Objectives

The study will look at these set objectives, critically:

- i. To analyze how celebrity endorsements affect consumer behavior and purchasing decisions in the Telecommunication industry in Ghana
- ii. To examine how celebrity endorsements are being employed by the Telecommunication companies in Ghana and its effect on marketing performance
- iii. To generate recommendations as to how celebrity endorsements can be leveraged effectively by Ghanaian firms and organizations

3.2 Type of Study

This study is an exploratory and descriptive research that explores and describes the use of celebrity endorsements as an advertisement tool in Ghana's telecommunication industry to affect consumer buying behavior and further recommends how Ghanaian firms can leverage it effectively to their advantage. The use of celebrity endorsers is a very popular trend in the Western world, which is of

course also gaining a lot of ground in Ghana. The study will critically look into how it is being employed in Ghana and how it can be used to influence buying behavior in favor of a particular brand.

3.3 Sampling

In picking samples for the study, two non-probability sampling methods were employed; purposive and convenience sampling. Churchill (1995) posits that non-probability sampling methods are useful where the researcher wants to investigate the attitude and perceptions of people (Kumar, 2010), thus making it ideal for this particular study.

Furthermore, this method was deemed necessary while conducting the interviews because the participants had to have a certain level of expertise and experience in the field of marketing and advertising. To obtain responses from experts in the field, purposive sampling was employed where a sample of persons knowledgeable on the subject were interviewed. To facilitate the collection of standardized data which will be easy to compare and analyze coupled with the lack of time and unavailability of funds, the purposive sampling method employed for the interviews was limited to marketing executives in the telecommunication industry in Ghana.

Also, since certain telecommunication firms in the country employ celebrity endorsements as a marketing tool and others do not, it was important to hear from these experts on the effectiveness of this tool in their industry and their varying stance on the matter.

To administer questionnaires and get feedback from consumers and what affects their purchase intentions, convenience sampling was used. With this method, respondents were selected on the basis of proximity, ease of access and willingness

to participate. This method of sampling facilitates easy and quick gathering of data from the targeted group of people. The questionnaires were thus sent to students of Ashesi University as well as students of Central University and also to friends, acquaintances and generally, anyone who is interested in the study through e-mail.

3.3.1 Sample Size

As cited by (Kumar, 2010) and stated by (Saunders et al, 2009), the issue of sample size for all non-probability sampling techniques (except quota sampling) is ambiguous and, hence there are no rules.

The sampling frame as per the interviews to be conducted is defined as the Telecommunications providers (mainly the GSM Voice providers) in the country. Due to their proximity to the researcher, the marketing executives in MTN and Airtel were interviewed.

The sample size, as determined for administering the questionnaires was guided by (Crimp & Wright, 1995) who proposed that for this research method, sample size larger than 30 and below 500 can be deemed appropriate. Due to the limitation of time however, the sample size of questionnaire respondents was set at 50 for this particular study.

3.4 Data Collection

To be able to make conclusive claims and establish or disprove facts, it is important for the necessary data for the particular study to be collected. For this study, the data collected will be both primary and secondary.

Secondary data will be obtained from relevant journals, texts, articles and from the internet. There has been substantial work carried out on the topic of celebrity

endorsement worldwide especially in the U.S.A however, no extensive work has been carried out on how it plays out in Ghana. These bodies of work already carried out will thus be used as reference points in guiding this particular study.

Primary data on the other hand will entail the researcher going out to the field to collect raw data i.e. from questionnaires and personal interviews before proceeding to carry out analysis.

The individuals to be interviewed, as discussed in the previous subsections were the marketing executives who are knowledgeable on celebrity endorsements from the major telecommunication providers in the country, since most of these firms use celebrities as endorsers of their services. The questionnaires were also deployed based on the criteria spelled out in the previous subsections and contain questions that were guided by responses from the personal interviews.

3.4.1 Research Instruments

The research instruments used for this study were depth interviews and questionnaires.

The depth interviews were used for extracting information from marketing executives in the telecommunication industry. A moderator's guide which contained questions was used to administer these interviews. The questions for these interviews were thus set around these major principles:

- i. **Celebrity Endorsement:** A strategic marketing tool that influences consumer behavior in favor of a particular product or brand by lending some of a celebrity's attributes to the particular product or brand.

- ii. Meaning Transfer: A model that suggests that the effectiveness of a celebrity endorser depends on his/her quality to bring the meanings to the endorsement process (McCracken 1989)
- iii. Perceived brand value: A consumer's overall assessment of the utility of a product based on perceptions of what is given and what is received (Gwin, 2010).
- iv. Consumer Behavior: A study of individuals or groups and the processes they use to select, use, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society (Kumar, 2010).

The insights gained from the interview were key to the fulfillment of the objectives set for the study. These responses also served as guides for the questionnaire design.

Questionnaires, which are the most appropriate tools for collecting data from a large group of respondents by asking them to answer to the same set of questions, are subservient to this study. The questionnaires, which were self-administered electronically and by hand-delivery, were largely designed in line with questionnaires used and tested by Kumar (2010) to study the general effectiveness of celebrity endorsements in India. Thence, the questionnaires were structured in five segments. These are a combination of both close and open-ended questions that are short and clear to guarantee easy understanding. The first segment contains questions that are aimed at collecting demographic information of respondents (Age, Gender and Occupation). The second segment of questions was aimed at exploring the current state of consumer perception about celebrity endorsements. The third segment focused on evaluating the impact each celebrity attribute on the purchase intention of consumers. The fourth segment focused

largely on evaluating the total impact of celebrity endorsements on consumer purchase intention. And the final segment was aimed at testing respondents on whether they could recall and recognize brand endorsers of selected firms in the telecommunication industry. To enable ease of answering, certain questions were drawn up a five point Likert scale, which allows respondents to indicate their attitude by checking from a range of options, say from very high to very low.

A copy of the questionnaire is attached in Appendix B.

3.4.2 Data Collection Period

Data was largely collected in 5 weeks in order to do analysis on the study. Online surveys and hard copy paper equivalents were deployed to respondents, right after two successful interviews with marketing executives were completed. For the interviews to be conducted, the offices of the marketing executives had to be visited to schedule meetings and collect appropriate data.

In total, the interviews were conducted over 3 weeks, whereas the questionnaires were deployed for approximately a week and remarkably the target number of responses was obtained in just over two weeks.

3.5 Data Analysis

Data collected was to be analyzed qualitatively and quantitatively.

Quantitative data was analyzed using statistical functionalities in Microsoft Excel. The questions presented on the questionnaires were analyzed individually by producing pie charts and bar charts which helped in showing specific frequencies and emphasizing the strengths of the attributes being studied. The tool employed

was thus appropriate for analyzing the relationship between consumer behavior and the celebrity endorsement attributes mentioned in the second chapter.

CHAPTER 4: FINDINGS AND DISCUSSION

4.1 Introduction

The aim of this chapter is to essentially present and discuss the findings of this research. This chapter thus presents the data obtained from the study in response to the stated research questions and objectives mentioned in the introductory chapter.

This chapter is hence broken into two parts. The first part presents a qualitative analysis of the data thus representing the findings acquired from the in-depth interviews. The second part deals with the presentation and discussion of the findings of the questionnaire administered to consumers.

4.2 Interviews

As mentioned in the previous chapter, marketing executives in specific companies in the telecommunication industry were interviewed to determine the state of celebrity endorsements in this particular sector and to probe into how this tool is being used by these companies. The people interviewed include Lily Kwakye- Brand Communication Executive, Airtel-Ghana, and the Events and Sponsorship Manager of MTN-Ghana, who discussed into detail the use of this marketing tool in their respective marketing departments, and in relation to consumer behavior.

4.2.1 Interview with Airtel-Ghana's Brand Communication Executive – Lily Kwakye

The purpose of this interview was to gain insights on how celebrity endorsement is being employed as a marketing tool by Airtel-Ghana – a major player in the

telecommunication industry, with a market share of 13% as at January, posting a growth 2.5% from the previous month (National Communication Authority, 2013).

Lily Kwakye, the Brand Communication executive at Airtel, was quick to mention that “celebrity endorsement, as a marketing tool, helps extensively to sell the brand”. According to her, “this is largely effective because consumers easily link celebrities to brands”. This link is possible because the celebrities that are chosen to endorse the brand are loved by consumers and so will automatically love the brand.

In discussing the issues that are considered in choosing a celebrity endorser, she put forward that, “the celebrity should generally be of good behavior and must be famous and loved by most of the consumers”. In this regard, she mentioned celebrities such as Ghanaian Hip-life music group 4x4, and popular veteran football stars Samuel Osei Kuffuor and Odartey Lamptey as endorsers of the Airtel brand. The selection process for the celebrity endorser however, she says, “involves a thorough background check of the celebrity to ensure that the celebrity’s personality can be aligned with the company’s objectives, avoiding any mismatches”.

Speaking on negative repercussions from the use of celebrity endorsements over time, she indicates that “there haven’t been any of such instances and that there hasn’t been any reason at all to withdraw a celebrity endorsement”. She maintains that the use of celebrity endorsers has been effective in running specific campaigns and activations such as the success of the Airtel Rising Star talent hunt.

4.2.2 Interview with MTN Ghana’s Events and Sponsorship Manager

MTN is currently the market leader in the telecommunication industry with a market share of 45% (National Communication Authority, 2013).

This interview was conducted purposely to retrieve information on how MTN is utilizing celebrity endorsement as a marketing tool.

The Events and Sponsorship Manager, who was interviewed, revealed that “the benefits currently being derived from endorsements are more than the cost”.

