

THE INFLUENCES OF CELEBRITY ENDORSEMENT ATTRIBUTES
TOWARDS YOUTH CUSTOMERS' PURCHASE INTENTION IN
MELAKA

UMMI SAKINAH BINTI NOR AFENDI

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Melaka

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SUPERVISOR VERIFICATION

I hereby acknowledge that I have read this thesis and in my opinion this thesis is sufficient in terms of scope and quality for the award of the Bachelor Degree of Technology Management (Hons) in High Technology Marketing

Signature :

Name of supervisor : En. Isma Addi Bin Jumbri

Date :

Signature :

Name of panel : Dr Nurul Zarirah Binti Nizam

Date :

DECLARATION

“I hereby declare that the work of this exercise is mine except the quotations and summarize that have been duty acknowledge”

Signature :

Name : UMMI SAKINAH BINTI NOR AFENDI

Date :

DEDICATION

I would like to dedicate the success of the whole chapter of this project report especially to both of my parents, Nor Afendi Bin Abd Majid and Zainiyah Binti Tahir. I love both of them. The hard work and sacrifices that they had made for me to further my studies would not be enough to pay back by just submitting the report but beyond that. Therefore, I am proud and honoured to have them as my parents. Secondly, dedication to all my siblings that has aid me a lot in term of spirit support. Last but not least, to my lecturer whom also my supervisor for this Final Year Project Report, En. Isma Addi Bin Jumbri, my panel Dr. Nurul Zarirah Binti Nizam and also my Projek Sarjana Muda (PSM) friends.

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ABSTRACT

This research is investigation on the influenced of the celebrity endorsement attributes towards youth customers purchase intentions. The objectives of this study are (1) to investigate the attributes of celebrity endorsement that influenced the youth customers purchase intentions, (2) To determine the relationship between celebrity endorsement attributes and customers' purchase intentions, (3) To identify the most influential attributes of celebrity endorsement that influence youth customers' purchase intentions. To meet the objectives, the theoretical framework has been developed. The method will be used during survey is using questionnaires and the scope of the survey is among the youth customer in Malacca to collect quantitative data for analysis. The data will be analyzed using the SPSS 23.0 software.

ABSTRAK

Penyelidikan ini dijalankan bagi mengenalpasti pengaruh ciri-ciri perwakilan selebriti (di dalam iklan) yang dapat mempengaruhi niat pembelian pelanggan di kalangan belia. Objektif kajian ini adalah untuk (1) mengkaji ciri-ciri perwakilan selebriti (di dalam iklan) yang dapat mempengaruhi niat pembelian pelanggan di kalangan belia, (2) untuk menentukan hubungan antara ciri-ciri perwakilan selebriti dan niat pembelian pelanggan dan juga untuk (3) mengenalpasti ciri-ciri perwakilan selebriti yang paling dapat mempengaruhi niat pembelian pelanggan di kalangan belia. Bagi mencapai objektif, teori rangka kerja telah dibina dan dikembangkan. Kaedah yang digunakan untuk kaji selidik ialah dengan menggunakan borang soal selidik dan skop kajian soal selidik ini ialah dikalangan belia di negeri Melaka bagi mendapatkan data untuk tujuan penganalisan data. Data yang diperolehi akan dianalisis menggunakan SPSS 23.0.

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LIST OF ABBREVIATIONS/ SYMBOLS

SPSS = Statistical package for social science

H_0 = Null hypothesis

H_1 = Alternate hypothesis

DV= Dependent variable

IV= Independent variable

N= Total respondents

R= Regression

β = Beta value

ρ = Significant value

%= Percentage

t= T statistics

CHAPTER 1

INTRODUCTION

The main purpose of this study is to investigate the upshot of the subsequent attributes of endorsement using the celebrity in various brand advertisement towards youth consumer purchase intention in Melaka. This purpose of this research is to investigate the selected attributes which is identified can influence the youth consumer purchase intention towards the association of celebrity endorsement in brand advertisement. In this research, the researcher also wanted to investigate the relationship between the attributes of celebrity endorsement in brand advertising and the youth customers purchase intentions. Beside, this research will identify the best attributes that can effects the most towards celebrity endorsement and youth customer purchase intentions. The beginning of this chapter will explain a short foundation of the background of the study, for the next phase, there will be research objective and research questions together with a brief overview on how the thesis will be literally explained.

