

## ST. MARY'SUNIVERSITY

# SCHOOL OF GRADUATE STUDIES

## **MMM PROGRAM**

# THE EFFECT OF CELEBRITY ENDORSEMENT ON CONSUMER $PURCHASE\ INTENTION$ THE CASE OF EAST AFRICA BOTTLING SHARING COMPANY (Coca-

Cola) IN ADDIS ABABA

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June, 2023 Addis Ababa , Ethiopia

# THE EFFECT OF CELEBRITY ENDORSEMENT ON CONSUMER PURCHASE INTENTION: THE CASE OF EAST AFRICA BOTTLING S.C IN ADDIS ABABA

#### BY

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# ST. MARY UNIVERSITY SCHOOL OF GRADUATE STUDIES

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**DECLARATION** 

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of

Temesgen Bezuneh (PhD.). All sources of material used for the thesis have been duly

acknowledged. I further confirm that the thesis has not been submitted either in part or in full to

any other higher learning institutions for the purpose of earning any degree.

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Ababa June, 2023

# TABLE OF CONTENTS

DECLARATION	III
TABLE OF CONTENTS	IV
ACKNOWLEDGEMENT	VI
LIST OF TABLE AND FIGURE	VIII
LIST OF ACRONYMS	IX
ABSTRACT	X
CHAPTER ONE	1
1. INTRODUCTION	1
1.1. Background of the study	1
1.2.Background of the company	4
1.3. Statements of the Problem	4
1.4. Objective of the study	6
1.4.1. General Objective	6
1. 4.2. Specific Objective	6
1.5. Hypotheses of the study	7
1.6. Significance of the study.	8
1.7. Scope of the Study	8
1.8. Limitation of the study	9
1.9. Definition of key words	9
1.10. Organization of the Study	10
CHAPTER TWO	11
2. LITERATURE REVIEW	11
2.1. Definition and Concept of Celebrity Endorsement	11
2.4. Features of Celebrities Endorsement of Products.	15
2.4.Components (attributes) of Celebrity Endorsement	15
2.4.2. Credibility of the Celebrity:	16
2.4.2. Attractiveness of the Celebrity:	16
2.4.3. Trustworthiness of the Celebrity:	16
2.4.4. Popularity of the celebrity:	16
2.4.5. Match up factor:	17

2.4.6. Expertise of the Celebrity:	
CHAPTER THREE	24
3. RESEARCH METHODOLOGY	24
3.1. Introduction	24
3.2. Research Design	24
3.3.Research Approach	25
3.4. Population	25
3.5. Sample Design and Sampling Technique	25
3.5.1. Sampling Design	25
3.5.2. Sample Size Determination	25
3.4.3. Sampling techniques	26
3.6. Data collection instruments	27
3.7. Method of Data Analysis	28
3.8. Multi linear regression model	28
3.9. Validity and Reliability	29
3.9.1. Validity	29
3.9.2. Reliability test	29
3.10. Ethical considerations	30
CHAPTER FOUR	32
4. DATA PRESENTATION AND ANALYSIS	32
4.1. Rate of Respondents	32
4.2.Demographyic Characterstics	33
4.3. Descriptive statistics	35
4.3.1. Credibility of the Celebrity	35
4.3.2. Attractiveness of the Celebrity:	38
4.3.3. Popularity of the celebrity	39
4.3.4. Trustworthiness of the Celebrity:	41
4.3.5. Celebrate /product Match up	42
4.3.6. Expertise of the celebrity	44
4.4. Inferential Statistics	47
4.4.1. Pearson's correlation	47

4. 5. Assumption of Regression	50
4.5.1. Assessment of Multi Collinearity	51
4.5.2. Autocorrelations	52
4.5.3. Normality Test	52
4.5.3. Linearity test	53
4.5.4. Heteroskedasticity	54
4.6. Regression Analysis	56
4.6.1.Model summary	56
4.6.2. Analysis of Variance / Statistical significance	57
4.6.3. Regression Analysis / Estimated model coefficients	58
4.6.4. Regression Equation	60
4.7. Hypothesis Test	60
4. 8.Discussion of Hypothesis	61
4. 9. Discussion of the finding	64
CHAPTER FIVE	68
5. MAJOR FINDING, CONCLUSION AND RECOMMENDATIONS	68
5.1. Major Finding	68
5.2. Conclusions	69
5.3. Recommendations	70
5.4. Limitation and Directions for Further Studies	71
REFERENCE	72
ANNEX	84
Annex-I	84

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# LIST OF TABLE AND FIGURE

## **List of Table**

No	Description	Page
Table 3.1	Reliability analysis of variables	26
Table 4.1	Response Rate	37
Table 4.2	Respondent sex, Age and marital status,	38
Table 4.3	Response of celebrate credibility	38
Table 4.4	Response about attractiveness	40
Table 4.5	Response about popularity	41
Table 4.6	Response about trustworthiness	42
Table 4.7	Response about match up	43
Table 4.8	Response about expertise	45
Table 4.9	Response about customer purchasing intention	46
<b>Table 4.10</b>	Correlation	53
<b>Table 4.11</b>	Multicollinearity test	56
<b>Table 4.12</b>	Durbin-Watson for Autocorrelation test	57
<b>Table 4.13</b>	Model Summary/ good of fitness	61
<b>Table 4.14</b>	ANOVA /Statistical significance	62
<b>Table 4.15</b>	Coefficient of Regression	63
<b>Table 4.16</b>	Hypothesis test	65

# **List of Figure**

Fig No	Description	Page
Fig 2.1	Conceptual Framework	19
Fig 4-a	Histogram for testing normality	58
Fig 4-b	P-P plot for testing linearity	59
Fig 4-c	Scatter plot for heteroskedasticity	60

# LIST OF ACRONYMS

**AMA** Americans marketing association

**ANO VA** Analysis of variance

**CCE** Coca-Cola enterprise

**CCBA** Coca-Cola Beverages Africa

IMC Interactive Marketing Communication

PLC Private Limited Company

**S.D** Standard Deviation

SPSS Statistical Package for Social Science

#### **ABSTRACT**

Celebrity endorsement has become a marketing weapon used by various organizations and marketers to promote their products or services. This is because it is seen as the fastest and simplest way of developing a relationship between their products and consumers. This study focused on the effect of celebrity endorsement on consumer purchase intention of East Africa bottling sharing company in Addis Ababa using celebrity features such as celebrity credibility, attractiveness, popularity, trustworthiness, match up and expertise as a basis for celebrate endorsement. The research conducted descriptive and explanatory research to address the research problem and objective. The approach used mixed approach.384 respondents customers selected by convenience sampling method and 14 managers were selected by purposive sampling method. The study implemented questioner and interview as primary data. The finding revealed that expected hypotheses proved with the regression analysis so it resulted as H0<sub>1</sub>, H0<sub>2</sub>, H0<sub>4</sub>, H0<sub>5</sub> , and H0<sub>6</sub> were positive and statistical significant to customer purchase intention. Consequently they are rejected. It means their alternatives were accepted but Ha<sub>3</sub> were not accepted. The results of the study conclude that all of the components of celebrate endorsement of East Africa bottling sharing company in Addis Ababa were critically influence customerpurchasing intention it was supported by their relation and positive and statistical significant relation to customer usage. The study recommends that proper attention be given to celebrity endorsement by organizations because it could be a game changer, the recommendation of the research, with the exception of its popularity, Celebrate credibility, attractiveness, trustworthiness, match-up, and competence were successful promotional tactics for consumer usage behavior. Celebrate recommendations, maintain them, and take note of the market's dynamism for ongoing development to remain competitive

**Keywords:** celebrate endorsement, trustworthiness, attractiveness, popularity, expertise, credibility

#### **CHAPTER ONE**

#### 1. INTRODUCTION

#### 1.1. Background of the study

Celebrity endorsement has always been regarded as a reliable marketing tool. The use of celebrities in marketing began in the early 20th century (Proctor & Kitchen, 2019). In various parts of the world, the technique of marketing using celebrity endorsement has been implemented; in Asia alone, the total use of celebrity endorsement as a marketing technique has reached between 25 % and 60 % (China and South Korea, respectively) (Bennett et al., 2022; Bergkvist & Zhou, 2016).

In the meantime, dynamicity of market established market strategy to sustain in the competition. Thus, the strategy of celebrity endorsement is achievable and very beneficial in order to build credibility, promote products, and increase brand awareness. Almost 20 percentage of all the advertisements aired on televisions in the United States feature brands and products that are celebrity endorsed (Albert et al., 2017). According to statistics, Nike spends almost \$480 million every year on endorsing their brand by athletes (Slater, 2018). There are endless benefits of celebrity endorsements for the company, product, and the consumers

Nowadays, advertising is a worldwide phenomenon (McCracken, 2019). Without advertising the modern world is something virtually inconceivable. Advertising has both forward and backward linkages in the process of satisfaction across the entire spectrum of needs. The celebrity endorsement is a marketing strategy that makes a product differentiable in this competitive era. It is a very valuable advertising strategy to attract or to make more customers and also helps to maintain existing customers (Friedman & Friedman, 2019).

Celebrity is a well-known personality who enjoys public recognition by a large share of a certain group of people. Celebrities are popular figures and recognized by a large number of people. Good looks, attractive lifestyles and special skills are some of the features of celebrities. "A celebrity endorser is an individual who is known by the public for his or her achievements in an area other than that of producing class endorsed"- (Friedman & Friedman, 2019). Celebrity endorsement occur when an individual who enjoys public recognition and who uses this

recognition on behalf of a consumer good by appearing with it in an advertisement (McCracken, 2019)

Furthermore, the current global or domestic market is cluttered with countless celebrities from different fields endorsing single or multiple products. Some of these endorsers are sportspersons, TV stars, Radio hosts, Models among others who feature in the ads run by businesses in promoting their brands or products (Hsu & Hsu, 2018). In recent years, celebrities have emerged as trusted individuals and many people have been treating them like role models, and some are even changing their lifestyles to imitate that of their favorite celebrity (Parmar & Mann, 2019).

In order to rationalize the influence of celebrity endorsement in fashion industry. The industry have chosen Virat Kohli, who is a sportsperson in India and endorses fashion brand Puma. Since Virat tops the list of Indian celebrity endorsement for the fourth consecutive year with a brand value of \$ 237 mn in 2020, it is legitimate to consider him for the study (Phelps Duff, 2020). To understand the mechanism of celebrity endorsement in Spain, we have chosen Lionel Messi, who is a famous sportsperson endorsing fashion brand Adidas in Spain. The topic on celebrity endorsement has strong literature for Indian context, but fails to explain it in different countries other than some of the Asian countries.

