

# The Effects of Celebrity Endorsements towards Purchase Intention among Malaysian Millennials

Los efectos de los endosos de celebridades hacia la intención de compra entre los Millennials de Malasia

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## ABSTRACT

This article aims to identify the effects of the use of different celebrities as a sponsor of local health and beauty products on the purchase intention among Malaysian millennials. This document also proposes to conceptualize the proposed framework. The results of this study will offer some valuable ideas for marketing and advertising professionals, especially for local small and medium enterprises (SMEs) in Malaysia, in relation to the benefits obtained from the use of celebrities as sponsors. In addition, the study is expected to provide a better understanding of how celebrity may or may not trigger millennial interest in the use of products and, therefore, provides opportunities for professionals to regulate marketing initiatives in their strategies. advertising

Keywords: Celebrity attractiveness, Celebrity credibility, Purchase intention, Celebrity endorsement

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Recibido: 18/01/2019 Aceptado: 02/04/2019

## RESUMEN

Este artículo se propone identificar los efectos del uso de diferentes celebridades como patrocinador de los productos locales de salud y belleza en la intención de compra entre los millennials de Malasia. Este documento también propone conceptualizar el marco propuesto. Los resultados de este estudio ofrecerán algunas ideas valiosas para los profesionales de mercadotecnia y publicidad, especialmente para las pequeñas y medianas empresas (PYMES) locales en Malasia, en relación con los beneficios obtenidos con el uso de celebridades como patrocinadores. Además, se espera que el estudio proporcione una mejor comprensión de cómo la celebridad puede o no desencadenar el interés de los millennials en el uso de los productos y, por lo tanto, brinda oportunidades para que los profesionales regulen las iniciativas de marketing en sus estrategias publicitarias.

**Palabras clave:** atractivo de la celebridad, credibilidad de la celebridad, intención de compra, respaldo de la celebridad

## Introduction

The rise of local health and beauty companies in Malaysia leads to the dynamic and competitive environment. To excel in the market, companies have spent a substantial amount of money, time and resources by designing a creative marketing initiatives. Local health and beauty companies have begun to employ celebrity who are familiar, admired and idolized to endorse their products, differentiate their products from competitors and position the products in the minds of the customers. For example, Safi, a health

and beauty brand has been using several celebrities such as Fazura, Ayda Jebat, Fattah Amin, Nora Danish, and currently Sarah Hilderbrand as their brand ambassador. Celebrity endorsements are more common on cosmetic industry. For instance, Chriszen Cosmetic appointed Nelydia Senrose as the company ambassador to highlight and promote its Halal cosmetic brands.

Companies have splurged substantial money for hiring celebrity as an endorser with the perception that the use of celebrity make the advertisement more believable and thus produce favourable advertisement results. Furthermore, according to Munnukka, J. et. al., (2016) celebrities are impactful in promoting products and the celebrity may have a significant effect on the associations of a brand. As a role model for young consumers, celebrity may influence them in making decision to purchase health and beauty products (Ahmad A.N, et al, 2015). Advertisement said to become more effective with the use of familiar celebrity (McCormic.K, 2016) and their role are more important to influence consumers. However, few research found contradicted result where non-celebrities also substantially help promote products (E.g Pileliene. L et. al 2017). Celebrity endorsement also found to have a negative effect on consumer behavior when society associate negatively with the celebrity endorsers. In other words, negative information leads to negative perception of the endorsed products as well as negatively affect the companies' performance and sales (McCartney. G. 2014). Moreover, some companies worry that celebrities overshadow the brand and thus impair brand recall.

The above-mentioned problems and the gaps in the present literature point to the purpose of this study with the aim of conceptualizing the celebrity attributes factors which relates the independent variables to the dependent variable on Malaysian millennials of the Malaysian beauty and health industry. This study attempts specifically to investigate the effects of celebrity attributes on Malaysian millennial's purchase intention and to conceptualize the proposed framework.

Here is the need to study the celebrity attributes that responsible for the change in purchase intention such as celebrity credibility (trustworthiness and expertise), attractiveness of the celebrity (similarity, familiarity, likeability) and the fit between celebrity and the endorsed brand (Bergkvist, L. 2016). The study also necessary to understand how the celebrity endorsers are able to improve brand image in the minds of consumers, thus able to influence them. As the growth in the local beauty and health products have surged rapidly, so does the trend in using celebrity endorsements making this study is crucial to help determine its success due to the large investment involved. Further, although extensive research has been carried out on the effect of celebrity endorsement (e.g Priyanka et.al, 2017), no marketing study has yet been conducted which investigates the effect of the use of celebrities within the local health and beauty products in Malaysia. Hence, an in-depth investigation on the possible critical celebrity attributes that can potentially influence Malaysian millennials' purchase intention needs to be conducted. Without a thorough analysis on the effect of celebrity endorsements companies fail to succeed in the marketplace due to the effectiveness of a celebrity endorser may vary for each markets, different products and may create positive impacts on consumer minds and lifestyle (Adnan. A. et.al, 2017). The result of this study will assist local companies in Malaysia to develop their marketing strategies to capitalize millennial consumers' segments who prefer to buy homegrown products and be able to compete with international companies to gain favorable respond towards their brands.