According to him, “celebrity endorsements continue to increase the awareness of the brand, though positive endorsements exude positive feelings towards the brand”.

Also, he emphasized the fact that “the public image and/or fame of the celebrity is heavily considered in making the choice for a celebrity endorser”. As part of the factors considered in making a choice for a celebrity, he further states that “the celebrity’s attitude or persona should match the brand so you don’t suffer explaining your choice, taking into consideration the ideologies of the brand.”

In talking about the effectiveness of celebrity endorsements, he says “when consumers are in favor or like the celebrity that is chosen, they get more attached to the brand” and further states that “billboards as well as television adverts are the most appealing media” in terms of propagating these celebrity endorsed adverts.

He also mentions that MTN has so far not had any problems with celebrity endorsements but however says “the cost is sometimes huge but with good management, you get to make more than you put in”.

4.2.3 Major Findings from Interviews

From both interviews it was discovered that these brands both place high emphasis on matching the objectives of the firm and the celebrities that they choose to endorse their brand. The use of celebrity endorsements in both instances has

ensured a greater awareness of the brand thus an increase in marketing performance for both brands.

Also, in choosing the celebrities as endorsers, their popularity and fame is considered to ensure the attraction of consumers.

According to these executives, both brands have so far not had any issues with celebrity endorsements as a marketing tool but are quick to mention that good management of celebrity endorsement contracts and relationships will ensure purchase behavior in favor of the brand.

The source models discussed earlier on are loosely inherent in these findings as stated by the marketing executives.

4.3 Questionnaire Analysis Procedure

The data analysis process was geared at answering the study's research question, "How do celebrity endorsements used in advertisements affect consumer buying behavior in the Telecommunication industry?"

The set objectives of the study will also be discussed in relation to the findings and data analysis.

This section thus provides results acquired from the survey, which have been studied and evaluated through data analysis techniques.

4.4 Descriptive Statistics

The descriptive statistics provided a very comprehensive breakdown of the demographic information collected from the questionnaires and is presented in Table 4.1.

Variable	Measure	Frequency	Percentages (%)
Gender	Male	27	54
	Female	23	46
Age	Less than 18 years	0	0
	18 – 30 years	50	100
	30 and above	0	0
Profession	Student	44	88
	Business/Professional	6	12
	Unemployed	0	0
	Other	0	0

Table 4.1: Table of Demographic Information

4.4.1 Analysis of Demographic Information

The information displayed revealed the gender distribution to be 27 male to 23 female respondents, a percentage representation of 54% to 46%. Also, of all the respondents, a 100% of them fell in the 18-30 years old age bracket, revealing that all the students and business people who responded to the questionnaires were actually relatively young adults. Thence all deductions and inferences made throughout the study will be in reference to this group.

The respondents were also characterized by 88% university students, and the remaining 12% of the respondents were of the business/professional category.

Essentially, a huge chunk of the all analyses made will pertain to this group, which is indeed very relevant as this tends to be the group that is heavily targeted by these firms in the telecommunication industry.

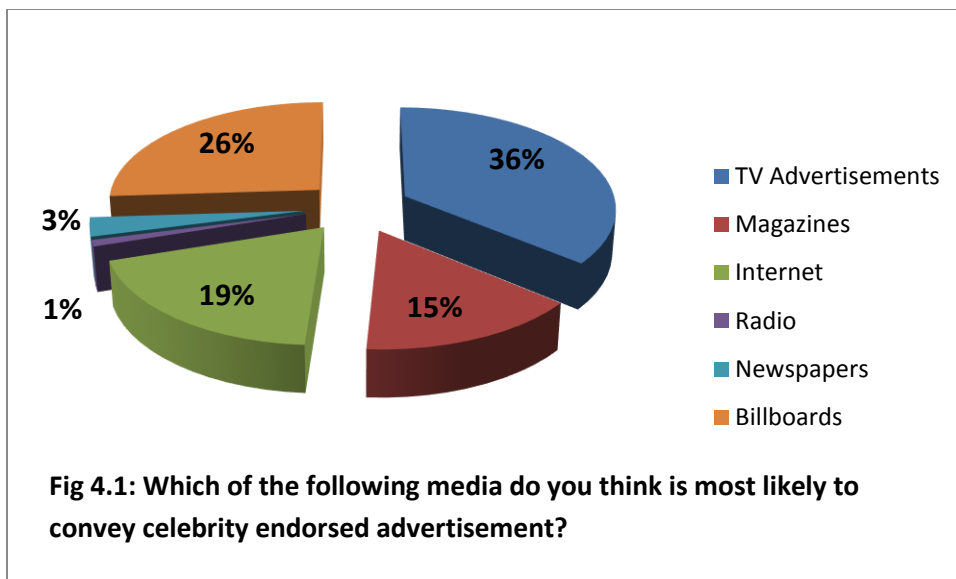
4.4.2 Consumer Perception and Celebrity Endorsements

Consumer perception implements the concept of sensory perception to marketing and advertising. Just as sensory perception relates to how humans observe and process sensory stimuli through all five senses, consumer perception relatedly pertains to how individuals form opinions about companies and the merchandise they offer through the purchases they make (Blank, n.a). Sellers essentially use consumer perception theory to develop marketing and advertising strategies intended to retain current customers -- and attract new ones (Blank, n.a).

The ensuing thus reflects information gathered pertaining to how respondents perceive celebrity endorsements currently and how it is being employed in the country. These questions were very direct and thus extracted very useful opinions from the respondents.

Most suitable media for carrying celebrity endorsed advertisements

Based on responses gotten from this question, a pie chart that clearly reveals statistics about which media consumers think is most likely to convey celebrity endorsements is presented in Fig 4.1.



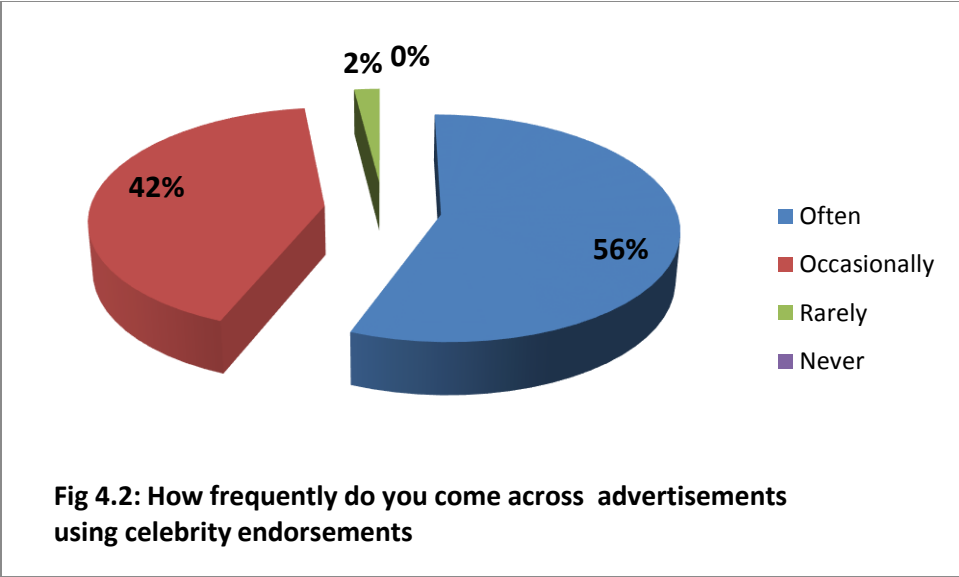
As depicted in the chart, it was ascertained that consumers feel that TV advertisements and Billboards are the most likely media to effectively convey celebrity endorsed advertisements. Other media such as the internet and magazines are also worth noting as probable channels of carrying these celebrity endorsed advertisements.

It is important to note the media which consumers think works best, as this is the channel through which the consumers can witness the advertisement and thence begin to form their opinions of the product or service.

Frequency of encountering celebrity endorsed adverts

The chart in Fig 4.2 below reveals the consumer responses to the question, "How frequently do you come across advertisements using celebrity endorsements?"

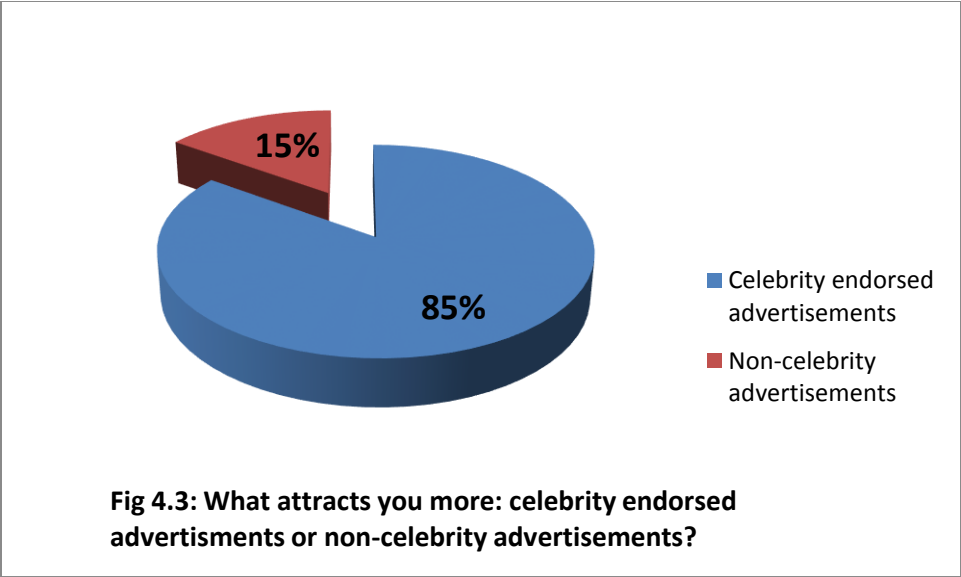
An observation of the chart shows that more than half of the respondents encounter celebrity endorsed adverts 'often', a percentage representation of 56%. Also, 42% of the respondents come across these types of adverts 'occasionally'. 'Often' here describes a high frequency of encounter whereas 'occasionally' also describes a rather low frequency as compared to 'often'.