Celebrity endorsement has always been regarded as a reliable marketing tool dynamicity of market established market strategy to sustain in the competition. Thus, the strategy of celebrity endorsement is achievable and very beneficial in order to build credibility, promote products, and increase brand awareness. celebrity is a well-known personality who enjoys public recognition by a large share of a certain group of people. Celebrities are popular figures and recognized by a large number of people. Good looks, attractive lifestyles and special skills are some of the features of celebrities. "A celebrity endorser is an individual who is known by the public for his or her achievements in an area other than that of producing class endorsed"-(Friedman & Friedman, 2019). Celebrity endorsement occur when an individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement (McCracken, 2019)

Wu and Wen (2021) assert that marketing messages have an impact on consumers' perceptions in one way or another, and that the usage of celebrity endorsements in advertising has significantly

increased as a result of technology advancement. According to Kaushalya and Ranaweera (2021), famous people make a lasting impression on customers and encourage return business.

Celebrity Endorsement-An Ethiopian viewpoint, American culture is where contemporary celebrity advertising first appeared. However, the growth of commodity culture and mass media technologies has led to a sharp expansion in the practice in other regions of the world. (Bahiru ,2015). Celebrity have been involved in endorsing activities since the late nineteenth century (Erdogan, 1999). Presently, Major corporations frequently employ celebrities as part of marketing communications initiatives to boost corporate or brand images. There are no statistics available for Ethiopia that would indicate an increase or decrease in the use of celebrity endorsements in commercials. Ideally, There are several businesses attempting to use celebrity endorsement number three to their advantage. Walya Beer, for instance, was endorsed by artist Netsanet Workneh, Commercial East Africa bottling sharing company of Ethiopia, by artist Alemayehu Tadesse, Canbebe Diaper, by athlete Messeret Defar, Aqua Safe Bottled Water, by athlete Almaz Ayana, NIDO Milk, by athlete Haile G/Silassie, and so on. These businesses are not the only ones in Ethiopia using celebrity endorsements. This circumstance can be a sign that celebrity endorsement is becoming more common in Ethiopia.

The buyer attempts to determine what products he wants to buy for the first time before choosing just those with higher value. The customer determines his projected spending after making his product selection. In the end, the customer evaluates the market pricing of the goods and selects those he can purchase. Customers are put at the heart of business because businesses are designed to meet their requirements. As a result, businesses and marketers need to be able to forecast consumer purchasing trends for their good or service since customers are constantly exposed to new competing items thanks to various marketing techniques (Eli-Zero, 2013).

Thus, this study used mixed approach and explanatory design to collect data from the customers of East Africa bottling sharing company. Celebrate endorsement components (credibility, trustworthiness, attractiveness, popularity, expertise and celebrate/product matchup) were included in the study,

#### 1.2.Background of the company

Coca-Cola Beverages Africa (CCBA) is the eighth largest Coca-Cola bottling partner worldwide and the biggest on the African continent. We serve 14 countries in sub-Saharan Africa including South Africa, Eswatini, Ghana, Kenya, Ethiopia, Mozambique, Tanzania, Uganda, Namibia, Mayotte, Comoros, Botswana, Zambia and Lesotho.

CCBA is pursuing an ambitious growth strategy that is aligned with The Coca-Cola Company's 2020 Vision and were supported through investment in manufacturing, sales, distribution and marketing. We aim to be the leading Coca-Cola bottler in Africa, delivering profitable and sustained growth through increased availability and access to Coca-Cola beverages across Southern and East Africa. The company has over 3000 beverages products and has about 500 brands in its portfolio these includes Coca-Cola/Diet Coke family, Coca-Cola enterprise (CCE) wide range of carbonates includes Fanta, Lilt, Sprite and PowerAde, plus the Schweppes brand in the UK according to keynote report. The 'Coca-Cola' brand has been adopted the strategy of global marketing. They are considering the whole world as single market place and uniform marketing strategy was being used Coca-Cola for many years, but now the trend is changing and different marketing campaigns are being designed for different region of the world. Business decisions are made on a domestic basis to fit in with the culture and needs of the domestic community. In 1919 Coca-Cola decided it was time to go global. The Coca-Cola Company decided to take its operations beyond national boundaries and marketing research was started in Central America, china and many other countries of the world. Because of successful and efficient marketing research Coca-Cola was able to produce globally in different regions of the world.

#### 1.3. Statements of the Problem

In order to represent, promote, and talk favorably about a business and its products to its following or fan base, prominent people are hired and paid to serve as brand ambassadors (Krishan et al., 2019).

The technique of celebrity endorsement has been used by business organizations all over the world, notably prominent global companies like Colgate, Adidas, Coca-Cola, Pepsi, Netflix, etc., as a marketing tactic to promote their businesses and induce customers' preferences and

patronage. The ability for businesses to raise their visibility in their target market, which boosts consumers' knowledge of their goods, services, and campaigns, is a significant advantage of leveraging celebrity endorsement to promote companies (Gauns et al, 2018).

It is often believed that celebrity endorsements have a big and considerable impact on consumer purchase decisions. Celebrities are pervasive elements of society, and many people who encounter with them, either directly or indirectly, have enduring recollections of them. Celebrities are frequently hired by advertisers to lend their likenesses to a product or brand (Nelson & Deborah, 2017).

When corporations seek for celebrities to promote their goods, services, and marketing initiatives, they keep an eye out for these star characteristics. Soft drink business have used celebrity endorsement as a marketing strategy in an effort to achieve their promotional goals in light of these famous traits. However, since there hasn't been enough research done on this topic specifically in relation to the soft drink industry in general, particularly East Africa bottling sharing company in Addis Ababa it's unclear whether or not the use of these celebrity endorsement campaigns has positively influenced consumers' buying behavior towards soft drink industry. Moreover, the challenge helped the organisations to revive its marketing communication plan based on the research conducted by the researcher. Coca-Cola's marketing strategy can be more effective in terms of implementing and selecting celebrities for the endorsements. Coca-Cola can select the celebrities with the most positive impact on the targeted audience, with the help of the research conducted by the researcher. Hence, Coca-Cola's marketing communication problems related to celebrities' endorsement was solved when it comes to create extensive impact through celebrity endorsement to gain better positioning, positive brand image and influence consumers to buy the product.

Companies look for these celebrated qualities when they hire celebrities to pitch their products, services, and marketing campaigns. In light of these well-known characteristics, soft drink companies have employed celebrity endorsements as a marketing tool in an effort to reach their promotional aims. But since there hasn't been enough research on this subject specifically in relation to the soft drink industry in general, particularly the East Africa bottling sharing company in Addis Abeba, it's unclear whether or not the use of these celebrity endorsement campaigns has positively influenced consumers' purchasing behavior toward the soft drink

industry. Additionally, the challenge aid the firm in energizing its marketing communication plan based on the researcher's findings.

In the previous research entitle with "The Effect of Celebrity Endorsement on Consumer Behavior" (Kheder,2018).Hani, Marwan & Andre, 2018; Orina, 2022;(Omorodion & Osifo,2018.;Ofori,2020; Tobi et al. 2021; and Orina,2022) from international research. In addition, Local research concentrated (Tadesse 2018; Birhanu, 2017; Asrat, 2019 anf Emebet,2015) ,Summarizing the above previous research the study forwarded the following points . Their research approach were either qualitative or qualitative , independent variables were different in each studies as well as their theoretical and empirical literature also distinct. besides ,their finding inconclusive due to the different variables examined, methodological approaches employe.

Based on these controversies, it is necessary to validate and filled the gap of the literature, as a result ,this study incorporated mixed approaches and added two or more crucial variables rather than three or four variables from priveious studies, such as attractiveness, credibility, popularity, trustworthiness, expertise, and popularity.last but not the least, this study filled these gaps by focusing on in East Africa bottling S.C. in Addis Ababa

#### 1.4. Objective of the study

#### 1.4.1. General Objective

The general objective of the study is to examine the overall effect of celebrity endorsement on consumer usage behavior in the case of selected East Africa bottling sharing company (coca cola in Addis Ababa

#### 1. 4.2. Specific Objective

Based on the major objective of the study, the following specific objectives would be drawn

- > To ascertain the relation between celebrity expertise and consumer purchasing intention of East Africa bottling sharing company in Addis Ababa.
- > To identify the relation between celebrity Attractiveness and consumer purchasing intention of East Africa bottling sharing company in Addis Ababa.

- To ascertain the relation between celebrity popularity and consumer purchasing intention of East Africa bottling sharing company in Addis Ababa.
- > To determine the relation between celebrity trustworthiness and consumer purchasing intention of East Africa bottling sharing company in Addis Ababa.
- > To examine the relation between celebrity creditability and consumer purchasing intention of East Africa bottling sharing company in Addis Ababa.
- To investigate the relation between Celebrity/ product match up and consumer purchasing intention of East Africa bottling sharing company in Addis Ababa.

#### 1.5. Hypotheses of the study

Research Hypotheses In line with the objectives above, the following hypotheses were formulated

- HO<sub>1</sub>: There is positive and significant relation between celebrity credibility and consumer purchasing intention of East Africa bottling sharing company in Addis Ababa.
- HO<sub>2</sub>: There is positive and significant relation between celebrity trustworthiness and consumer purchasing intention of East Africa bottling sharing company in Addis Ababa.
- HO<sub>3</sub>: There is positive and significant relation between celebrity attractiveness and consumer purchasing intention of East Africa bottling sharing company in Addis Ababa.
- HO<sub>4</sub>: There is positive and significant relation between celebrity popularity and consumer purchasing intention in East Africa bottling sharing company in Addis Ababa.
- HO5: There is positive and significant relation between celebrity expertise and consumer purchasing intention East Africa bottling sharing company in Addis Ababa.
- HO<sub>6</sub>: There is positive and significant relation between celebrity/ product match up and consumer purchasing intention of East Africa bottling sharing company in Addis Ababa.

#### 1.6. Significance of the study.

The study will be served as guidance and a strategic marketing instrument for advertising practitioners, market researchers, existing and emerging organizations in mapping out their goals and will approach with the customer in mind, It will also aid marketers in undertaking marketing intelligence. Furthermore, it will be a source of information to research consultants, institutions, and materials for academic reference relative to marketing.

In addition, The study will also be of benefit to the soft drink industry for it will show how celebrity endorsement contributes to consumer purchasing to increase sales and growth of the industry. The soft drink industry might make necessary adjustments so as to improve on the type of celebrities that attract consumers in the industry.

The study will also be useful to researchers and academicians in Ethiopia who wish to know more about celebrity endorsements in Ethiopia. The study will also function as a reference material and a source of citation. It will also suggest possible gaps in that future researchers can investigate..