The next section presents a review of literature on consumer profile, celebrity endorsement, source credibility, source attractiveness and the fit between celebrity and the endorsed brand. Next, the paper will discuss on the methodology that will be used to carry out the study followed by discussion and the proposed conceptual framework. Lastly, the last section describes the conclusion and the implications of the study.

### Literature Review

According to Department of Statistics, Malaysian population was 32 million in 2017. Of these, the millennials make up 36.82% of total populations age 17- 34 years old and were born in the golden years of Malaysian development. They grew up in a booming economy, had a much higher standard of living and spend 1.4 time more than other generation (Audrey, V., 2017) simultaneously shows that this generation have more purchasing power than other generations. Other characteristics of millennials are they are demanding consumers, expecting extraordinary value gain from the products, willing to pay more for the sustainable brands-not making sense (Nielsen, 2016) and hold a characteristic of buy- now

-pay -later behavior (Audrey, V., 2017). In addition to these characteristics, millennials are more likely to purchase products if it's personalized to their interests and rely heavily on social network to explore and value the brands. These characteristics thus create a market opportunity for local health and beauty products to enter the market and serve this highly attractive and influential market segment. However, millennials are emotional and less loyal to a brands as compared to all other previous generations (Bilgihan, 2016). Therefore, it is crucial for the companies to carry out a constant update on the relevant marketing strategies to maintain sustainable competitive advantage to attract and retain their customers.

#### Celebrity endorsement and purchase intention:

According to Bergkvist, L. (2016), celebrity endorsement is “an agreement between an individual who enjoys public recognition and an entity to use the celebrity for the purpose of promoting the entity”. There are several categories of endorsers that perceived as someone aspirational by consumers such as actors/actresses, politicians, CEO and professional athletes. Addition to these categories, the definition of celebrity has been extended. Real people featured on reality television shows also perceived as celebrities due to their popularity (Morimoto, M., 2017). For example, Jehan Musa from Raja Lawak reality shows program in Malaysia was appointed as ambassador for Secret Skin White Kawaii Collagen brand.

Celebrities who endorse the brand are likely to influence persuasion (Yang, W, 2018) for instance, study done by Eren-Erdogm, I. et. al., (2016) documented the purchase of both non-durable and durable products also influence by celebrity characteristics. The intention of purchase increases when an endorser has the key credibility source factors (Jaffari, S.I.A et.al., 2017). Furthermore, the use of celebrities in advertisement have given them the greater and positive effect on purchase intention (McCormick, K., 2016). Celebrity endorsement may position the brand in the consumers' mind (Munnukka, J. et. al., 2016) retain and attract consumer attention towards the brands (Pileliene .L et al. 2017) and thus positively affect the brand recall as well as the brand equity (Munnukka, J. et. al., 2016).

Moreover, according to Munnukka, J. et. al. (2016) not all celebrity appointed as endorser always credible to consumers as the use of non-celebrity as endorsers has gained popularity such as consumers that popular through social media. In addition, study done by Pileliene. L et. al (2017) in the context of female celebrity as an endorser for FMCG products found, there is no different on the level of purchase intentions for the brand advertised by both celebrity and non- celebrity endorser. Given the benefits and limitations of the celebrity endorsements, it is crucial to understand how to choose the right celebrities, what characteristics should be considered and investigate how true celebrity influence the purchase intention of Malaysian millennial.

#### Source Credibility and purchase intention:

According to McCormic.K., 2016, major factor influencing consumer attitudes towards celebrity endorsement is a credibility of a celebrity. The author explained, the reason for using a celebrity as endorser is to make the message of advertisement more credible and thus change consumer's attitudes towards brands and influence their brand choices. A number of research found expertise and trustworthiness as a dimensions of source credibility and it is more significant factors influence consumer purchase intentions (E.g Jaffari, S.I.A et. al. 2017). However, the effects of celebrity credibility were affected differently by product categories (Pileliene .L et. al. 2017). For instance, the use of female celebrities for beauty products increase credibility of the endorsement (McCormic.K., 2016).