McCracken (1989) states that, celebrity endorsement advertising is a ubiquitous feature of modern marketing and this are clearly evident in the Ghanaian context as well as indicated by the information provided by the study’s respondents. This hence further increases the need for this research as it essentially seeks to study how this marketing tool is being used and also suggesting how it can be leveraged effectively.

Celebrity Endorsed adverts vs. Non-Celebrity Endorsed adverts

The pie chart presented in Fig 4.3 makes known what kind of advertisement attracts respondents more. Celebrity endorsed advertisements and non-celebrity advertisements are the categories presented. Evidently, a greater majority, made up of 85% of respondents are more attracted by celebrity endorsed advertisements.

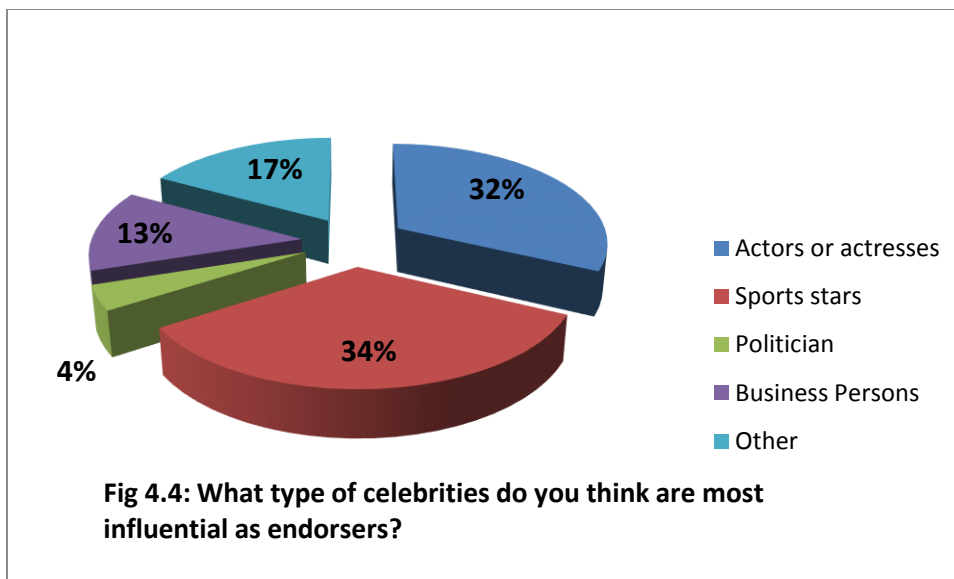


The result obtained reiterates the essence of celebrity endorsed advertisements as they are aimed at attracting consumers and singling out a particular product/service from its competitors.

The most influential celebrity endorser

Below in Fig 4.4 is a chart that presents which type of celebrity that consumers think is most influential.

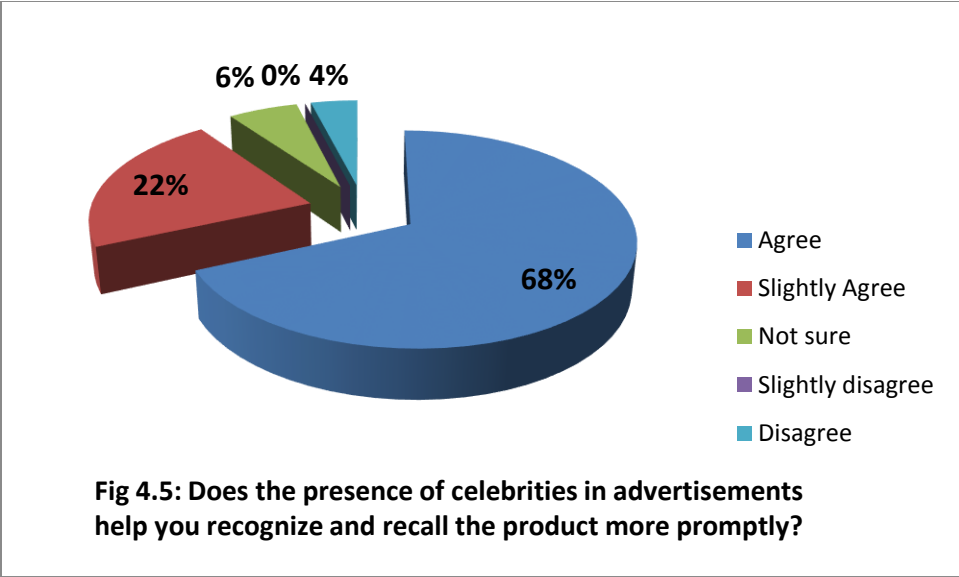
As shown by the chart, sports stars are the most influential celebrities, a representation of 34%. Actors/actresses are also very influential as indicated by the 32%.



This revelation is critical as it informs which type of celebrities to be considered and chosen to influence consumer behavior. It is worth mentioning here that respondents who chose the 'Other' option entered either 'Musicians', 'TV personalities' or 'Radio personalities' as the most influential endorsers; a representation of 17%.

Celebrity Endorsements, and brand recognition and recall

This section brings to light consumer behavior in terms of brand recognition and recall when celebrities are featured in adverts. The pie chart in Fig 4.5 presents how respondents reacted to the question, "Does the presence of celebrities in advertisements help you recognize and recall the product more promptly?"

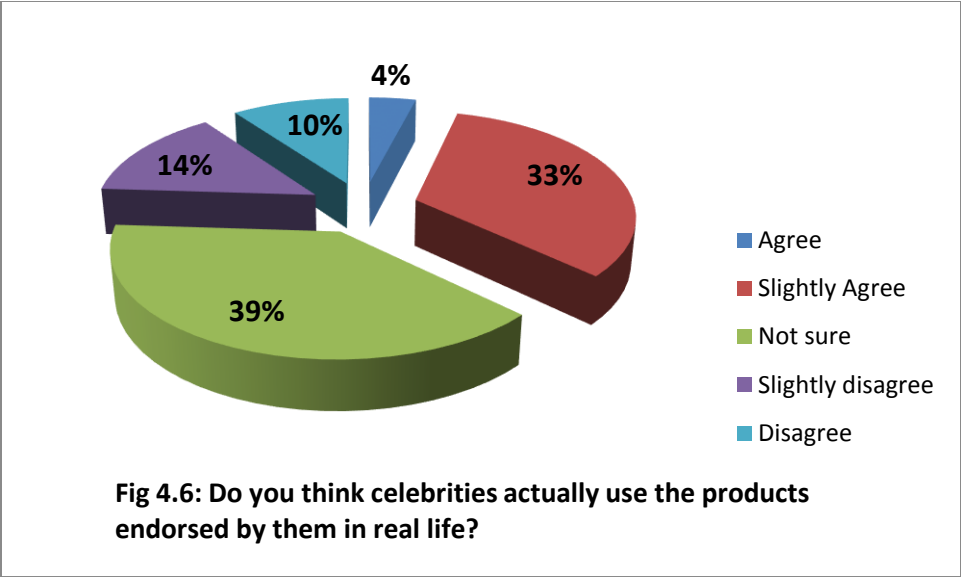


As depicted in the chart, 69% of respondents agree with celebrity endorsements ensuring brand recognition and recall, whereas 22% of them slightly agree. This is certainly a positive response in favor of the use of celebrity endorsements as essentially that is what this tool is intended to do.

Celebrity Endorsers and Celebrity Brand Usage

By observing the chart displayed in Fig 4.6, results depicting the credibility of celebrity endorsers are evaluated by respondents. This question in effect tests the trustworthiness of these celebrities as described in the literature review. The question as presented in the questionnaire is, "Do you think celebrities actually use the products endorsed by them in real life?"

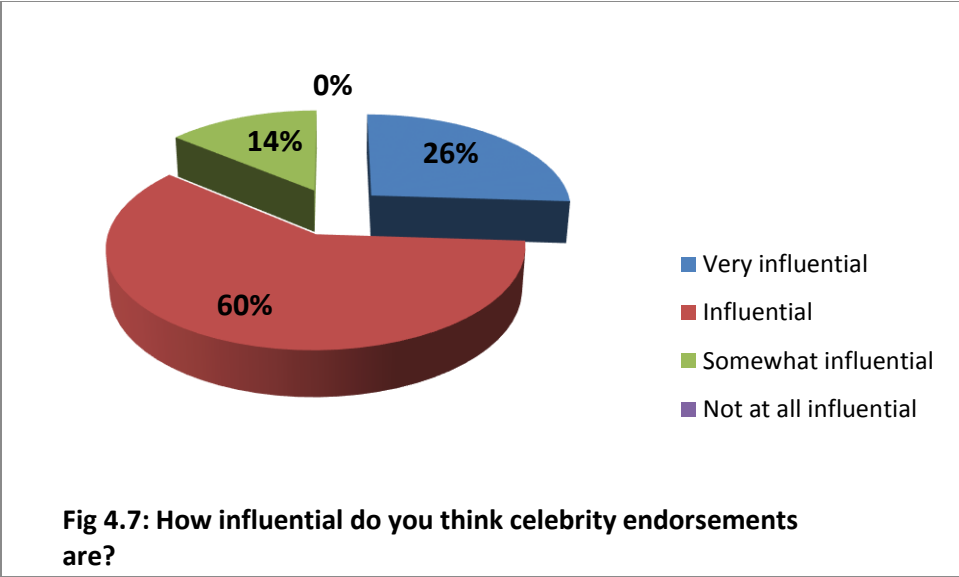
Despite being paid for their endorsements, celebrities often develop strong and credible public personas that consumers trust (Hawkins & Mothersbaugh, 2010). Usually, this trust is what transforms into purchases (Hawkins & Mothersbaugh, 2010).