#### 1.7. Scope of the Study

**Thematically**: the main aim of this study was carried out the effect of celebrity endorsement on customers' usage behavior: the case of East Africa Bottling Sharing Company (coca cola), The variables of the study was executed attractiveness, trustworthiness; expertise and celebrity/product match-up popular and expertise of celebrity.

**Geographically**: the study area was conducted only in Addis Ababa. The study justification for limiting the study in this geographical area is, Addis Ababa. The products had many customers in the city.

**Methodologically**: The study used descriptive and cross sectional study from April to July 2023, and collects Quantitative data. The study has been used sample of population from the three wereda CBHI membership card holder house hold and was draw accurate conclusion.

#### 1.8. Limitation of the study

Every research initiative has some limitations. This study also has its own share of limitations especially as it deals with abstract and multidimensional concepts, the following could be regarded as limitations of this research work.

The research study was conducted in east Africa bottling s.c, which may give only a limited view of the situation as far as accurate representation of the manufacturing soft drink industry including private manufacturing scenario on a national level is concerned. Although full effort was made to avoid the drawback inherent in any study, namely perceptual differences, arising out of individual viewpoints, some biases on the part of the respondents might, still have crept in. lastly, certain respondents might have given incorrect information due to shortage of time or even on account of disinterest. Sometimes, accurate responses might have been suspended if respondents wanted to present an ideal picture of their organization.

#### 1.9. Definition of key words

**Celebrity** is defined as an individual who possesses public recognition and uses that recognition for the promotion of products, brands or services (Jain and Roy, 2016).

**Celebrity Endorsement** is regarded as a modernized marketing tool employed by marketers to communicate their offerings being it a good or service to their consumers thereby creating a mental image about the product in the minds of consumers (Jaffari & Hunjra, 2017),

**Purchase Intention**: is related with consumers' behavior, perception and their attitude. Purchase behavior is an important key point for consumers during considering and evaluating of certain product (Keller, 2012)

Credibility of celebrity The credibility components like trustworthiness, attractiveness and expertise are interconnected with other traits of celebrity and the image dimension which reflects good qualities. E.g. pleasant, wise, educated etc. produce sincere and positive attitude of the celebrity in consumers mind. The source of credibility that a message's effectiveness is based on the perceived level of expertise and trustworthiness the customers have in an endorser (Sternthal et al., 2018)

•

**Expertise of celebrity** is defined the extent of knowledge the celebrity is perceived to have regarding the subject on which he or she is communicating. Expertise may be defined as the extent to which a communicator is perceived to be a source of valid assertions (Hovland et. al., 2013).

**Trustworthiness of the Celebrity**: Trustworthiness can be defined as the extent to which the endorser is perceived to be believable, honest and dependable. Greater the proportion of these aspects higher will be the likelihood of the endorser to be selected by the advertisers (Shimp 2017).

**Celebrity Attractiveness** is an all-embracing, covering not only the structural built of the celebrity, but other epitomes of attractiveness such as intellectual skills, elegance, intelligence, et cetera (McGuire, 2013).

#### 1.10. Organization of the Study

The thesis was organized into five chapters which are sub-divided into small sections. The first chapter discussed the introduction, background of the study, statement of the problem, research question, objectives, and significance of the study, scope the study. The second chapter was presented the theoretical backgrounds, empirical analysis and conceptual frame work of the study. The third chapter presented the study design and methods were used in the study. This chapter encompassed discussion on type and source of data, sampling design, data collection instruments and procedure and data analysis methods and the fourth chapter analyzed the data collected through questioners and presents the findings. The final chapter (fifth chapter) consisted of the summary of findings, conclusion and recommendation

#### **CHAPTER TWO**

#### 2. LITERATURE REVIEW

#### 2.1. Definition and Concept of Celebrity Endorsement

In this era of globalization and modernization many industries are getting advanced in terms of coming up with innovative ideas, like in Pakistan fashion industry and cosmetic industry are booming ones. On the other hand marketers are also coming up with different attractive ideas to grab the attention of viewers and their target market towards the purchase and repurchase of their products, celebrity endorsement is one of those techniques. Individuals are trying to follow the lifestyles of their most loved celebrity and this makes an awesome effect on their purchasing behavior towards the endorsed brand. This increases market share of that brand and eventually improves organization's profitability. Celebrities' presence has a great impact on customers picking of such brands when they are on shopping. We try to use those things or brands which our favorite celebrities use so that we get resemble with our loved celebrities (Khatri, 2006).

A celebrity is defined as an individual who possesses public recognition and uses that recognition for the promotion of products, brands or services (Jain and Roy, 2016). An endorsement implies that the well-known person will transfer his own values to the product, which means that the product or the brand will be linked to the celebrity (Pradhan et al., 2016). A celebrity is a well-known personality who enjoys public recognition by a large share of a certain group of people. Celebrities are popular figures and recognized by a large number of people. Good looks, attractive lifestyles and special skills are some of the features of celebrities. "A celebrity endorser is an individual who is known by the public for his or her achievements in an area other than that of producing class endorsed" (Friedman & Friedman, 2019)

Celebrity endorsement occur when an individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement (McCracken, 2019)

Celebrity endorsement is an advertising tool, where celebrities are meant to promote a product, brand or service. This tool has gradually become more common by advertisers. It is the spread of

recognition, fame and the high status the celebrities possess that is the key factors of celebrity endorsement (Jain & Roy, 2016)..

According to Jaffari & Hunjra (2017), celebrity endorsement is regarded as a modernized marketing tool employed by marketers to communicate their offerings being it a good or service to their consumers thereby creating a mental image about the product in the minds of consumers. Celebrity endorsement also helps in establishing a positive and strong brand image, promotes awareness of a product, encourages recall of a product, and stirring up the desire to acquire the product by consumers. This results in increased sales, profit maximization, sustainable business, and a healthy competition for businesses (Duah, 2016).

On the other hand, there are lots of factors which influence consumer buying behaviour. Therefore, understanding different behaviour of consumers is one of the toughest and challenging task faced by the marketers. Strong positive impact of celebrities in influencing buying behaviour has been widely accepted by marketing gurus across the world. With the help of celebrities consumer attitude can be changed, purchasing intentions can be enlarged and profit can be extended. But the right celebrity has to be picked for the right company. So it is very important to grab consumers' attention and interest among those similar advertisements by using a celebrity who has unique characteristics that can truly effect on consumers' buying behaviour (McCracken, 2019).

#### 2.2. Definition and concept of Consumer Purchasing Behaviour

According to (Singh et al., 2014), consumer behaviour is defined to mean how people choose to spend their resources (time, money, effort) on consumer goods. Consumer behaviour reflects on what, why, where, when, and how often they patronize, how they evaluate them after they buy, and how they decide on future purchases. Consumer behaviour is the collection, purchase, and use of products and services to meet their expectations. There are various mechanisms associated with customer behaviour. Consumer purchasing behaviour is the processes and interaction involving affect, cognition, behaviour, and environmental proceedings by which consumers perform their buying choices (Omoregbe & Osayande, 2018). Every individual's consumer behaviour or purchase decision of the consumers can significantly be influenced by their buying habits which are affected by technological, political, demographic, cultural, economic, personal,

psychological, social factors, et cetera. These factors are revealed or shown in the attitude, drive, perception, disposition, knowledge, and lifestyle of the consumers. Celebrity endorsement plays a significant role in arousing these various factors, more especially the psychological motive of the consumer to buy a particular product and inspire consumers to repurchase these brand of goods. Consequently, consumers are fascinated towards the brand of products which are passionately attached with their behaviour and it builds into customer loyalty (Osifo & Agbonifoh, 2018).

Samar and Samreen (2015) establish that emotional affections put a significant effect on the consumers and their purchasing behaviour as individuals tend to link themselves with the brand of products endorsed by celebrities. Celebrity endorsement influences the behaviour of consumers to buy a specific product through cognition. These perceptions are perceived by consumers through their senses, discernment, attention, recall, reasoning, language, et cetera (Samar & Samreen, 2015). To this end, celebrity endorsement is a significant approach in changing the buying plans of the individuals. Therefore, the best way firms can attract consumers to buy their products is to understand these aspects of consumers' psychological cognition.

In Addition, Consumer behaviour is motivational: The main question that arises in this context is that "why consumer behaviour occurs?". Answer to this question is included in the definition of consumer behaviour. Consumer behaviour is met the needs and demands of him. Behaviour is a tool to achieve objectives and targets of consumers which derives from their needs and desires (Wilke, 2018).

A consumer is any individual or organization that is the end user of any acquired product or service that is available in a particular market (Pradhan et al., 2016). According to Khuong and Duyen (2016), researchers define the process differently given that it is a complex and dynamic process. Consumer behavior details the action or plan that consumers undergo before making consequent purchases (Pemani & Massie, 2017).

Lou and Yuan (2019) affirm that since products and services come in different quantities and qualities, consumers can make decisions regarding the types of goods and products that they wish to consume. However, Djunaidi et al. (2021) argue that although consumers tend to make different decisions when making purchases, consumer behavior is a structurally standardized

process. Nguyen & Nguyen (2021) define consumer behavior as the summation of consumer tastes, choices, attitudes and plans in the marketplace when purchasing a service or a product to satisfy their wants and needs. Iyer and Jayasimha (2021) assert that information gathering is the first stage of consumer purchasing behavior. Accordingly, a consumer must first identify a need or want that is yet to be fulfilled, embark on searching for useful information concerning the want or need, then evaluate this information against tastes, financial resources, and urgency. A purchase is only complete after making a cost-benefit analysis then making a conscious decision to willingly incur the financial cost of acquiring the product or service. Rahman and Mannan (2018) identified personal, cultural, social, and psychological dimensions of consumer purchase behavior. The personal dimension encompasses factors such as age, occupation, income, and lifestyle. Younger purchasers were more enthusiastic and make more repeat purchases that older generations, and preferences change with age and gender (Fekete-Farkas et al., 2021). Similarly, married couples with large families will have different purchasing behaviors than single consumers (Ramya, 2016).

Mateen Khan (2016) determined that buying decisions are also significantly influenced by income and social status, with individual's profession playing a significant role in determining the volume of income available for spending. Cultures also influence purchasing behaviors.

Classes within these cultures also determine purchases, with higher ranked members of the society appearing to purchase more branded products than lower ranked communities (Mateen Khan, 2016). On the psychological level, buying behavior is influenced by perceptions about products, drawn from motivations, adverts, experience, reviews and attitudes based on their beliefs and values (Feng, Fu, & Qin, 2016). Businesses play a key role in influencing consumers' psychological choices since their projection mediates their continued use, resulting in behavioral intention (Changchit, Cutshall, Lonkani, Pholwan, & Pongwiritthon, 2019). When products have similar qualities, consumers will make a psychological decision to make repeated purchases depending on previous users' reviews, their personal experience, or the meanings attached to the products by important figureheads, including celebrities, who many consider to be role models.