Trustworthiness: Ohanian. R., (1990), defined trustworthiness as honesty and sincerity of the source. Meanwhile, Yang, W (2018) posited trustworthiness refers to a celebrity endorser's perceived believability, honesty and integrity and affected by the familiarity, status and personality. The level of trusts on the endorsed products has been influenced by the trust in the celebrity's ability. This study conjecture that, the advertisement become more persuasive when consumers identify a celebrity as highly trustworthy.

Expertise: The concept of expertise defines as the knowledge of the celebrity in the field of the product endorsed and it will also bring a sure state of mind towards the product (Munnukka, J. et. al., 2016).

In health and beauty products, a consumer's perception of celebrity's expertise must be based on the information provides by the celebrity himself or herself (Ahmad A.N, et. al. 2015). Consumers may presume competence celebrity with high expertise are more persuasive than a celebrity with low levels of expertise. Study done by Thomas. T and Johnson. J. (2017) found that celebrity expertise influenced purchase intention directly as well as indirectly through advertisement and brand attitudes. Translating these findings of credibility sources (expert and trustworthiness), this study proposed that the more credible the celebrity, the more positive image the endorsed product's will gain from the endorsement of the celebrity. In the context of local health and beauty products, this study proposed to form the following hypothesis:

H1A: There is a relationship between Celebrity A credibility and purchase intention among Malaysian Millennial consumers.

H1B: There is a relationship between Celebrity B credibility and purchase intentions among Malaysian Millennial consumers.

Source Attractiveness and purchase intention:

Solomon & Michael R., (2017) referring celebrity attractiveness as the endorser's physical appearance, personality, likeability, and similarity to the consumer. Early study relate three attributes associated to attractiveness: likeability, similarity and familiarity of the endorser and the consumer (McGuire, W.J., 1969). Likeability of the celebrity based on attributes such as values or physical looks, as well as the bond of similarity where the viewer or reader feels they have or would like to have a similar self-image of the celebrity (McCartney.G., 2014). The previous study stated that physically attractive spokespersons for both celebrity and non-celebrity were have a positive impact on brand attitude and buying intentions. Physically attractive person is more successful at changing belief. It attracts attention to the products, leading the consumer to purchase the endorsed product (Eren-Erdogm, I. et. al, 2016). From the above discussion, the following can be proposed:

H2A: There is a relationship between Celebrity A attractiveness and purchase intention among Malaysian Millennial consumers.

H2B: There is a relationship between Celebrity B attractiveness and purchase intention among Malaysian Millennial consumers.

The fit between celebrity and the endorsed brand and purchase intention:

The celebrity should fit with the endorsed brand and thus it added extra effectiveness in the advertising message (McCormic.K, 2016). The previous study revealed the association between brand personality and celebrity personality had a significant influence on brand attitude and purchase intention (Munnukka, J. et. al., 2016) and study on millennials also shown that they are likely to be influenced to purchase the product when there is a fit between the celebrity and the product (McCormic.K., 2016). Therefore, consumer must have both positive attitudes towards the celebrity as person and also as an endorser to influence them to purchase the products. This lead the researcher to predict, the consumer perceived celebrity fitness with the endorsed brand is based on the types or nature of products the celebrity endorsed. Thus, this study offers the following hypothesis:

H3A: There is a relationship between the fit between celebrity A and the endorsed product and purchase intention among Malaysian Millennial consumers.

H3B: There is a relationship between the fit between celebrity B and the endorsed product and purchase intention among Malaysian Millennial consumers.

Even though these attributes (i.e. celebrity credibility, attractiveness and the fit between celebrity and the endorsed product) are considered by many marketing researchers as a positive attributes related to effectiveness of celebrity endorsement, there is no legitimate answer on how these attributes affect the purchase intention of Malaysian millennials, which represents a significant gap in knowledge. Hence, to conceptualize such variables, the researcher should address each celebrity attributes of two (2) different endorsers for the local health and beauty products as predictors to the outcome, which is of value to Malaysian millennials and companies.

## Material and Methods

Primary objective of this study is to examines the effect of two different celebrity endorsement towards purchase intention among Malaysian millennials. Preliminary discussions with the local health and beauty companies were carried out to identify issues related to celebrity endorsement issues. This study will focus on Malaysian millennials generational cohort from 17 years old to 36 years old. The minimum acceptable age is 17 since respondents below 17 may lack authority in purchase decisions. For this purpose, the study intended to adopt a quantitative method to meet the research objectives. Two different celebrities will be selected for one product category: local/ domestic beauty and health products. To capture the respondent's respond, a questionnaire will be designed and the dependent variable scales measuring the endorsement effects all came from prior literature. The variable of interest includes the source of credibility, source of attractiveness, and the fit between the celebrity and the endorser.