1.1 Background of Study

The increasing volume of goods producer and services in the market merely lead the marketer to come out with the creative and unique ideas of promotional strategy in order to catches the customer attention. There are many organizations either local and international founded spent a large amount of money for the promotional activities and plans. In addition, many businesses are enthusiast on devoting a big amount of cash for delivering the best marketing communication to compete with other businesses in the forte. Basically, advertising is known as one of the tools in the promotional mix. As mentioned above, global sellers around the world starting to find the best idea and motives just to creates the catchy advertisement. Besides, they also begin to produce the eye-catching ads in order to be noticeable by the audiences. The best way from the previous statement is implementing the use of celebrity as the endorser for the particular brand. According to Choi and Rifon (2007), celebrity have been raised up by the audiences because of their prestige rank in the specific area of expertise. Generally, celebrity own a distinct talent such as excellent performance in their respectful area and discrete lifestyles. In this course of action, some of the companies letting the celebrity to represent their companies in the advertisement operations. The qualities of promotional traits and the figures of the product that match with the celebrity doppelganger actually help his or her to make a choice of their favorable and trifle brands that they preferred. Even though its seems like a pretty simple and unfussy, but, to produces the pattern for ads campaigns is not an easy task. It is because this task purposely to ensure that the audiences get the whole message from this advertisement. Thus, marketer also want them to place the ads thru their mind. That's why on selecting the celebrity endorsement they must go for in-depth consideration of the product that must tally with the endorser. Also, they must allocate the product objective to the suitable endorser. They must able to relate the brand to the right celebrity in order to achieved the effectiveness of the brand ads.

In addition, consumers nowadays are bombarded with images of celebrities. The role of celebrity in marketing purpose is not a mediocre part. It is because they play an imperative function to markets the product. The use of celebrities in advertisement became

a panacea for the advertising activity and the paybacks of utilizing this marketing strategy leads to the others marketer to use the same method to approaches the audiences. In instance, the greater consequences regarding this kind of marketing strategy is to tackle any chance of worst hype that involving the celebrity. This kind of situation will literally effect the brand image. As we can see, they are not only endorsing the product but they also appear in the advertisement for a certain purpose. The celebrity getting a high chance to features in the trouble too. When the relationship has been created by the celebrity and brand, adverse facts regarding both parties may influence the perception of audiences towards celebrity and brands. Celebrities are seen as an idol especially for the youth. Generally, they are not missed out on any gossip, there some problematic arise on regard of their career. Every action taken by them might be seen by audiences and affecting their credibility. The frequently appear of celebrity image in the mass media help consumer to recognize and become aware to the specific brand and also aid to the familiarization of celebrity image.

According to McCracken (1989), celebrity endorsement is one of the important person who use that titled to appears in the advertisement on represent the goods or services from a particular brand organization. Hiring a celebrity must be a worthy method that give a precious effect on behalf of the endorse products. They must be able to compete with the competitor brands and also be able to generate a big encouragement to customers' purchase intentions together with customers' attitude. Besides, an additional motive for using celebrity as a certification person to spoke for their products is because celebrity has a high persuasive capability to trigger the customers' purchase intentions, as well as the retention to the process of marketing communication (Babu, 2014). When the strategy of using the celebrity endorsement used effectively, celebrities have the greater potential to be noticeable by the audience.

Thus, the product that they endorsed might get some recognition from the customers'. Those can assists the organization in bringing up their competitive position and increasing the brand equity (Babu, 2014). Thus, in advertising literatures state that celebrities have the progressive effect that can encourage customers' attitude and purchase intentions. Therefore, advertising tend to be more efficient depending on the knowhow of

the endorser. Youths are more likely being exposed with trends than any other age group. They are not only initiator for one another, but are also trendsetters for the population at large. According to Bush, Martin, and Bush (2004), present-day trends in clothing and music, are the domino effect of teens perceiving an idea or brand as fashionable. Same goes when they adore their favorite celebrity and try to follow the fashion and lifestyle of their idol.

However, Zhou and Whitla (2013), state, in spite of passion with the brands' of celebrity endorsement, the connotation of celebrity with the product they endorsed does not spontaneously profit the brands. From the former literature, the important features that give an impact to the customer attitude towards the celebrity endorsement is mutually the sources of characteristics which is credibility, attractiveness and the congruence between the product endorsed with the celebrity endorsement (Ohanian, 1990). The results of this research study will be using for a future researcher to develop a better research study. Also, it will be more beneficial for a marketer to find a suitable celebrity to represent their brands. They will know what kind of attributes shall that look for in celebrity endorsement. Last but not least, the researcher will show a full understanding between celebrity endorsement attributes in advertising and purchase intention of youth customers.

1.2 Problem Statement

The problem on selecting the best celebrity endorsement is to identify the correct and applicable celebrity to endorsing the particular products for any kind of brand advertising. Therefore, the best advertisement tools discovered in targeting maximum audience is using the celebrity endorsement as they are largely connected to public. The personality of the celebrity must be fit with the product image. It is because they must create an advertisement which can be most affected in customer mind. The celebrity shall be recognizable enough to get attention from audiences. Moreover, on the selected of celebrity endorsement, company involved should be more precise. They cannot just

choose the celebrity by their popularity but they need to choose someone who can uphold the brand products. The focus should be on the products, not the celebrity. It is important for the marketer to choose a suitable endorser for a successful advertisement campaign (McCormick, 2016).