#### 2.4. Features of Celebrities Endorsement of Products.

An exploration of the literature showed that endorsers must possess certain features that make it easier to communicate the products of an organization to consumers. Among these features are celebrity credibility, celebrity trustworthiness, celebrity attractiveness, celebrity familiarity, celebrity likeability, celebrity expertise, among others (Fleck et al., 2012). The credibility of a celebrity is defined in the sense in which the endorser possesses critical expertise, experience, and a good image by which customers trust their opinions and believe that the endorser is impartial with regard to the information put forward (Filieri et al., 2018). Celebrity expertise refers to the degree to which an endorser is regarded as a source of valid claims. An endorser's message is said to be successful and to accomplish its objective if the endorser has an amount of information and ideas about the product field (Ha & Lam, 2017). The familiarity of a celebrity refers to the instance when the celebrity is identified by customers once he or she comes on screen. The likeability of a celebrity is also described as the form of affection that customers have towards the celebrity due to their behaviour, influence, and presentiveness (Mansour & Diab, 2016). Attractiveness is claimed to be a multidimensional concept. Attractiveness does not only focus on the celebrity's outward elegance but also takes into account personality, i.e. inner beauty and physical prowess. A celebrity's physical representation and looks also contribute to endorsement quality. There is no question that visually beautiful celebrities with distinct personality attributes are typically viewed more favorably than their less attractive counterparts (Khandai & Agrawal, 2012). Trustworthiness is the degree of trust that customers place in the intent of an endorser to express the claims that he or she believes are most true. Winning customer interest is assumed to be something that is paramount to advertisers and may thus use celebrity endorsement for such a path (Suki, 2014).

#### 2.4. Components (attributes) of Celebrity Endorsement

Celebrities are frequently used in ads these days. The most effective strategy for enhancing a company's brand and launching new products is celebrity endorsement. Marketing. Synergy between a person's attire, personality, brand, and endorser must always be considered while developing endorsements. One significant advertising tactic that has been around for a while is celebrity endorsements, which are described as "ubiquitous features of modern marketing"

(Biswas et al., 2017; Hussain, and O'Donnel, 2019). Thus, the following factors are crucial while designing a celebrity endorsement advertisement strategy.

#### 2.4.2. Credibility of the Celebrity:

The credibility constituents like trustworthiness, attractiveness and expertise are interconnected with other traits of celebrity and the image dimension which reflects good qualities. E.g. pleasant, wise, educated etc. produce sincere and positive attitude of the celebrity in consumers mind. According to Sternthal et al. (2018) the source credibility model, a message's success depends on the customer's perception of an endorser's level of competence and dependability.

#### 2.4.2. Attractiveness of the Celebrity:

The process of endorsement may be influenced by a celebrity's attractiveness, including appearance, elegance, beauty, and sensual elements. The likeability, engagement, and sex interactions of a celebrity as well as their attractiveness have a significant influence on the value of the goods. The audience judges a source's attractiveness based on how physically appealing, graceful, or personable they are. As a result, customers have favorable attitudinal and behavioral responses to brands and products when they see endorsers who are seen as competent, trustworthy, and beautiful. (Wei and Lu, 2013).

#### **2.4.3.** Trustworthiness of the Celebrity:

Trustworthiness can be defined as the extent to which the endorser is perceived to be believable, honest and dependable. Greater the proportion of these aspects higher will be the likelihood of the endorser to be selected by the advertisers (Shimp 2017). It simply refers to the faithfulness and reliability of the spoke person.

#### 2.4.4. Popularity of the celebrity:

Popularity of an endorser is a crucial factor. A person who attested his ability in arts, sports, film etc. is considered as celebrity. People have a tendency to proportionate the personalities of the celebrity with the brand (Sirgy, 2012).

#### 2.4.5. Match up factor:

Match factor implies that celebrity product matches and celebrity target audience match. The effectiveness of celebrity endorsement is largely influenced by the celebrity product match up factor. The marketer has to consider only the right celebrity for the right product. Putting the right celebrity for the right brand is an art if it is applied in a right manner its result will be promising. The celebrity should be matched with the target audience also. The consumers may evaluate the credibility and the achievements and performance of the celebrity. So there should be a proper fit between the target consumers and product. Celebrity product congruence has a positive impact on brand image, which in turn has a positive impact on brand equity (Jaiprakash, 2018).

#### 2.4.6. Expertise of the Celebrity:

Expertise of the celebrity refers to the extent of knowledge the celebrity is perceived to have regarding the subject on which he or she is communicating. Expertise may be defined as the extent to which a communicator is perceived to be a source of valid assertions (Hovland et. al., 2013).

#### 2.5. Empirical Literature Review

Mazzini et al.(2013) examined Celebrity Entrepreneur Endorsement and Advertising Effectiveness. This study was undertaken to develop, test and validate a model that could explain the effects of celebrity entrepreneur endorsement on advertising effectiveness. The research hypothesizes that celebrity credibility (comprising of attractiveness, trustworthiness, and expertise) and advertisement credibility will positively affect three traditional measures of advertising effectiveness—attitude toward the advertisement, attitude toward the brand and purchase intention. A self-administered questionnaire with a stimulus advertisement featuring Dato' Siti Nurhaliza as the endorser of her own skincare label, Simply Siti, was filled up by five hundred and forty-two 542 female respondents. Data were analyzed using Structural Equation Modeling. The findings revealed that both, celebrity credibility and advertisement credibility had positive impact on attitude toward the advertisement and attitude toward the brand. Moreover, the impact of consumers' perceived credibility on purchase intention was mediated by their attitudes

Mowemi (2013) examined influence of celebrity endorsement and brand awareness on consumers' purchase decision: a comparative study of yoyo bitters and alomo bitters. The major objective of this study is to measure the extent to which celebrity endorsement influences consumers' perception of Yoyo Bitters and Alomo Bitters. Also, the study wishes to find out the relationship, if there are any that exists between product types, choice of celebrity endorser, and celebrity's personality. A total number of one hundred and seventy copies of the questionnaire was distributed to the consumers were within Ibadan metropolis. Based on the findings of the study, it is obvious that celebrity endorsement plays a vital role in disseminating advertisement information that can influence consumers to make rational choices on products and services

There are related studies done on the link between celebrity endorsement and consumer purchasing behaviour (Osewe, 2013;Shiau, Szuchiang & Hui, 2015). Nyakado (2013) in a study of the relationship between celebrity endorsement and consumer behaviour using a representative sample size of 300 respondents established that physical attractiveness of celebrity affects consumers toward buying a particular brand of products. He suggested that companies should not only seek the services of a celebrity who is only popular but also who has credibility.

Radha and Jija (2013) carried out a study on the impact of celebrity endorsement on consumer's purchasing decision in Coimbatore, India. Convenience sampling was adopted using a sample of 200 respondents. The findings showed that 51 per cent of the consumers give support to quality of the brand while purchasing products. Whereas 53 per cent of the respondents are of the view that commercials with the help of celebrities assist them to be familiar with a product.

The findings of the study revealed that celebrity endorsed brands have a propensity to attract more consumers. Osewe (2013) conducted a study on the effectiveness of Internet commercials on consumer purchasing behaviour using a stratified sampling technique to select 100 respondents. He established that Internet commercials have significant link with buying choice of the consumers. He concluded that Internet commercials are effective in reaching and creating consciousness in the minds of consumers.

Sultan & Mannan (2015) tried to identify the effect of celebrity endorsed advertisements on consumer buying behavior. They chose trustworthiness, expertise, physical attractiveness and

celebrity-brand fit to measure the effects. In the result, they found that there is a positive relationship between celebrity endorsement and consumers" buying behaviour.

Ruchi, Nawal & DPS (2015) examined the impact of celebrity endorsements on consumers' purchase intention: A Study of Indian Consumers. The population of the study included three hundred and thirty-six (336) Indian respondents who are exposed to celebrity endorsements for various products/brands, Thus, the study considers three attributes of celebrity endorsements as suggested by Ohanian - attractiveness, trustworthiness and expertise. However, the beta coefficients reveal a low degree of correlation between celebrity endorsements and purchase intention. Further, attractiveness and trustworthiness are found to have a significant impact on the purchase intention, while expertise did not have a significant impact on purchase intention

Bahiru (2015) studied the effect of celebrity endorsement in consumers' attitude and purchase intention in banking industry. He used Ohanian's source credibility model and Product match up hypothesis to measure the effects. In the result, he found that all attributes of the model had a positive and significant impact on the consumers" attitude and purchase intention, especially at Kamal, (2016) examined the impact of celebrity endorsement on consumer buying behaviour: a case study of seven-up bottling company plc. This research work examined how celebrity endorsement in advertisement influences people's opinions in marketing and its effect in the society compared to other forms of advertising. The data collection for this research work was through both primary and secondary research. The population of the study comprised the staff of Seven-Up Bottling Co. Plc., and consumers of soft drinks. Finally, the results of the study prove that celebrity endorsements positively impact the consumers purchase intention. Wenny & Sabrina (2016) examined comparing the use of famous endorser and lay endorser in predicting consumer intention to buy in the Indonesian context. This research compared the use of famous endorser and lay endorser in advertisements in predicting consumer intention in buying a consumer goods product. A total of two hundred and ninety (290) undergraduate students participated in this study. The data was then analyzed using structural equation modeling. The results show that the use of famous endorser in product advertisement is more effective than the use of lay endorser.

Abu-Fatool and Farhim (2016) conducted a study on the "Effect of celebrity endorsement on consumer buying behaviour towards soft drinks in Pakistan". The study aimed at determining the

effect of celebrity endorsement (credibility, attractiveness, popularity, product match-up, emotional involvement and meaning transfer) on consumer buying behaviour towards soft drinks in Karachi, Pakistan. Primary data were obtained from 186 respondents in Karachi using structured questionnaire. The data were analyzed using multiple linear regression with the aid of the Statistical Package for the Social Sciences (SPSS 19). Consequently, it was found that credibility, attractiveness, popularity, product match-up, emotional involvement and meaning transfer had a significant effect on consumer buying behaviour towards soft drinks in Karachi, Pakistan. Hence, the study concluded that celebrity endorsement had a significant effect on consumer buying behaviour towards soft drinks in Pakistan atractiveness and trustworthiness of the celebrity are the biggest influencers.