The dependent variable measure includes items from Coyle & Thorson, (2001); source of credibility and source of attractiveness will rely on items from Ohanion (1991); and items related to the fit between the celebrity and the endorsed product will come from Schimdt & Hitchon, J. (1999). The variables measurement will be developed using a five- point likert scale ranging from 'strongly disagree' (1) to 'strongly agree'. In addition, this study will also ascertain demographic variables (gender, age, marital status, income and education level). A non-probabilistic sampling method- convenience sampling, will be used to reach the target population.

## Discussion

According to the U.S Commercial Service (The U.S Commercial Service, 2014), Malaysian local health and beauty market is lucrative and valued at about RM 3 billion with a growth rate of 13% annually. Malaysian department of statistics declared total expenditure of this products is about RM 1.68 billions in 2013. These statistics shows this industry has offer a promising opportunities, a huge potential to earn substantial revenue and a cue that Malaysian consumers increasingly putting their trust on the local health and beauty products. With this vast opportunities, many local companies introduced their own private label brands. The appearance of these local brands also results from the demand of the consumer as health and beauty are the most preferred product that Malaysian millennial purchase via online (Audrey. V., 2017).

As millennials are depending on advertisement and feedback in social network to gain a trust about the products therefore companies need to put extra effort in crafting specific marketing campaigns aimed at millennial need, lifestyle and delivering it to them at a right time. For example, companies are working to harness the power of the celebrity as an influencer to promote and spread the word about the company's products. The personal words and recommendations tend to be more credible. However, the challenge is companies must be careful when selecting celebrities to represent their brands especially for the millennials that look to brands to stand up for certain values. Selecting the wrong endorser sometimes is harmful. It might not only result in embarrassment but also a tarnished image and incur high lost on revenue. Hence, key for companies is to find celebrity who have strong networks of relevant readers, a credible voice and a good fit with the brand and thus strongly position the company against competitors and give the strongest possible strategic advantage. Therefore, by understanding the characteristics of millennials,

this study will be able to provide further insight on how millennials in Malaysia react to the effects of celebrity as an endorser and thus assist local companies to align their strength with the characteristic of Malaysian millennials hence connecting consumers and products in more meaningful ways.

### A Conceptual Framework of Study

Following this discussion in the literature and discussion, Figure 1 depicts the proposed conceptual framework of this research:

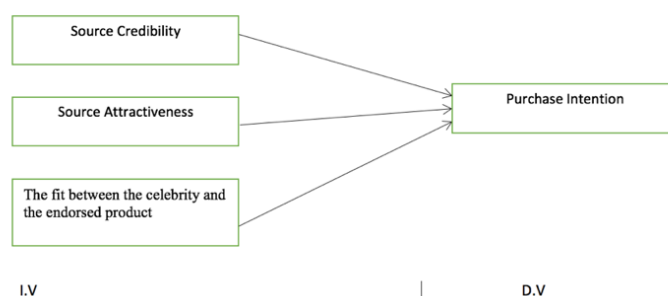


Fig. 1: Proposed conceptual framework

### Conclusion

The related issues of celebrity endorsement have been increasingly the focus of attention of both researcher and practitioners over the marketing area. Therefore, the study will be conducted firstly to provide a guideline for marketers and advertisers especially local companies to understand main aspects associated with celebrity endorsement and the effects on the Malaysian millennial’s purchase intention. Secondly, it will provide valuable insights the elements of celebrity endorsement that influence best the purchase intention of local health and beauty products. Thirdly, the result of this study will also provide important implications for local health and beauty companies in terms of how to adopt celebrity endorsement strategies to maintain millennials’ intention to purchase local health and beauty products for instance, companies could carefully strategize the selection of celebrity to increase the positive effects on the millennials’ purchase intention. Consumers depends mainly on the image and the attractiveness of the celebrity to evaluate the product. This is especially relevant for the beauty and health products. Hence, by understanding these predictors, companies may adapt their marketing initiative to reflect the changing dynamics of Malaysian millennials and reposition themselves in light of the finding as purchase intention varies by product and customer orientation.

For academics, the conceptual insights from this study will add to the literature on the various factors affecting purchase intention among Malaysian millennials on the local or domestic products. Given the above, it is important for the researcher to produce future articles that will discuss details on the descriptive and empirical results as well the managerial implications of this issue to gain further understanding. Future results of this study definitely will be interesting and useful as the study is focusing on the Malaysian millennials in terms of their reaction towards celebrity endorsement. Understanding and giving attention to the characteristics of this target market (millennials), companies could increase their performance through the consumers’ product acceptance.

### Acknowledgement

This research is financially supported by the Ducs (Geran Dana UiTM Cawangan Selangor) and awarded by the UiTM Campus Selangor, UiTM Shah Alam, Malaysia and Ministry of Higher Education (600-UiTMSEL(PI.5/4)(036/2018).

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