Literally, the celebrity attributes in choosing celebrity endorsement will give a big impact to consumer towards their purchasing intention. As referred to the results, it will be more credible and attractive if the endorser is a celebrity in contrast on non-celebrity. According to McCormick (2016), mostly, the marketer believe that the effectiveness of the advertisement can be generate by the match of exclusive value that has been gotten by the celebrity with the product endorser. The congruity test may be utilized in order to identify the efficiency of the celebrity endorsement. Undeniably, there is a few customers whose like to imitate their favorite celebrities (Babu, 2014). In other hand, does the celebrity advertisement specifically influence the attitude of youth consumer towards their purchase intentions? Below is a problem that can be defined in this research:

1. Which attributes of celebrity endorsement in advertising give more impacts to youth consumer on their purchase intention?
2. How does celebrity endorsement affect youth consumers' attitude towards their purchase intention?

1.3 Research Questions

The reason of this research is to obtain a well understanding on how the attributes of celebrity endorsement affect the youth customers' purchase intentions.

The aim for this study helps the researcher to come out with the following research questions:

1. What is the attributes of celebrity endorsement that influence purchase intentions among youth customers towards celebrity endorsement in brand advertising?
2. What is the relationship between celebrity endorsement attributes in brand advertising and consumers' purchase intentions?
3. What is the most influential attributes of celebrity endorsement that influence youth customers' purchase intentions in brand advertising?

1.4 Research Objectives

Key objective: With the background in thought, it would be of interest to examine the influence of celebrity endorsement towards purchase intention among youth consumer in Malacca. The purpose of the following study is:

1. To investigate the attributes of celebrity endorsement that influence purchase intentions among youth customers towards celebrity endorsement in brand advertising.
2. To determine the relationship between celebrity endorsement attributes in brand advertising and customers' purchase intentions.
3. To identify the most influential attributes of celebrity endorsement that influence youth customers' purchase intentions.

1.5 Scope of Study

This study examined youth consumers' purchasing intentions based on celebrity endorsement. In this research, youth consumers' who age between 18 to 25 years old and also live in Melaka have been targeted as the research respondents. This research closely

related to the consumer behavior in scope of marketing in marketing strategies. This research would be beneficial for marketer to focus on consumer behavior towards brand advertisement and the best attributes of celebrities shall have before been selecting to endorse some certain of brand.

1.6 Limitation of Study

Limitations are away from researcher control. Throughout this study, researcher has a few of limitations that become challenges for researcher to conduct this research. First of all, researcher will cover on how the attributes of celebrity endorsement in brand advertising able to influence the purchase intention on youth consumers in Melaka. First and foremost, researcher will have not covered the law and regulation of advertisement act in Malaysia. Researcher only has six months which is one year to complete this research. So, it can be seen that researcher have a time limitation to go further in depth on regard of this research. It is impossible for researcher to reach a huge number of respondents, that why there is only 150 respondents will be selected for the survey. Beside, researcher also chose Malacca as a subject of this research because it is difficult for researcher to go out from the Malacca as well as the lack of time and money.

1.7 Significant of Study

The main importance of the research study is the researcher want to identify the most influential attributes of celebrity endorsement that influence the habitual of purchasing amongst the youth customers. From the list of attributes, there is a few of celebrity endorsement attributes that influences the youth costumers purchase intentions towards brand advertisement. It is also importance that this study is illuminating what are

the most attributes that influence more to the consumer purchase intentions. In addition, throughout this research study, the researcher goals to reveal how important in choosing the right celebrity to endorse in a brand advertisement.

Besides, the idea for the future advertisement can be discover from this research. As we know, generation is changed over time also the needs and wants. The overall conclusion from this research might help marketer in marketing research. The trend of customers purchase behavior is different from each other. This research and the problem in it are not created for solving the problem. But it is more to share new information according to the present time and generation or year.

The information also will be beneficial to marketers or organization on managing marketing strategies. Organization can use the result of this research to develop new ideas on celebrity endorsement related to products or services. They can be more focus on specific attributes on behalf of selecting endorsement for their brand advertising. Moreover, this research may help to be more concentrate on consumer behavior towards brand advertising.

1.8 Summary

The elementary understanding and purpose of this research are mentioned in this chapter. Besides, in this chapter, it is merely discussed on the background of study, problem statement, objectives and the related literature topic regarding the research about the background, problem statement, objectives, important and relevant research of the topic. The research problem statement also the background will be discussed for development of promotional mix, the effectiveness and enthusiasm of celebrity associated in marketing mix. The way to running this research also briefly provides guiding principle for further clarification and proceeds in the chapter 2 for the next phase.

CHAPTER 2

LITERATURE REVIEW

In this chapter, researcher will give briefly explains about the dependents and independents variables. This research will discuss in detail regards to the attributes of celebrity endorsement in brand advertising and youth customer purchase intentions. In past literature, the researcher will find the most effective attributes and how the attributes directly give an effect to purchase intentions for fulfilling the first objective of this study. Next, the researcher will find the relationship between the attributes and the purchase intentions to achieve the second research objectives. Finally, throughout this chapter the researcher will come out with a theoretical framework for the research study.

2.1 Consumers' Behavior

Consumer can be defined as “end user” whose purchase the product or service or in any situation that can make the consumer use the product or service. A series of phases is taken place before customer make a final decision to purchase a particular product. It is whether to make a purchase or not. At some stage in, the decision will be