Edom Birhanu (2017) and Asrat (2019) tried to examine the effect of celebrity endorsements on customers' usage behavior in Ethiopian banking industry,. The results of the study show that Expertise, Trustworthiness and Product/match up of celebrity have positive and significant influence on customers' purchasing intention. But perception of attractiveness has not positive and significant on customers' purchasing intention of Ethiopian Banking Industry and Ambassador Garment and trade plc respectively

Tadesse (2018) tried to investigate the influence of celebrity endorsement on consumer buying preference about Anbessa Shoe Share Company. He applied Ohanian's Source Credibility Model attributes and product match up hypothesis to measure the effects. In the result, he found that all attributes (attractiveness, expertise and brand congruency of celebrity) except trustworthiness has a positive and significant impact on consumers" buying preference, especially physical attractiveness.

Widarto, (2018) examined the Influence of Celebrity Endorsements on Purchase Intention (A Study on VIVO V7). This research examined the impact of celebrity endorsement on purchase intention. The study made use of primary data. To test the hypotheses, a survey was conducted in Indonesia by using a structured questionnaire. Total samples are one hundred (100) respondents. The findings reveal that celebrity endorsement has a positive impact on purchase intention, and the three dimensions (trustworthiness, attractiveness, and expertise) play an important role on forming celebrity endorsement variable. Moreover, trustworthiness of the celebrity is the biggest

contributor on celebrity endorsement variable which is followed by attractiveness and expertise dimensions

Anyadighibe, Etuk, James & Okpetim (2022) carried out study on "Celebrity endorsement and consumer buying behaviour in the telecommunications service, a sample size of 138, subscribers for the study. Convenience sampling was used to include subscribers into the survey exercise, where primary data were obtained using an adapted structured questionnaire finding reveals that all independent variables were less than the error margin of 0.05, hence we conclude that, celebrity credibility, celebrity attractiveness and celebrity popularity have significant positive effects on consumer buying behaviour towards telecommunication services. Khan, Rukhsar,& Shoaib (2016) tried to find out the relationship between trustworthiness, expertise, physical attractiveness and celebrity-brand congruency, and consumers" purchase intention. In the result, they found that physical appearance and congruity has a positive and significant impact, whereas expertise and trustworthiness of the celebrity has no impact on consumers" purchase intention.

Domfeh, Kusi, Nyarku and Ofori (2018) found similar results when they investigated the relationship between CE, customer satisfaction and purchase intention among students at the University of Cape Coast, Ghana and revealed that it is essential for advertisers to use celebrities with market-oriented personality characteristics such as attractiveness, credibility, expertise, likeability, familiarity, trustworthiness and match-up congruence as part of their corporate communication strategy to increase brand association with consumers since they possess a significant effect on purchase behavior.

The findings were further consistent with Omorodion and Osifo (2019) who focused on Nigeria's telecommunications sector when examining the impact of CE on purchasing of four brands of telecom network products and concluded that expertise was among the attributes that positively influenced purchase intention

Further, Kwa Jaffa, Balami and Dauda (2021) investigated fast-food chains to determine whether CE impacts purchase and consumption behavior in Nigeria and determined that the use of celebrities significantly improves purchase intentions as celebrity-endorsed products capture the attention and enhance consumers' product recall. The study further revealed that in the food

market, the expertise of the celebrity improved perceived credibility and their level of societal respect were associated with the respective brands being endorsed.

#### 2.6. Conceptual Framework

The conceptual framework was utilized in research work to describe the interaction between the various variables captured in the study. The below framework identifies the relationship between the celebrity endorsement concepts and the consumer usage behavior of East Africa bottling sharing company (coca cola) Addis Ababa.

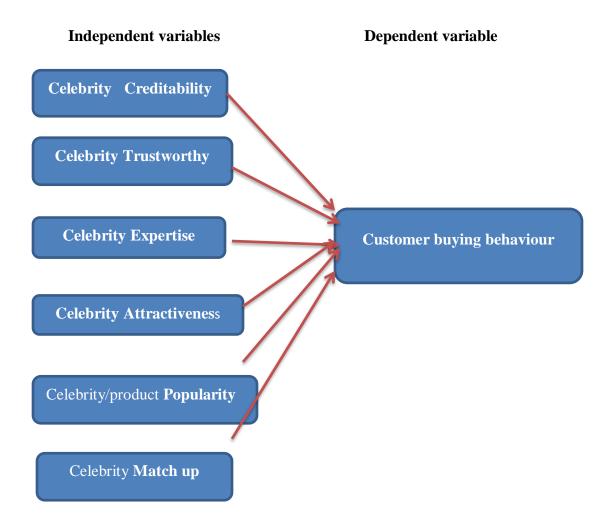


Figure 2.1. Conceptual Framework (Source: Adopted and modified (Ohanian, 1990)

**Dependent Variable**: The dependent variable considered for this research study is "Consumer usage Behavior". Independent Variables:

**The independent variables** are components of celebrity endorsement, such as attractiveness, trustworthiness; expertise and celebrity/product match-up, popularity and Creditability,

#### **CHAPTER THREE**

#### 3. RESEARCH METHODOLOGY

#### 3.1. Introduction

The primary aim of the study is to examine the effect of market mix elements on customer purchasing intention. The research methodology section included the research design, research approach, sample design, population, sample size determination and sampling techniques, sampling frame, sampling unit, types of data sources and instruments that was utilized in collecting data, method of data collection, the procedure of data collection and finally the method of data analysis were intensively presented.

#### 3.2. Research Design

A research design is a plan, structure and strategy of investigation considered to obtain answers to research questions or problems (Walliman, 2006). From different types of research designs, the study was conducted descriptive and explanatory research design—both design employed to the realization of intended objectives for this study. Descriptive study had a goal to describe attitudes, perceptions, characteristics, activities and situations of a particular subject using the collection of data and tabulation of the frequencies on research variables or their interaction. it views how customers express their point of view regarding the celebrity of endorsement to the company's product whereas explanatory research design was chosen to identify the relationship between the independent (celebrity endorsement passes through attractiveness, trustworthiness; expertise and celebrity/product match-up, popularity and Creditability) and dependent variable (customer purchasing intention) of East Africa bottling sharing company in Addis Ababa.

#### 3.3. Research Approach

The study has used both Qualitative and Quantitative approach (mixed) to research. Quantitative approach was a close ended or confined form of research in which it has structured measurement technique that allows a range of possible responses whereas Qualitative data which will be collected using open-ended such as opinion, attitude, perception of participants of the study (Kottler and Keller, 2006). In this study, therefore, the study used mixed approach . Quantitative data is close ended and five scale likert structured questionnaires whereas qualitative data has gather the information from interview which was collected using open-endedsemi structure questionarriesto obtain perception of participants of the study.

#### 3.4. Population

According to Zikmund et al. (2013) "population is identifiable total set of elements of interest being investigated by a researcher". Target population is defined as the entire group a researcher is interested in. Thus, the target population for the study includes all the customers who purchase the product/s such as whole sellers ,retailors and private customers like hotels,hospitals,schools etc and individuals of the products of East Africa bottling sharing company in Addis Ababa.

#### 3.5. Sample Design and Sampling Technique

#### 3.5.1. Sampling Design

A sample design is a definite plan for obtaining a sample from a given population. It refers to the technique or the procedure the researcher would adopt in selecting items for the sample. Sample design may as well lay down the number of items to be included in the sample i.e., the size of the sample. Sample design is determined before data are collected (Kothari, 2004). The composition of sample design was target population, sample size determination, and sampling technique.

#### 3.5.2. Sample Size Determination

Assuming there is a large population but not knowing the variability in the proportion that is the target customers of East Africa bottling sharing company in;

Therefore, Assuming p=.5 (maximum variability). Furthermore, suppose a 95% confidence level

and  $\pm 5\%$  precision.

Sample size was calculated by using the following formula below (Cochran, 1963:75)

The resulting sample size is demonstrated as follows

$$n_{\rm O} = \frac{Z^2 pq}{e^2}$$

Therefore,

$$n = \frac{(1.96)^{2}(0.5)(0.5)}{(0.05)2}$$
$$n = 384.16 \sim 385$$

Where, n =the sample size

Z =standard error associated with the chose Level of confidence (typically, 1.96)

p =estimated percent in the population q.p=q=0.5

### 3.4.3. Sampling techniques

Sample size for the study assure to detect statistical significant.385 customers determined to select respondents from each sales out lets and 14 directors, general manager and sales ,finance and human resource managers and senior marketing division manager selected by purposive sampling method out of 36 director , managers. Because of based on the knowledge of marketing strategy. 385customers were selected by convenience sampling technique in the study. The reason is actual number of customers is unknown, and they are not registered with the company. As a result, there is no sample frame to obtain for each customer. Choice customers were available to get them, so the researcher conveniently got them in five sales outlets of the company to complete the sampling unit of the sample.

## 3.5 . Type and source of data

The study used both primary and secondary source. Accordingly, primary data collected from the customers who purchase the product/s such as whole sellers ,retailors and private customers like hotels,hospitals,schools etc and individuals of East Africa bottling sharing company by using structured questionnaire. Furthermore, the researcher used Secondary data such as reserved document, company policy or procedure related to marketing strategy of East Africa bottling sharing company in Addis Ababa was attached.

#### 3.6. Data collection instruments

The researcher was used questionnaires and interviews. Questionnaires are one of the instruments of data in the research which was prepared for East Africa bottling sharing company customers. It is closed-ended. It was a quantitative instrument. The contents of the questionnaire will contain two parts: The first part hold respondent demography followed by five scales-Likert of component celebrity endorsement attributes. It was required to identify the understanding, perceptions, and interest of customers with in particular celebrity endorsement ad strategy influence customer purchasing intention East Africa bottling sharing company products. So the questions hold the details regarding celebrity credibility, trustworthiness, attractiveness, popularity, expertise and celebrity/product match up. As the researcher mentioned earlier, the procedure of data collection was based on both primary sources, which are questionnaires. They were derived from the research problem and the objective. There will be 385 questionnaires in English and translated into Amharic so as to understand each statement of the questions and then duplicate questionnaires guides according to the sample size of the study. The enumerator/data collector distributed questionnaires to employees, and then they will be collected after the respondents fill them out.

On the other hand, an interview was a semi- structured interview to cross checks the marketing policy applied celebrity endorsement ad component from the concerned marketing strategy maker and the implemented strategy and policy are effective to retain customer and loyal, and what challenges the marketing department faces and what countermeasures they take to overcome the problem. The interview was requested by the researcher. The opinions of the marketing managers and experts were asked as per the interview inquiry.