Clearly, it is evident from the chart that most respondents are quite unsure of this attribute as represented by 39% of 'Not sure' responses and 4% of 'Agree' responses, which unquestionably raises a red flag. This issue can however be linked directly to the trustworthiness attribute that will be discussed further on.

The level of influence of celebrity endorsements

The chart in Fig 4.7 shows respondents' reactions to how influential they think celebrity endorsement is as a marketing tool. The level of influence of a celebrity endorsed brand is crucial as this, in actual fact, alongside with other factors guarantees consumer behavior in favor of the brand.



As represented, 60% of the respondents think celebrity endorsements are influential whereas 26% think it is very influential. This also reflects a positive feedback that works in favor of the companies employing celebrity endorsements as it clearly influences consumer behavior.

4.4.3 Celebrity Attributes and Purchase Intentions

As discussed in the previous chapters, a celebrity’s attributes are expected to be transferred unto a product or service and thence influence the consumers purchasing behavior in favor of that product or service.

Here is where the source-models come into play. The source-credibility effectively states that the strength of an advertisement is based upon the celebrity’s perceived level of two attributes: expertise and trustworthiness.

The source attractiveness model on the other hand discusses the consumer’s perception of the celebrity’s similarity, familiarity and likeability.

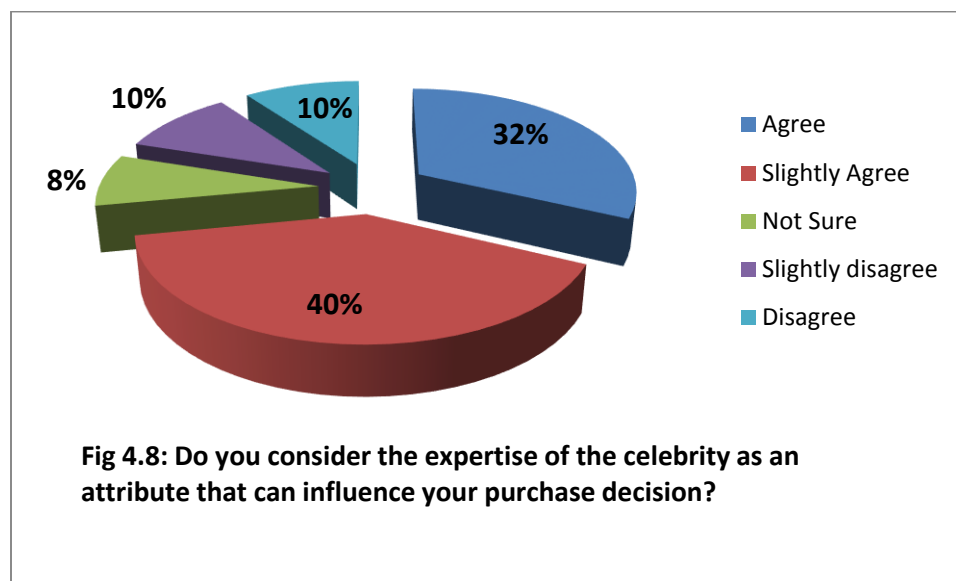
This section thus discusses and analyses consumer responses that test these attributes as argued by the source-models as well as other major celebrity

endorsement models, i.e. the meaning transfer model and the match-up hypothesis.

Expertise of Celebrity and Purchase Intentions

This section of the study discusses the expertise of a celebrity endorser in relation to the purchase intentions of respondents. The expertise of a celebrity endorser describes the level of knowledge, experience and expertise a celebrity possesses in a particular field. Respondents were thus to respond to the question, "As a consumer, do you consider the expertise of the celebrity as an attribute that can influence your purchase decision?"

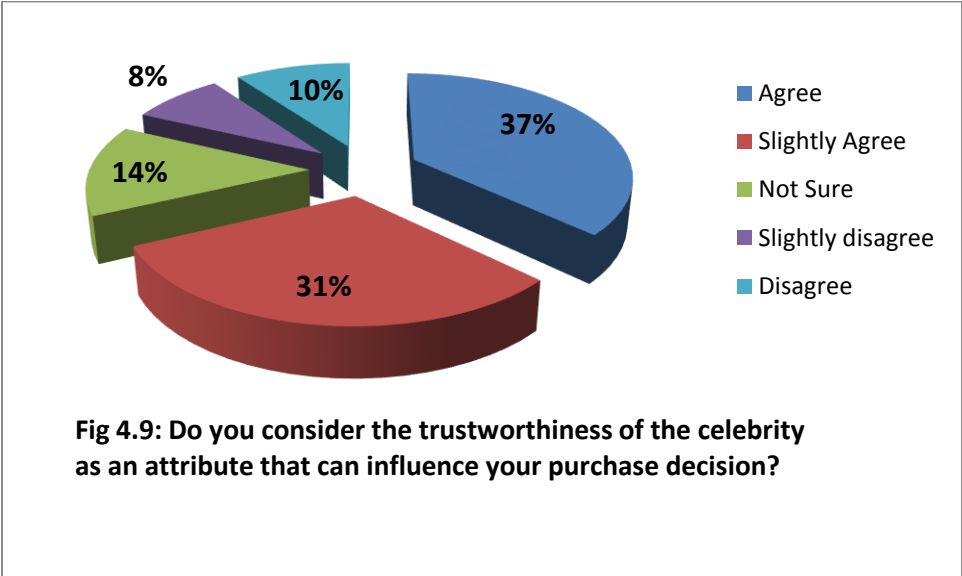
As per the results gathered from the study and displayed in Fig 4.8, it was observed that a representation of the respondents forming 40% slightly agree with the statement whereas 32% agree. Also, 10% slightly disagree and another 10% strongly disagree. However, a representation of 8% is not sure. It can thence be deduced that a clear majority of respondents are influenced by the expertise of a celebrity.



This piece of information is indeed very relevant as it reflects the level of importance consumers place on the expertise of celebrity endorser's. This particular attribute boosts the believability of advertisements and should also be heavily factored in when choosing celebrities to endorse brands.

Trustworthiness of Celebrity and Purchase Intention

The trustworthiness of a celebrity endorser is another important attribute that is looked at in discussing the source-credibility model. The trustworthiness of a celebrity endorser mainly refers to the honesty and the believability of the celebrity. This principally looks at the extent to which consumers believe the celebrity, translating it into purchases in favor of the endorsed brand.

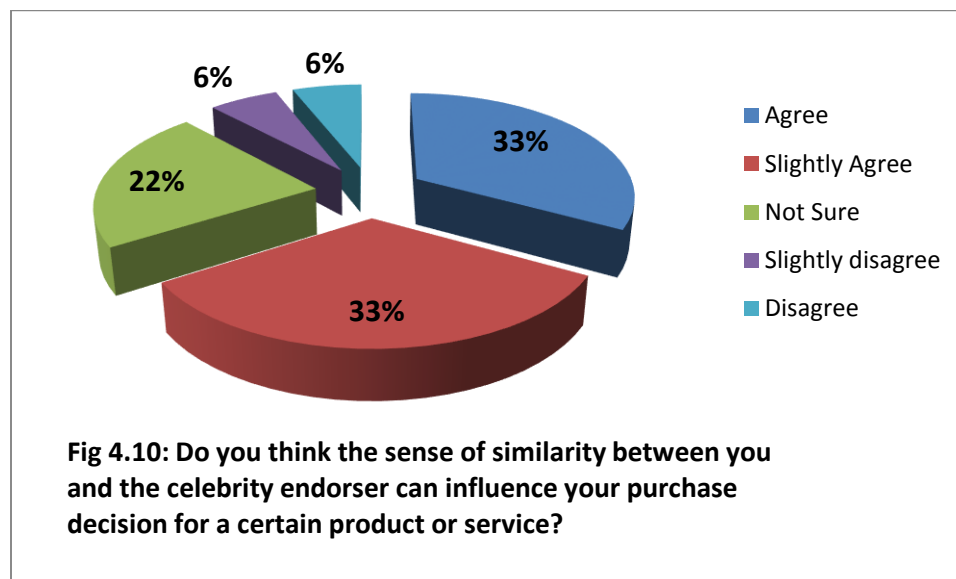


The results gathered as shown in Fig 4.9 reveal that 18 out of the 50 respondents, representing 37% consider the trustworthiness of the celebrity as an attribute that can influence their purchase decisions. 31% of these respondents slightly agree with this assertion and 14% are not sure.

Similarity of Celebrity and Purchase Intention

As mentioned earlier in this chapter, the source attractiveness model takes into consideration the similarity, familiarity and likeability of the celebrity. The similarity of the celebrity to the consumer mainly refers to the level of resemblance the consumer feels with the celebrity. This section of the study presents the reactions of consumers to the question, "As a consumer, do you think the sense of similarity between you and the celebrity endorser can influence your purchase decision for a certain product or service?"

The pie chart in Fig 4.10 brings to light respondents' reaction to the sense of similarity with celebrity endorsers.

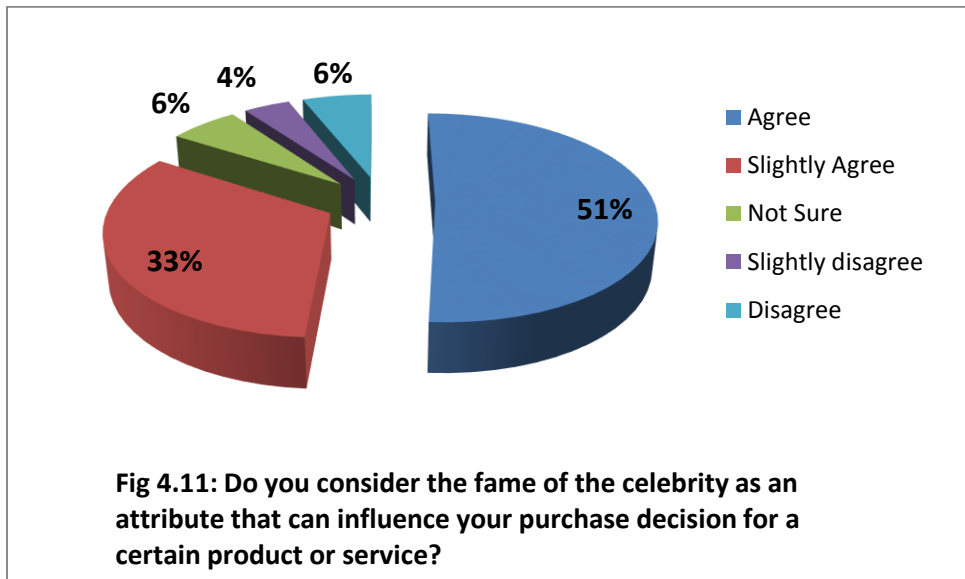


33% of total respondents agree that similarity affects their purchase decisions, and an identical 33% also slightly agree. However, 22% of respondents are sitting on the fence and are thus unsure of the effect of similarity on purchase decisions. This attribute should thence be looked at critically in the choice of celebrity endorsers where consumers can feel a sense of similarity with chosen endorsers.

Fame of Celebrity and Purchase Intention

This particular attribute is ordinarily the commonest and essentially comes to life through knowledge of the source via repeated exposure. Thence when consumers come into either direct or indirect contact with celebrities constantly, through several other means of interaction, the prospect of the consumers to like the celebrities tends to be high. This thus plays to the advantage of the brand being endorsed.

The chart below shows how respondents feel about the fame of the celebrity affecting their purchase decisions.

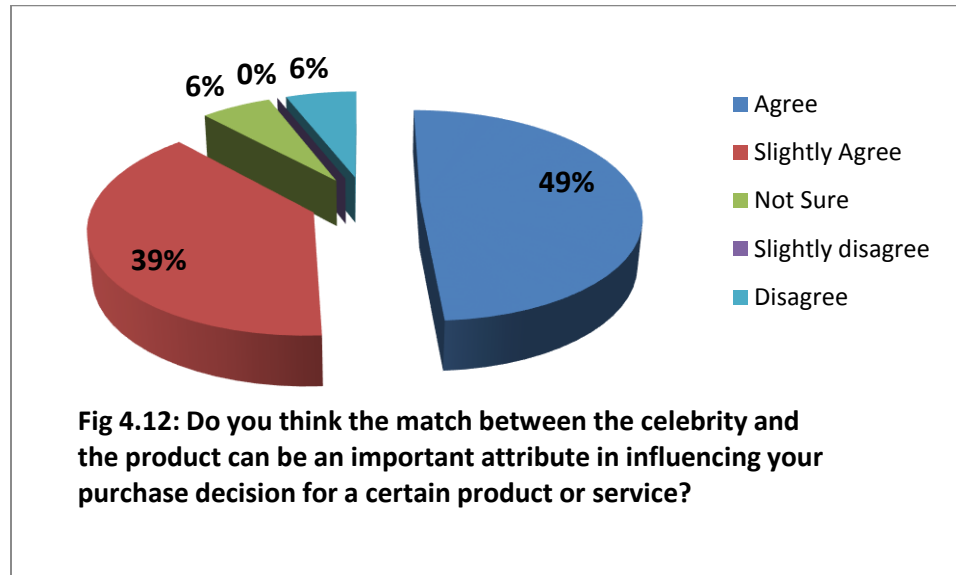


As depicted in Fig 4.11, 51% of respondents lean on the fact that the fame of a certain celebrity affects their purchase decisions. Also, 33% of these respondents slightly agree that they are influenced by the fame of the endorser. Clearly, this type of influence on purchasing decisions tends to be in favor of the particular

endorsed brand, another major indication of the effectiveness of celebrity endorsements as marketing tools.

The Match between Endorser and Brand, and effect on Purchase Intention

The match or fit between a celebrity endorser and a brand looks at the coherence of the match between the endorser and the brand being endorsed. The target market is also completely considered in this case so as to ensure no instances of confusion.



By the results displayed in Fig 4.12 above, almost half of the respondents feel that the match between the brand and celebrity endorser is highly capable in affecting their purchasing decisions, an important lesson for players in the telecommunication industry. Additionally, a significant 39% of respondents slightly agree to the influence of celebrity/brand match on purchase intentions.

As revealed in the literature review, if the match is perfect, the advertisements containing these celebrity endorsers are more believable, and the message conveyed are more genuine. It is thence worth mentioning here that, it is the strength of the match between endorser and brand that determines whether the

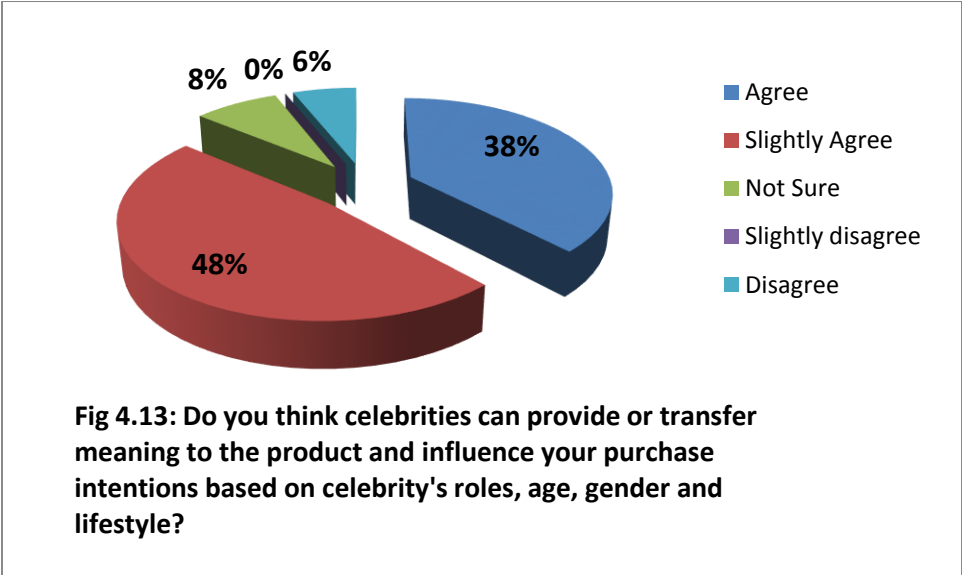
consumer feels that the product or brand is actually being used by the celebrity and this is indeed very important.

Furthermore, it is imperative to get the perfect match between the celebrity endorser and brand as this also prevents the celebrity’s image from swallowing up or overshadowing the brand, a case referred to as the vampire effect.

Meaning Transfer by Celebrities and Purchase Intention

Meaning transfer talks about celebrities conveying to the product and then eventually to the consumer, personas developed through roles played in society and how they are portrayed by the media.

This model is tested for effectiveness by asking respondents, “As a consumer, do you think celebrities can provide or transfer meaning to the product and influence your purchase intentions based on celebrity’s roles, age, gender and lifestyle?”



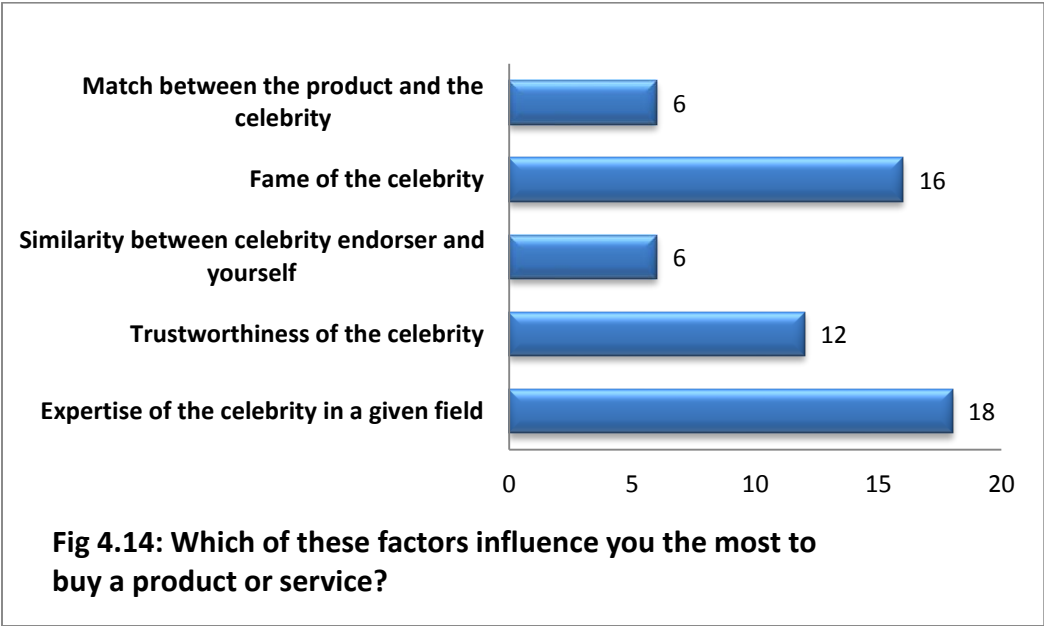
Out of the 50 respondents, 38% actually agree to the effect of meaning transfer in informing their buying decision. Also, a representation of 48% slightly agrees to the effect of meaning transfer on their buying decision, as shown in Fig 4.13.