## 3.7. Method of Data Analysis

Data Analysis was employed, descriptive statistic will be used to present the data acquired in a structured, accurate and summarized manner. The analysis of data was done with the help of the statistical software SPSS version 26. Quantitative data was analyzed through statistical tool such as Descriptive statistical analysis such as table percentage mean and standard deviations was used to present the results. Inferential statistics also were to correlation, assumption to the validity reliability of the data and multiple linear regressions. It showed the relation between independent variable and dependent variable and the effect were analyzed, tested the hypothesis and predict dependent variable respectively, Whereas the qualitative information was be explained in textual from and analyzed to confirm the current celebrity endorsement strategy practiced and its out come

## 3.8. Multi linear regression model

Both independent and dependent variables in the model could be measured by ordinary scale.

 $Y=B_{0+}B_1X_1+B_2\ X_2+B_3\ X_3+B_4X_4+B_5x_5+B_6X_6+\ \epsilon$ 

Where, Y is customer purchasing intention

B<sub>0</sub> is constant,

 $B_1$ - $B_6$  = Regression coefficient of independent variables

 $X_1$  = Celebrity Credibility (Independent Variable)

 $X_2$  = Celebrity Attractiveness (Independent Variable)

 $X_{3=}$  Celebrity Popularity (Independent Variable)

 $X_4$  = Celebrity Trustworthiness (Independent Variable)

X<sub>5</sub>= Celebrity Expertise (Independent Variable)

X<sub>6</sub>= Celebrity celebrity/product Match Up(independent variable)

 $\epsilon$  is error term.

3.9. Validity and Reliability

**3.9.1.** Validity

Validity is concerned with whether the findings are really about what they appear to be about (Sounders et. al., 2003). Validity defined as the extent to which data collection method or methods accurately measure what they were intended to measure (Sounders et. al., 2003). Numbers of different steps were taken to ensure the validity of the study.

Validity Test The validity of the questionnaire was determined through face, content and constructs validity. First, the question was framed in such a manner that it was easily understood and exactly conveyed its sense and purpose to the respondents. Moreover, the draft questionnaire was given to 12(twelve) East africa bottling S.C customers to view it in the light of the research objectives, its relevance, the adequacy of 33 five likret scale) questionnaire items, and 5 demography question coverage. According to Creswell (2014), validity measures the degree to which the study achieves what it set out to do. To test the validity of the research instruments, content validity index (CVI) formula was used to ascertain the validity. If CVI is Greater than 0.70 then the questionnaire is valid. Research experts and advisors helped as they ascertain the validity of the instruments. i.e.

Content Validity Index (CVI) =  $\underline{\text{Total number of relevant items in the questionnaire}}$ Total number of items of the questionnaire

CVI = 
$$38 = 0.87$$

## 3.9.2. Reliability test

Reliability is the degree to which the measure of a construct is consistent or dependable (Bhattacherjeend, 2012). Measurement reliability of a scale was obtained by one of the following methods: test-retest, alternative forms and internal consistency. To measure internal consistence cronbach's alpha was the most widely used measure to assess the reliability. In this study Cronbach's coefficient alpha was executed. Alpha coefficient ranges in value from 0 to 1. The

higher the score, the more were internally reliable the generated scale is Cronbach's coefficient alpha.

Table 3.1: Reliability analysis of variables

Variables	Cornbrash's Alpha	items
celebrate credibility	.769	5
Attractiveness	.774	5
popularity	.710	5
trustworthiness	.741	5
Match up	.726	5
Expertise	790	4
Customer purchasing intention	761	5
Overall	.92	40

Source: compiled from own survey, 2023

The above Table 3.1, illustrates that the values of Cronbach's alpha for each of the questionnaire and the entire questionnaire. For the fields, values of Cronbach's alpha ranged between 0.710 and 0. 790 which is highly acceptable according to Malhotra and Birkis (2007). In addition to this the overall reliability statics for four items is 0.924. Hence, based on the above reliability statistics, it is above the minimum required threshold and showed that the high reliability of the questionnaire have value over 0.7 is believed to be acceptable reliability coefficient (Pallant, 2010).

#### 3.10. Ethical considerations

The study uphold all ethical considerations recommended in research, including seeking participants', privacy, anonymity, confidentiality and avoiding plagiarism.

**Seeking participants'** was informed consent: Before engaging any participant in the study, the researcher first was sought their informed consent. The purpose, objectives and mode of participation in the study was elaborated to potential participants. The participants were also allowed to ask questions for clarification (where need arose). They were asked to fill a consent

form, to affirm their acceptance to be part of study. Only consenting participants will be involved in the study.

**Privacy**: The participants selected were treated with a high level of private. No participant were allowed to tick the questionnaire in groups or engage in group interviews. Each participant will be responded to the study tools separately. Any recording done were used for the study, later be deleted from researcher's database. Privacy of all official documents was accessed was also upheld.

**Confidentiality**: This relates to the extent to which respondents' information is disclosed. The researcher kept respondents' information with utmost confidentiality. Data were securely protected on CDs and only available to the University. After the presentation of the final report, all the data CDs was destroyed. In case of publishing the findings, the researcher sought permission from the concerned parties for authorization.

## **CHAPTER FOUR**

## 4. DATA PRESENTATION AND ANALYSIS

## 4.1. Rate of Respondents

**Table 4.1 Response Rate** 

Type of Respondent	Questionnaires/ interview	Returned	Response percentage
customers	385	362	94
Managers and experts	14	7	50
Total	399	369	93

Source: Compiled from own survey, 2023

Table 4.1 indicated that 385 questionnaires were distributed to East Africa bottling sharing company customers, where 362 questionnaires were returned back which yields 94 percent of rate of return. In addition, 14 management members were planned to be interviewed and 7 attended the interview 50 percent of rate return as indicated in above table. Therefore, 362 questionnaires and 5 interviews served as a source of data for analysis, findings presentation and drawing conclusion

# **4.2.Demographyic Characterstics**

Table 4.2 Response of sex, age, marital status, educational status and occupation of customers

No	Items	Frequency	Percentage	Cumulative percentage
1	Sex			
	Male	178	49	49
	Female	184	51	100
	Total	362	100	
2	Age			
	Less than 20 years	33	9	9
	20- 29 years	125	34	43
	30-39 years	104	29	72
	40-49 years	75	21	93
	Above 50 years	25	7	100
	Total	362	100	
3	Marital status			
	Married	202	56	56
	Single	127	35	91
	Divorce	33	9	100
	Total	362	100	
4	<b>Educational status</b>			
	Elementary school	17	5	5
	Secondary school	46	13	18
	Certificate	9	2	20
	Diploma	122	34	54
	First degree(BSC, BA)	133	36	90
	Masters and above	35	10	100
	Total	362	100	
5	Occupation			
	Government office	78	22	22
	Business person	72	20	42
	Student	23	6	48
	Private employee	157	43	91
	Others	32	9	100
	Total	362	100	

Source :Own survey,2023

Table 4.2, item number 1, illustrated presents the demographic information. Considering the gender of the respondents, 178(49 %) of the respondents were male but 104 (51%) of respondents were female. This implies that majority of the respondents in the study were female customers.

item no 2, Regarding the age of the respondent showed, 33(9%) of the respondents age were less than 20 years old, 125(34%) of the respondents age were 20-29 years old, 104(29%) of the respondents age were less 30-39 years old, 75(21%) of the respondents age were greater than 40 -49 years old and 25(7%) of the respondents age were greater than 50 years old Thus, the current data indicated that most of the East Africa bottling sharing company customers below 40 years old.

Similarly, item no 3, the marital status of the respondents, showed that 202 (56%) of the respondents were married, but the rest of 127 (35%) were single but the rest of the respondent 33(9%) were divorced. Thus most of the respondents were married customer.

Most of the employees of East Africa bottling sharing company customers are female, young, and married, responsible for their families and loyal customers.

Table 4.2, item number 4, depicted that 17(5 %) of the respondents were primary completed, 46(13 %) of them were secondary, 9(2 %) of the respondents were certificate, 122(34 %) of the respondents were diploma holder. the largest portions 133(36 %) were first degree holder, 35(10 %) of them were master and above

Thus, majority of the respondents 168(46) educational status were degree holder and above. This implies that the majority of East Africa bottling sharing company customers were highly educated and able to differentiate the product quality, reasonable price, convenient place, and follow the promotion of East Africa bottling s.c marketing strategy and buy products they need.

As indicated in table 4.2 item no 5, 78(22%) of the customer respondents worked in government office, 72(20%) of the customer respondents were business person, 23(6%) of the customer respondents were student,157 (43%)of the customer respondents worked private organization, the rest32(9%) of the respondent were other work, thus, most of the customers of East Africa bottling s.c were in private organization employees.

## 4.3. Descriptive statistics

In order to see the general perception of the respondents regarding the effect of celebrity endorsement on customer purchasing intention of East Africa bottling sharing company (i.e. trustworthy, attractiveness, popularity, expertise, credibility and match up (independent variable)); the researcher has summarized the effect celebrate endorsement on customer purchasing intention using frequency, percentage, mean and standard deviation using 5 - point Likert scale.

The 5- point with their respective numeric value was:

1: Strongly Disagree; 2: Disagree; 3: Neither Agree nor disagree, 4: Agree and 5: Strongly Agree. Thus, In order to analyze the respondents overall consumer buying behavior 37 questions were grouped into the seven level measurements of celebrity endorsement, which are credibility ,Attractiveness, popularity, Trustworthiness, celebrity/Product match-up and Expertise and. In order to compare the respondent's response to celebrity endorsement, descriptive statistics of mean and standard deviation is used. The mean indicates to what extent the sample group averagely agrees or disagrees with the different statements. The higher the mean the more the respondents agree with the statement while the lower the mean the more the respondents disagree with the statement. In addition, standard deviation shows the variability of an observed response. Below the results is discussed one by one.

## **4.3.1.** Credibility of the Celebrity

The credibility components like trustworthiness, attractiveness and expertise are interconnected with other traits of celebrity and the image dimension which reflects good qualities. E.g. pleasant, wise, educated etc. produce sincere and positive attitude of the celebrity in consumers mind. The source credibility model holds that a message's effectiveness is based on the 11 perceived levels of expertise and trustworthiness the customers have in an endorser (Sternthal et. al. 2018).

Table 4.3. Response of Celerity Credibility

Item	Mean	S.D
Similar (in terms of values, styles, etc) with the celebrity endorser of East	3.8	.937
Africa bottling sharing company (coca-cola)		
the celebrity endorser of possess honesty in endorses the East Africa	3.94	.712
bottling sharing company (coca-cola)		
the celebrity endorser of East Africa bottling sharing company (coca-	3.96	.712
cola) possess sincerity in endorses the coca cola		
the celebrity endorser of possess trustworthy in endorses the product	4.05	.796
the celebrity endorser of possess reliability in endorses the coca cola	3.68	.739

Source:own survey,2023

Based on the table provided, it appears that the East Africa bottling sharing company (coca-cola) values celebrity endorsers who are similar in terms of values and styles with a mean score of 3.8 and a standard deviation of .937. This suggests that the company believes that this characteristic help to enhance its brand image.