It is thus important for the concept of meaning transfer to be considered in the choosing of celebrity endorsers. This is mainly because the selected celebrity determines how advantageous buying decisions are in favor of a particular brand, based on the celebrity’s endearing persona and public image.

Rating of Celebrity Endorsement Attributes that influence Buying Behavior

With this question, respondents were asked to assess and compare the attributes inherent in the source models, to determine which one affects consumer buying behavior the most.

This is important as it highlights the key attributes that should be looked at in order to achieve success with celebrity endorsements.



The chart in Fig 4.14 displays the number of responses per each attribute. As seen, the expertise of a celebrity in a given field ranks as the highest attribute that

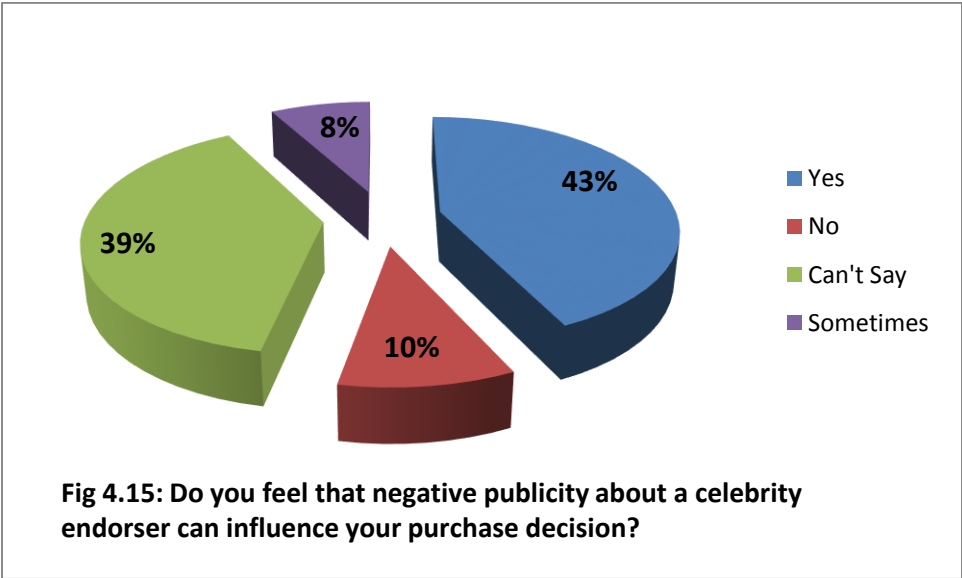
should be considered in influencing buying behavior in favor of a particular brand. Also, the fame and trustworthiness of the celebrity should be subsequently considered as important attributes that can influence buying behavior in favor of a brand.

4.4.4 Celebrity Endorsements and Purchase Intentions

This section presents respondents' general perceptions and reactions towards celebrity endorsements as a marketing tool. Specific issues highlighted here thus include reactions to negative publicity about a celebrity endorser, and the overall benefits derived from celebrity endorsed products.

Negative Publicity about Celebrities and its effect on Purchase Decision

Negative publicity about a celebrity refers to the controversies that surround a particular celebrity and questions his or her credibility. When this happens, attention also shifts from the brand and the focus is more on the celebrity leading to overshadowing or the vampire effect (Kumar, 2010). Likewise, when there is negative information about a celebrity in the public eye, by the meaning transfer model, this negativity is transferred unto the brand. The brand loses out as a result.

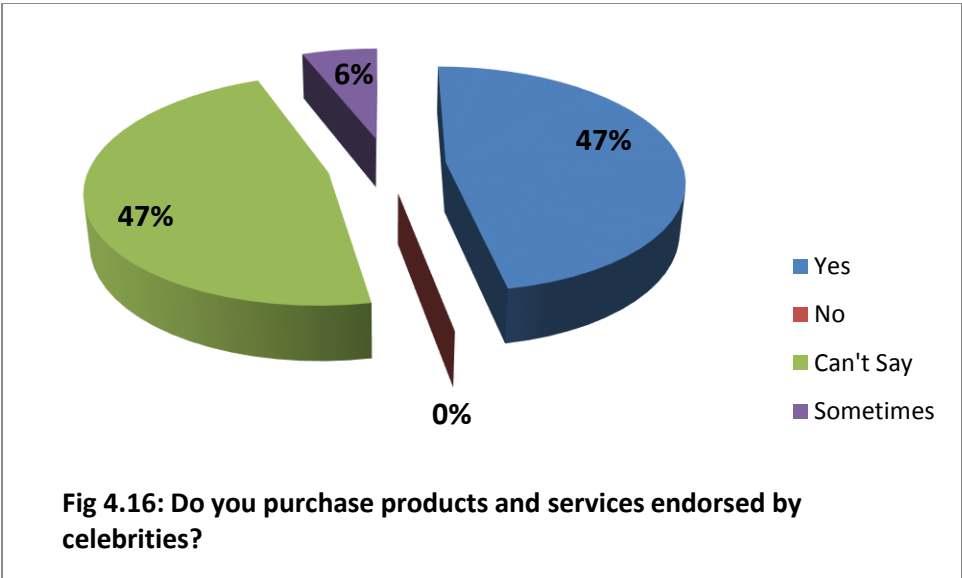


When respondents were questioned about the influence of negative publicity about a celebrity endorser on their purchase decision, a representation of 43% agreed that their decisions can be affected. However, as shown by Fig 4.15, 39% of respondents were of the view that negative publicity sometimes influences their purchasing decisions and 10% said not at all.

Purchase of Celebrity Endorsed Brands

This part of the data analysis presents a vital part of the entire study where the bare essence of using celebrity endorsements as a marketing tool is divulged.

Respondents are questioned as to whether they purchase products and services endorsed by celebrities and the results are displayed in the chart in Fig 4.16.

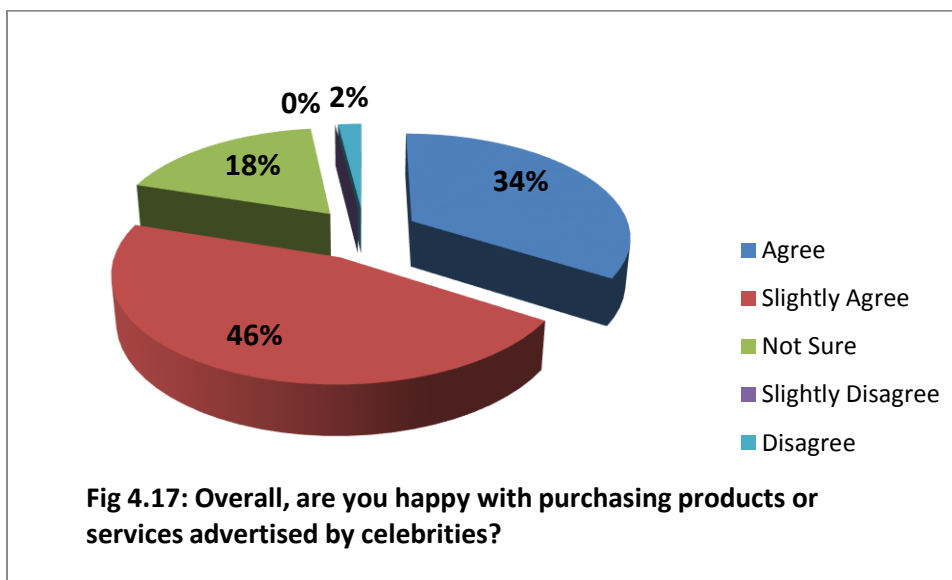


It is quite interesting to find out that almost half (47%) of respondents actually do purchase celebrity endorsed brands. Also, another 47% of respondents sometimes purchase celebrity endorsed products and services and 6% cannot really say- an indication of uncertainty or ambivalence towards celebrity endorsements.

It is also interesting to discover that, amongst respondents, no person does not purchase celebrity endorsed products and services, meaning each of them at least

at some point in time purchases a celebrity endorsed brand. This is portrayed in the chart in Fig 4.16 and is certainly a positive indication for the use of celebrity endorsement as it definitely draws customer attraction.

Moreover, out of this percentage of respondents who purchase celebrity endorsed brands, 34% of them agree to be happy with purchased celebrity endorsed products and services though 46% of them slightly agree to this. Combined, this forms about 80% of total respondents who express positive reactions and are happy with celebrity endorsed brands as displayed in Fig 4.17.



Celebrity endorsement as a marketing tool's effectiveness in Ghana as per these positive reactions from respondents is thus highlighted.

Celebrities in Ghana's Telecommunication Market

This section of the study sought to test respondents' ability to recall celebrity endorsers for selected players in Ghana's telecommunication market.

As mentioned earlier, the telecommunication industry is one that extensively employs celebrity endorsements.

Respondents are asked to provide a list of celebrities that they know to be endorsers of each brand.

This is presented in Table 4.2 and further compared with responses obtained from the marketing executives that were interviewed. This comparison will as a result validate whether respondents are able to link the brands to celebrities, hence also testing the overall effectiveness of the celebrity endorsements.