The company also values honesty, sincerity, trustworthiness, and reliability in their celebrity endorsers. The attribute with the highest mean score is "the celebrity endorser possesses trustworthiness in endorsing the product," with a mean score of 4.05 and a standard deviation of .796. This indicates that it is important for the company to have endorsers who are seen as trustworthy by consumers.

The attribute "the celebrity endorser possesses honesty in endorsing the East Africa bottling sharing company (coca-cola)" received a high mean score of 3.94 with a low standard deviation of .712, indicating that honesty is also highly valued by the company.

Similarly, "the celebrity endorser possesses sincerity in endorsing the coca cola" also had a high mean score of 3.96 with a standard deviation of .712, suggesting that sincere endorsement is an important attribute for celebrity endorsers to possess.

Lastly, "the celebrity endorser possesses reliability in endorsing the coca cola" received a lower mean score with a score of 3.68 and a standard deviation of .739, suggesting that this attribute may be slightly less valued by the company.

It is consistent with the study of Anyadighibe, Etuk, James & Okpetim (2022).celebrity credibility has a significant positive effect on consumer buying behaviour towards telecommunication services, the mean of credibility was 3.45 with standard deviation .856 the resul implies that customers accepted the influence of credibility, This finding supported with the study of Abu-Fatool and Farhim (2016)

In general, this table 4. 3, provide insights into how East Africa bottling sharing company (cocacola) values various attributes in their celebrity endorsers. Endorsers who possess honesty, sincerity, trustworthiness, and have similar values to the company are highly valued. Companies like Coca-Cola know that endorsements can greatly influence consumer behavior, thus they value these attributes in their celebrity endorsers to help improve their brand perception.

The managers of the East Africa bottling S.C. inquired about celebrity endorsements motivating consumers to buy products; the majority of the managers provided the same response, summarized their response to the best of their ability, they said yes and attempted to handle the celebration of endorsements in a suitable manner. The outcome exceeded 30% of our objective, in accordance with the company's marketing policies and procedures. The increase in consumers over the previous year's figures serves as a clue.

Moreover, the study requested regarding celebrity endorsement improves product information and raises consumer awareness, and the interviewed managers responded by saying yes, that celebrity endorsement has many ways of influencing customers to use advertising, so our company is practically doing celebrity endorsement to gain new customers.

## 4.3.2. Attractiveness of the Celebrity:

Attractiveness of the celebrity like appearance, elegance, beauty, sexy components may influence the process of endorsement. There is a strong impact of celebrity's attractiveness as well as inter actions of likeability, involvement and sex on the value of the product. Attractiveness refers to how physically attractive, elegant or likeable the source is to the audience. Therefore endorsers who are perceived to be knowledgeable, reliable, and attractive are considered credible and in turn induce consumers" positive attitudinal and behavioral responses to the brand and the product (Ohanion, 2011; Wei and Lu, 2013)

**Table 4.4. Response of Celerity Attractiveness** 

Item	Mean	S.D
the product because the celebrities are attractive	3.69	.766
the product because the celebrity endorsing the product creates a class	3.75	.797
the product because the celebrity endorsing the products are beautiful	3.72	.836
the product because the celebrity endorsing the products are elegant	3.64	.907
the product because the celebrities look sexy	3.73	.016

Source: Own survey,2023

These variables, "the product because the celebrities are attractive", "the product because the celebrity endorsing the product creates a class", "the product because the celebrity endorsing the products are beautiful", "the product because the celebrity endorsing the products are elegant", and "the product because the celebrities look sexy" all measure the extent to which customers value a celebrity's physical attractiveness in their decision to use Coca Cola.

The mean scores for these variables range from 3.64 to 3.75, with the highest mean score for "the product because the celebrity endorsing the product creates a class", suggesting that customers may be more influenced by a celebrity's perceived elegance and sophistication than by their physical attractiveness or sexiness.

It is important to note, however, that the mean scores for attractiveness-related variables are also relatively high (ranging from 3.69 to 3.73), indicating that customers do place some value on a

celebrity's physical appearance when making purchasing decisions. The standard deviation values for these variables range from .766 to .907, suggesting that there is some variability in customers' responses regarding the importance of a celebrity's attractiveness in their decision-making process. On the contrary, the research Emnet (2019 )reveal that respondent perception regarding physical attractiveness of the celebrity endorsing selected fast moving consumer goods toward consumer buying behavior the researcher presented 5 34 question to measure the consumer attitude from the question listed "I buy the product because the celebrities are attractive" scores 2,7977 which is the highest this indicate that consumer of fast moving consumer goods buy the product because the celebrity endorsing the product is attractive and from the table below the lowest mean score toward celebrity attractiveness is "I buy the product because the celebrity endorsing the product

Overall, these variables suggest that a celebrity's physical appearance can play a role in influencing customer behaviour towards Coca Cola. However, it is important for companies to strike a balance between physical attraction and the overall message and credibility of their product. Customers may be more influenced by a celebrity's perceived elegance and class than by their physical attractiveness alone, so it is important for companies to carefully select endorsers who can effectively balance these attributes.

Managers were asked interview to respond their perception about the frequent change in celebrity for advertising reduce the purchase decision. The managers replied accordingly, no difference we have seen, once they satisfied the product feature, they became customer and buy more and frequently so no matter frequent change brought, loyal customer buy what they need, its amount.

In addition, The researcher asked the interview managers they responded as per the interest of request they said No, but an insignificant number of respondents did not believe the celebrity endorsement influenced them to use Coca-cola

## 4.3.3. Popularity of the celebrity

Popularity of the celebrity: Popularity of an endorser is a crucial factor. A person who proved his ability in arts, sports, film etc. is considered as celebrity. People have a tendency to commensurate the personalities of the celebrity with the brand (Sirgy, 2012).

**Table 4.5. Response of Celerity Popularity** 

variable	Attributes	Mean	S.D
popularity	the celebrity endorser influencer has popularity	3.58	.812
	the celebrity endorser influencer has fame	3.59	.868
	the celebrity endorser influencer has recognition	3.25	.875

Source : Own survey,2023

Based on the table provided, it appears that these are three attributes that are being measured in relation to the celebrity endorser of Coca Cola.

The first attribute, "popularity the celebrity endorser influencer has popularity 3.58 .812" suggests that customers are more likely to be influenced by a celebrity who has a high level of overall popularity. This could be due to the general exposure that a celebrity with high popularity receives in the media and on social platforms.

The second attribute, "the celebrity endorser influencer has fame 3.59 .868" is related to the first attribute, but focuses specifically on the celebrity's level of fame. This could refer to their level of recognition in pop culture or their number of previous endorsements for other products. Customers may be more likely to trust a celebrity who is seen as famous or influential in their respective field.

Finally, the third attribute, "the celebrity endorser influencer has recognition 3.25 .875" simply measures the degree to which customers recognize or are aware of the celebrity endorsing Coca Cola. While this attribute may not be as impactful as the first two, it can still play an important role in determining the effectiveness of a celebrity endorsement. It is supported by Adam & Hussain (2017) popularity requested its influence to purchase intention, 182(63%)the respondent from 289 agreed, 64(22%)of them neutral the rest 15% of the respondent disagreed the influence.

Overall, these attributes demonstrate the importance of choosing a celebrity endorser who is well-known and respected by customers. Popularity, fame, and recognition are all factors that can lend credibility and trust to a celebrity endorsement and influence customer behavior towards using Coca Cola products.

## **4.3.4.** Trustworthiness of the Celebrity:

Trustworthiness can be defined as the extent to which the endorser is perceived to be believable, honest and dependable. Greater the proportion of these aspects higher were the likelihood of the endorser to be selected by the advertisers (Shimp 2017). It simply refers to the faithfulness, honest and reliability of the spoke person

**Table 4.6. Response of Celerity Trustworthy** 

Variable	Item	Mean	S.D			
Trustworthy	the product because the celebrity is honest about the	3.92	.932			
	message he/she is giving					
	the product because the message given by the celebrity is	4.01	.786			
	reliable					
	The product because the message given by celebrity is					
	dependable					
	the product because the message given by the celebrity is	3.87	.822			
	sincere					
	the product because I trust the celebrity regarding the	3.89	.863			
	product					

source:Own survey,2023

Based on these variables, we can interpret that customers' trust in a product is influenced by the celebrity endorser's honesty, reliability, and sincerity in delivering the message. Among these variables, customers placed the most importance on the message's reliability with a mean of 4.01 andthe celebrity is honest about the message mean is 3.92 with .standard deviation 0 .932,the message given by celebrity is dependable ,its mean 3.83 with standard deviation 0.847,is the lowest on trusting the celebrity. the celebrity is honest message giving has mean 3.87 with

standard deviation 0.822 and regarding the product with a mean of 3.89 with standard deviation .863 .The standard deviation for each variable indicates some variation in responses, though it is relatively low across all variables.

Similarly, the result is consistent to Emnet (2019), Ismaila et al.(2020), studies reveal that buying behavior is more tends to buy because the celebrity endorsing the product is honest about the message is he/she is giving since from the survey data mean score for this question is the highest, which is 3.0627 with 1.3078.likewise, Ismaila et al (2020), Celebrity trustworthiness was found to have a positive and significant impact on consumer behaviour with a B-value of 0.020 and a p-value of 0.001. The outcome conforms with that of Malik & Guptha, (2014) where celebrity trustworthiness was established to have an impact on consumer buying behaviour. According to the study, the trustworthiness of a celebrity is the most important and necessary feature when it comes to celebrities endorsing a product. The outcome of this study is also supported by the outcome in Wang & Scheinbaum, (2018) where celebrity trustworthiness emerged as an essential feature that influences the credibility of a brand and consumer's perceptions.

Managers were asked interview about famous personalities playing a greater role in creating effect than sports, and any other film star or manager agreeably replied that popularity plays a major role in creating effect together with the trustworthy knowledge of endorsers as compared to ordinary people

Generally, this implies that companies should carefully select celebrities who are not only physically attractive but also possess sufficient knowledge and skills, and can effectively communicate the brand's overall message with honesty, reliability, and sincerity to enhance their product's appeal to consumers.