Company/Brand	Celebrity Brand Endorsers (As stated by Marketing executives)	Celebrity Brand Endorsers (As stated by respondents)
Airtel	<ul style="list-style-type: none"> • E.L. • 4X4 • Sammy Kuffuor • Odartey Lamptey 	<ul style="list-style-type: none"> • "E.L." • "4X4" • "Don't Know" • "Can't Remember" • "Legon Students"
MTN	<ul style="list-style-type: none"> • Samini • Michael Essien • Stephen Appiah • Bola Ray • Nana Aba Anamoah • Okyeame KKwame 	<ul style="list-style-type: none"> • "Samini" • "Michael Essien" • "Stephen Appiah" • "Bola Ray" • "Nana Aba Anamoah" • "Kwame Sefa-Kayi" • "Okyeame KKwame" • "Don't Know"

Table 4.2: Table of celebrity endorsers of selected brands in the Telecomm. market

From the table above, it can be noticed that generally, respondents are able to recall celebrities that are used to endorse brands.

In the case of Airtel, music group 4x4 and hip-life artiste E.L were identified by respondents as endorsers of the brand whereas retired footballers Sammy Kuffuor and Odartey Lamptey were not identified or mentioned by respondents.

A probable reason for not recognizing these retired footballers as endorsers is because the specific brand activation program that they are being used for is not one that is targeted at the demographic that took part in the study. Nonetheless, the main celebrity endorsers for the Airtel brand were recalled and mentioned.

However, in the case of MTN, hip-life artistes Samini and Okyeame Kwame, footballers Michael Essien and Stephen Appiah and radio and television personalities Kwame Sefa-Kayi, Nana Aba Anamoah and Bola Ray were all recognized by respondents as being endorsers of the MTN brand, an indication that their use of celebrities as endorsers is relatively more successful.

4.4.5 Summary of Major Findings of Study

The research sought to answer the question, "How does celebrity endorsements used in advertisements affect consumer buying behavior in Ghana's Telecommunication industry?"

In essence, all the findings generated from the study point to the fact that celebrity endorsements affect consumer buying behavior positively in favor of players in the Telecommunication industry.

Majority of respondents, who all fall between the 18-30 years bracket reveal that they often come across celebrity endorsed advertisements, an indication of the popularity of celebrity endorsements or as stated by McCracken (1989): "the ubiquitous nature of celebrity endorsements" even in Ghana.

Also, respondents feel that these celebrity endorsed advertisements are mainly encountered through television advertisements and billboards, which tallies with information received from the depth interviews conducted. The marketing executives mentioned that the most preferred media used in conveying celebrity endorsed advertisements is through television and billboards.

Respondents are highly attracted by celebrity endorsed as indicated by the chart presented in Fig 4.3. Basically, celebrity endorsements affect consumer behavior positively in the telecommunication industry mainly because it boosts brand recognition and recall. In simple terms, when a particular celebrity is used as an endorser of a brand, the brand vividly stands out and is chosen out of bunch because of the celebrity's association with the brand.

The study further explores how and why celebrity endorsements as a marketing tool is effective in Ghana's Telecommunication industry and it is discovered that this can be attributed mainly to a couple of factors. The level of expertise of the celebrity, the fame of the celebrity and the trustworthiness of the celebrity, all inherent in the source models discussed in the literature review, were the main factors that were exposed during primary research.

Furthermore, it was discovered that negative publicity about a celebrity endorser mostly affects consumer buying behavior. This should thus be highly considered in the Ghanaian context but interestingly enough it contrasts with the study conducted by Kumar (2010) in India where the effect of negative publicity about a celebrity endorser is not as influential.

Also, the current situation in the telecommunication market in Ghana as per the depth interviews reflect that celebrity endorsers are chosen based on their popularity and level of influence as assessed by the marketing departments of

these companies in the telecommunication industry. Relatedly, as portrayed in Table 4.2 respondents are well able to recognize and recall celebrities as brand endorsers.

Generally, the positive link between the different celebrity attributes and consumer buying behavior as gathered from the study reveals the effectiveness of celebrity endorsements as a marketing tool in the Telecommunication market. This is further confirmed by both marketing executives interviewed, as they mentioned that celebrity endorsements do increase the awareness or popularity of the brand and thus a boost in marketing performance.

CHAPTER 5: CONCLUSIONS AND RECOMMENDATIONS

Based on the data analysis, it was determined that there was a positive correlation between the tested celebrity attributes (obtained from the source-models) and consumer buying behavior, an indication of the effectiveness of celebrity endorsements for advertising purposes by these companies in the industry.

Also, marketing executives interviewed gave insights on the current use of celebrity endorsements as a marketing tool. However, based on the quantitative aspect of the study, it is essential for certain factors also to be looked into to take full advantage of this marketing tool. This chapter also outlines some key recommendations that would ensure an effective leverage of celebrity endorsements by firms in the telecommunication industry as well other industries.

5.1 Recommendations

Celebrity endorsements in the Ghanaian context can be used to influence consumer buying behavior more effectively if the following points discussed below are taken into account. These suggestions are made based on insight obtained from the research.

5.1.1 Proper Management of Celebrity Endorsement Contracts

Consumers, in forming their perceptions about a brand are affected by negative publicity surrounding a celebrity. It is thus important to ensure that contracts sealing these endorsement deals ensure that celebrities maintain good behavior otherwise suffer severe repercussions.

Also, these contracts or agreements should spell out that celebrities actually make use of the brands being endorsed as it will boost the credibility and believability of the entire endorsement deal hence influencing consumer buying behavior in favor of the brand.

Essentially, the costs involved in these endorsement deals are high and companies must reap these by getting celebrities to fulfill their part of the contract.

5.1.2 Major Celebrity Attributes to be considered

The study revealed that the expertise of the celebrity, the trustworthiness of the celebrity and the fame of the celebrity are the main attributes that influence consumer buying behavior in favor of a particular brand as depicted in Fig 4.14. It is thus important for companies to ensure that celebrities chosen to endorse products at least have two of these mentioned attributes, while also making sure that the personas of these celebrities aptly match the objectives of the brand. A perfect blend of this will go a long way to ensure the elimination of responses such as 'Don't know' and 'Can't remember' as presented in Table 4.2.

The background checks that are conducted on celebrities thus need to be intensified, where these mentioned attributes are heavily considered before choosing a celebrity to endorse a brand.

5.1.3 Transmission Media for Celebrity Endorsements

Marketing executives should ensure that the media through which celebrity endorsed advertisements are channeled are effective. From the study, television adverts and billboards stand out as the most effective, followed by the internet. These should be used efficiently and extensively to propagate celebrity endorsed advertisements to consumers. The qualitative part of the study however shows that these channels (TV adverts and billboards) are already being used, but no reference was made to the internet, as a medium through which these celebrities endorsed adverts can be channeled through.

The upside of using the internet as a transmission media is that more and more consumers in Ghana are becoming tech-savvy and are able to access the internet

easily. Also, compared to the traditional media of transmitting these adverts, the cost of putting out an advert using the internet is much cheaper and thus helps the company to drastically cut back on costs.

The internet also through social media avenues such as Facebook, YouTube and Twitter provide the companies with a platform to interact more with consumers. Thence through this channel, consumers can witness real-time as their favorite celebrities make use of an endorsed brand. Marketers can take advantage of this phenomenon and influence consumer buying behavior in favor of their brand.

5.2 Limitations

The research definitely encountered certain limitations which in a way could have an effect on the findings of the study. These are briefly discussed here.

Firstly, the number of marketing executives that was intended to be interviewed was not fulfilled. Out of the 6 major companies in the Telecommunication industry, the research sought to interview 5 marketing executives in the various companies. However, only 2 marketing executives were available to help in the study and this may or may not have skewed responses to questions in a particular direction.

Also, the accuracy of the data collected from the questionnaires may be an issue. This is because, despite the fact all technical terms on the research instrument was explained, certain respondents may still not get the full understanding and thus may not respond appropriately.

Furthermore, the sample size was relatively small and the demographic profile indicated that all respondents fall within only one age bracket (18-30) and this does not easily make room for certain generalizations to be made.

5.3 Further Studies

As mentioned earlier, celebrity endorsements are now being employed extensively in Ghana. This study however serves as a seminal research into this phenomenon known as celebrity endorsement and how it affects consumer buying behavior, serving as a guide for corporations or companies who want to use this tool to boost market performance. The study was however limited to the Telecommunication industry to facilitate good research based on the time given for the study.

Further research should include an exploration of how this marketing tool performs in other industries in the country and spreading it out to a wider demographic group. This will be interesting based on how diverse the Ghanaian population is.

The intricacies of negative publicity of a celebrity endorser and how it affects consumer purchasing decisions is also another area that can be explored.

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APPENDIX A

Interview Guide

Ashesi University College



This set of questions is designed to seek your expert opinion on the effectiveness of Celebrity Endorsements in the Telecommunication industry in Ghana, in relation to consumer buying behavior. This is an academic research paper, and as such any information volunteered will be kept confidential and will be used solely for this research paper.

Thesis Interview Questions:

1. Name:
2. What role do you play in the marketing department?
3. What role do celebrity endorsements play in the marketing of your service/brand?
(Quantify if possible)
4. What factors are considered in choosing a celebrity to endorse your service/brand?
 - a. Please explain
 - b. Any Theoretical models used
5. Any statistics to prove the effectiveness of celebrities as endorsers of your brand?
6. How do celebrity endorsements affect consumer's perceived brand value?
7. Which media (television, radio, billboard, print) is most preferred for celebrity endorsed ads and why?
8. How do these *special* ads which feature celebrities affect consumer behavior as opposed to *regular* ads?
9. What informs your decision to zone in on a particular celebrity?
10. Had any instance of negative repercussion from using a particular celebrity? (Please Divulge)
11. Any problems with celebrity endorsements as a marketing tool?

APPENDIX B

Sample Questionnaire



This questionnaire is designed to seek your opinions on the effectiveness of Celebrity Endorsements in the Telecommunication Industry in Ghana. This is an academic research paper, and as such any information volunteered will be kept confidential and will be used solely for this research paper.

Background Information:

Celebrity Endorsements are basically marketing tools that involve a celebrity appearing in an advertisement showing approval for a particular good or service.

Demographic Profile

1. What is your gender?
 - a. Male
 - b. Female

2. What is your age?
 - a. Less than 18 years
 - b. 18-30
 - c. 30 and above

3. What is your profession?
 - a. Student
 - b. Business/Professional
 - c. Unemployed
 - d. Other (Please Specify) _____

Consumer Perception and Celebrity Endorsements

4. Which of the following medium do you think is more likely to convey celebrity endorsed advertisements?
 - a. TV advertisements
 - b. Magazines
 - c. Internet
 - d. Radio
 - e. Newspapers

5. How frequently do you come across advertisements using celebrity endorsements?
 - a. Often
 - b. Occasionally
 - c. Rarely
 - d. Never

6. What attracts you more: celebrity endorsed advertisements or non-celebrity advertisements?

- a. Celebrity endorsed advertisements
- b. Non celebrity advertisements

7. What type of celebrities do you think are more influential as endorsers?

- a. Actors or Actresses
- b. Sport stars
- c. Politicians
- d. Business persons
- e. Other (Please specify) _____

8. Does the presence of celebrities in advertisements help you recognize and recall the product more promptly?

- a. Agree
- b. Slightly agree
- c. Not sure
- d. Slightly disagree
- e. Disagree

9. Do you think celebrities actually use the product endorsed by them in real life?

- a. Agree
- b. Slightly agree
- c. Not sure
- d. Slightly disagree
- e. Disagree

10. How influential do you think celebrity endorsements are?

- a. Very influential
- b. Influential
- c. Somewhat influential
- d. Not at all influential

Celebrity Attributes and Purchase Intention

11. As a consumer, do you consider the **expertise** of the celebrity as an attribute that can influence your purchase decision? (*Expertise refers to the level of knowledge, experience and expertise a celebrity has in a particular field*)

- a. Agree
- b. Slightly agree
- c. Not sure
- d. Slightly disagree
- e. Disagree

12. As a consumer, do you consider the **trustworthiness** of the celebrity as an attribute that can influence your purchase decision? (*Trustworthiness refers to the honesty and believability of the celebrity*)

- a. Agree
- b. Slightly agree

- c. Not sure
- d. Slightly disagree
- e. Disagree

13. As a consumer, do you think the sense of **similarity** between you and the celebrity endorser can influence your purchase decision for a certain product or service? (*Similarity refers to the sense of similarity a consumer feels with a celebrity*)

- a. Agree
- b. Slightly agree
- c. Not sure
- d. Slightly disagree
- e. Disagree

14. As a consumer, do you consider the **likeability** of the celebrity as an attribute that can influence your purchase decision for a certain product or service? (*Likeability refers to the level of celebrity's fame in the public opinion and how popular the celebrity is*)

- a. Agree
- b. Slightly agree
- c. Not sure
- d. Slightly disagree
- e. Disagree

15. As a consumer, do you think the **match** between the celebrity and the product can be an important attribute in influencing your purchase decision for a certain product or service? (*Fit/Match refers to how well the connection between the celebrity and the product is*)

- a. Agree
- b. Slightly agree
- c. Not sure
- d. Slightly disagree
- e. Disagree

16. As a consumer, do you think celebrities can provide or **transfer meaning** to the product and influence your purchase intentions based on celebrity's roles, age, gender and lifestyle? (*Meaning Transfer refers to the meaning a celebrity brings or transfers to a certain product with the help of their personality and lifestyle*)

- a. Agree
- b. Slightly agree
- c. Not sure
- d. Slightly disagree
- e. Disagree

17. Which of the factors below influence you the most to buy a product or service endorsed by a celebrity?

- a. Expertise of the celebrity in the given field/ product endorsed.
- b. Trustworthiness of the celebrity
- c. Similarity between the celebrity endorser and yourself.
- d. Likeability of the celebrity
- e. Match between the Product and the celebrity.

Celebrity Endorsements and Purchase Intention

18. Do you feel that **negative publicity** about a celebrity endorser can influence your purchase decision?

- a. Yes
- b. No
- c. Sometimes
- d. Can't say

19. Are you likely to purchase products or services that have been endorsed by celebrities?

- a. Yes
- b. No
- c. Sometimes
- d. Can't say

20. Do you purchase products and services endorsed by celebrities?

- a. Yes
- b. No
- c. Sometimes
- d. Can't say

21. Overall, are you happy with purchasing products or services advertised by celebrities?

- a. Agree
- b. Slightly agree
- c. Not sure
- d. Slightly disagree
- e. Disagree

Celebrities in Ghana's Telecommunication Industry

22. When I ask you what celebrities/celebrity endorse(s) these companies, can you fill in the blanks? (Please list as many as you can)

MTN:.....

Airtel:.....

Thank you very much for taking part in this research!

APPENDIX C

Table 6.1: Which of the following media do you think is most likely to convey celebrity endorsed advertisements?

	Frequency	Percentage
TV Advertisements	28	36%
Magazines	12	15%
Internet	15	19%
Radio	1	1%
Newspapers	2	3%
Billboards	20	26%

Table 6.2: How frequently do you come across advertisements using celebrity endorsements?

	Frequency	Percentage
Often	28	56%
Occasionally	21	42%
Rarely	1	2%
Never	0	0%

Table 6.3: What attracts you more: celebrity endorsed advertisements or non-celebrity advertisements?

	Frequency	Percentage
Celebrity endorsed advertisements	41	85%
Non-celebrity advertisements	7	15%

Table 6.4: What type of celebrities do you think are most influential as endorsers?

	Frequency	Percentage
Actors or actresses	23	32%
Sports stars	24	34%
Politician	3	4%
Business Persons	9	13%
Other	12	17%

Table 6.5: Does the presence of celebrities in advertisements help you recognize and recall the product more promptly?

	Frequency	Percentage
Agree	35	69%
Slightly Agree	11	22%
Not sure	3	6%
Slightly disagree	0	0%
Disagree	2	4%

Table 6.6: Do you think celebrities actually use the products endorsed by them in real life?

	Frequency	Percentage
Agree	2	4%
Slightly Agree	17	33%
Not sure	20	39%
Slightly disagree	7	14%
Disagree	5	10%

Table 6.7: How influential do you think celebrity endorsements are?

	Frequency	Percentage
Very influential	13	26%
Influential	30	60%
Somewhat influential	7	14%
Not at all influential	0	0%

Table 6.8: As a consumer, do you consider the *expertise of the celebrity as an attribute that can influence your purchase decision?

	Frequency	Percentage
Agree	16	32%
Slightly Agree	20	40%
Not Sure	4	8%
Slightly disagree	5	10%
Disagree	5	10%

Table 6.9: As a consumer, do you consider the *trustworthiness of the celebrity as an attribute that can influence your purchase decision?

	Frequency	Percentage
Agree	18	37%
Slightly Agree	15	31%
Not Sure	7	14%
Slightly disagree	4	8%
Disagree	5	10%

Table 6.10: As a consumer, do you think the sense of *similarity between you and the celebrity endorser can influence your purchase decision for a certain product or service?

	Frequency	Percentage
Agree	16	33%
Slightly Agree	16	33%
Not Sure	11	22%
Slightly disagree	3	6%
Disagree	3	6%

Table 6.11: As a consumer, do you consider the *fame of the celebrity as an attribute that can influence your purchase decision for a certain product or service?

	Frequency	Percentage
Agree	25	51%
Slightly Agree	16	33%
Not Sure	3	6%
Slightly disagree	2	4%
Disagree	3	6%

Table 6.12: As a consumer, do you think the *match between the celebrity and the product can be an important attribute in influencing your purchase decision for a certain product or service?

	Frequency	Percentage
Agree	25	49%
Slightly Agree	20	39%
Not Sure	3	6%
Slightly disagree	0	0%
Disagree	3	6%

Table 6.13: As a consumer, do you think celebrities can provide or *transfer meaning to the product and influence your purchase intentions based on celebrity's roles, age, gender and lifestyle?

	Frequency	Percentage
Agree	18	38%
Slightly Agree	23	48%
Not Sure	4	8%
Slightly disagree	0	0%
Disagree	3	6%

Table 6.14: Which of these factors influence you the most to buy a product or service endorsed by a celebrity?

	Frequency	Percentage
Expertise of the celebrity in a given field	18	31%
Trustworthiness of the celebrity	12	21%
Similarity between celebrity endorser and yourself	6	10%
Fame of the celebrity	16	28%
Match between the product and the celebrity	6	10%

Table 6.15: Do you feel that negative publicity about a celebrity endorser can influence your purchase decision?

	Frequency	Percentage
Yes	21	43%

No	5	10%
Can't Say	19	39%
Sometimes	4	8%

Table 6.16: Do you purchase products and services endorsed by celebrities?

	Frequency	Percentage
Yes	23	47%
No	0	0%
Can't Say	23	47%
Sometimes	3	6%

Table 6.17: Overall, are you happy with purchasing products or services advertised by celebrities?

	Frequency	Percentage
Agree	17	34%
Slightly Agree	23	46%
Not Sure	9	18%
Slightly Disagree	0	0%
Disagree	1	2%