## 4.3.5. Celebrate /product Match up

Match factor implies that celebrity product matches and celebrity target audience match. The effectiveness of celebrity endorsement is largely influenced by the celebrity product match up factor. The marketer has to consider only the right celebrity for the right product. Putting the right celebrity for the right brand is an art if 10 it is applied in a right manner its result was promising. The celebrity should be matched with the target audience also. The consumers may

evaluate the credibility and the achievements and performance of the celebrity. So there should be a proper fit between the target consumers and product. Celebrity product congruence has a positive impact on brand image, which in turn has a positive impact on brand equity (Jaiprakash, 2018).

Table 4.7. Response of Celerity Match up

Variable	Attributes	Mean	S.D
Match	I buy the product because the celebrity is compatible	3.67	.770
Up	with the product		
	I buy the product because the celebrity has good fit with	3.69	.769
	the product		
	I buy the product because the celebrity has good match	3.82	.783
	with the product		

Source: Own survey,2023

Based on the variable attributes of "Match Up" and the mean and standard deviation values in the table you provided, it can be interpreted that consumers are more likely to buy a product if the celebrity endorsing it appears to have a good match or fit with the product. The mean values range from 3.67 to 3.82, indicating that this attribute is moderately important to consumers. The standard deviation values indicate that there is little variation in the responses among consumers, with values ranging from .770 to .783.

This implies that there is a relatively consistent perception among consumers about the importance of a celebrity's compatibility with the product when making purchasing decisions. Overall, these results suggest that companies should carefully select endorsers who have sufficient knowledge and skill and balance physical attraction with the overall message and credibility of their product in order to effectively influence customer behavior through celebrity endorsements.

a consistent study by Emnet (2019), Ismaila et al.(2020), indicated that perception among consumers respondent about Product/celebrity matchup between the celebrity endorsing the product and the selected fast moving consumer goods toward consumer buying behavior the

researcher presented 3 question to measure the consumer attitude from the question listed "I buy the product because the celebrity has good fit with the product" scores 3.1823which is the highest this indicate that consumer of fast moving consumer goods buy the product because the celebrity endorsing the product and the product itself has good fit from the table below the lowest mean score toward Product/celebrity matchup is "I buy the product because the celebrity has good match with the product" is 3.0570.

The research compared the 4 Ps (product quality, pricing, discount offers, and celebrity endorsement) by asking predefined questions about the purchasing attitudes of their clients. The management responded in line with this, stating that each marketing strategy serves a different purpose in attracting and retaining consumers. Both were utilized by the company's strategic and tactical marketing plans, and more crucially, both were integrated to reach the corporate goal.

## 4.3.6. Expertise of the celebrity

Expertise of the celebrity refers to the extent of knowledge the celebrity is perceived to have regarding the subject on which he or she is communicating. Expertise may be defined as the extent to which a communicator is perceived to be a source of valid assertions" (Hovland et. al., 2013)

Table 4.8. Response of Celerity expertise

Variable	Attributes	Mean	S.D		
Expertise	the celebrity has enough expertise of the product	3.67	.884		
	he/she endorsed				
	the celebrity has enough experience to endorse the	3.62	.978		
	product				
	the celebrity has enough knowledge of the product	3.76	.850		
	he/she endorsed				
	the celebrity has enough qualification to endorse the				
	product				
	The celebrity endorser influencer has skill	3.75	.837		

Source: Own survey,2023

From the data provided, it is evident that consumers value the perceived expertise and knowledge of the celebrity endorsing a product. The mean scores for all variables are above 3.6, with standard deviation .978 indicating that participants generally agree with these statements.

The mean scores for all variables are 3.67,3.76,3.76 and 3.75,The standard deviation (S.D) values suggest some variability in participant responses but to a lesser degree than in the previous variable set.

Overall, it can be concluded that perceived expertise and knowledge of the celebrity endorser is a significant factor in consumer behavior. Therefore, companies should ensure that they choose the most suitable celebrity endorser with enough credibility on the product they endorse. Further research could investigate the relationship between these variables and the effectiveness of celebrity endorsements on consumer behavior specifically

On the contrary, the study of Edom(2019)The mean score value of the overall level of expertise is 2.906 which falls below the cut of point 3.00. This means customers of the bank exhibit neutral response on expertise of the celebrity. The standard variation of the overall level of customers' purchasing intention is 1.199 which is high standard deviation, shows that the data is wide spread meaning customers gave variety of opinion and low standard deviation means customers have close opinion.

## **4.3.7.Consumer purchase intention**

Consumer behaviour at different times has different complexity. Consumers purchase different product and services from different sellers after analysing there marketing strategies. To purchase some goods they are consider three – process steps of consumer behaviour. While buying some goods (goods that are consumed regularly) is very simple and does not require multiple steps. Customers try to make the buying process simple through trusting others, loyalty to the brand and; Consumer purchase behaviour includes different roles: Consumers in different time can play each of the three roles those are information searching, evaluation and purchase decision. When we buy something for our self we can play those 3 roles (Golchinfar, 2016).

Table 4.9. Response of Customer purchasing intention

Customer purchasing intention Attributes	Mean	S.D
well aware of the coca cola endorsed by the celebrity.	3.87	.762
Use the coca cola because of the expertise of the celebrity.	3.81	.718
Use the coca cola because of the trustworthiness of the celebrity.	3.89	.723
Use the coca cola because of the Physical Attractiveness of the celebrity.	3.90	.767
Use the coca cola because of the Perceived congruence (fit) between the celebrity and the brands of the celebrity.	4.07	.792
found the advertisement by the celebrity to be personally relevant for	3.93	.789
use the coca cola endorsed by the celebrity	3.98	.784

Source : Own survey,2023

From the data provided, it can be inferred that the celebrity endorsement has a positive effect on customer behavior in terms of using the endorsed product. The mean scores for all variables are above 3.81, with standard divation.718, indicating that participants generally agree with these statements. The standard deviation (S.D) values suggest some variability in participant responses, but again to a lesser degree compared to previous variable sets, for instance,.

Interestingly, perceived congruence (fit) between the celebrity and the brand of the celebrity has the highest mean score4.07 with stanarddivation.792, which implies that customers feel that the celebrity and the product being endorsed match well together.

Generally, it can be concluded that celebrity endorsement has a significant impact on customer behavior, particularly in terms of creating brand awareness and encouraging product consumption. Further research could investigate the relationship between these variables and their actual impact on sales volume. the study consistently (Ismaila et al., 2020).show thatthe endorser characteristics respondents consider most. 67(33.17%), 62(30.69%), 44(21.78%), 22(10.89%) and 7 (3.47%) of participants considered the expertise, credibility, attractiveness, trustworthiness, and familiarity of an endorser respectively(Emnet, 2019). The outcome is an indication that celebrities' organizations engage must possess certain qualities that may entice consumers, on the contrary, the mean score value of the overall level of physical attractiveness is 2.74 and trustworthiness of the celebrity is 2.99 which falls below the cut of point 3.00. This means consumer of selected FMCGs (diapers, bottled waters, dairy products, soaps & detergents 37 and feminine hygiene products) exhibit neutral response on physical attractiveness of the celebrity and perceived trustworthiness the celebrity(Emnet, 2019)

#### 4.4. Inferential Statistics

#### 4.4.1. Pearson's correlation

The Pearson's product moment correlation coefficient was computed for the purpose of determining the relationship between independent variable, and the dependent variable. Karl Pearson's coefficient of correlation (correlation) is the most widely used method of measuring the degree of relationship between two and more variables. It provides an index of the strength, magnitude and direction of the relationship between variables (Tabachnick & Fidell, 2007).

Pearson correlation results range between 1 (perfectly linear positive correlation) to -1 (perfectly linear negative correlation). When the correlation value is 0, no relationship exists between the variables understudy and when the correlation value lies in the middle between 1 and -1 (excluding 0). Accordingly, in order to identify whether the dependent variable and independent variables have a joint variation, a Pearson Correlation Coefficient was computed with aid of SPSS

In determining the strength of the relationship based on Tabachnick & Fidell, (2007) the values of the coefficient of correlation between 0 and 1 are interpreted as follows:

r=.10 to .29the strength is Weak

r=.30to .49 the strength is Moderate

r=.50to 1.0 the strength is Strong

Table 4.10. Response of correlation

	Correlations							
								Customer
		Celebrity	Celebrity		Trustwor	Match	Celebrity	purchasing
		creditably	attract	popular	thy	up	expertise	intention
celebrity	Pearson Correl	1						
creditably	Sig. (2-tailed)							
	N	362						
Celebrity	Pearson Corrn	.521**	1					
attractive	Sig. (2-tailed)	.000						
	N	362	362					
Celebrity	Pearson Correl	.361**	.318**	1				
popular	Sig. (2-tailed)	.000	.000					
	N	362	362	362				
Trustwort	Pearson Correl	.571**	.503**	.436**	1			
hy	Sig. (2-tailed)	.000	.000	.000				
	N	362	362	362	362			
Match up	Pearson Correl	.390**	.541**	.402**	.682**	1		
	Sig. (2-tailed)	.000	.000	.000	.000			
	N	362	362	362	362	362		
Celebrity	Pearson Correl	.347**	.515**	.241**	.583**	.579**	1	

expertise	Sig. (2-tailed)	.000	.000	.000	.000	.000		
	N	362	362	362	362	362	362	
Customer	Pearson Correl	.490**	.508**	.258**	.652**	.602**	.546**	1
usage	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	
mbehavio	N	362	362	362	362	362	362	362
ur								
**. Correla	**. Correlation is significant at the 0.01 level (2-tailed).							

Source: Own survey,2023

The Table 4.10, Shows the correlations between different variables related to celebrity endorsements and customer behavior towards Coca Cola. Starting from the top, the table shows a correlation of 1 between Celebrity credibility and itself, which is to be expected since it is measuring a single attribute.

In table 4.10, indicated that Celebrity attractiveness has a positive correlation of .521 with Celebrity credibility, indicating that customers who perceive the celebrity endorser as physically attractive are more likely to trust them in regards to Coca Cola. Celebrity popularity has a positive correlation with both Celebrity attractiveness (r=.318, at P-Value<.01) and Celebrity credibility (r=.361, at P-Value<.01), suggesting that popular celebrities are perceived as more attractive and trustworthy by customers in this context.

The Trustworthiness of the product has positive correlations with all other variables, which makes sense since trust is a key factor when it comes to celebrity endorsements. Specifically, it has a strong positive correlation with Celebrity credibility r=(.571 at P-Value<.01,) and Celebrity attractiveness (.503, at P-Value<.01), suggesting that these two attributes play a significant role in building trust with customers.

Match-up, which refers to the fit between the celebrity endorser and the product being endorsed, has positive correlations with all other variables except Celebrity popularity. This includes a very strong positive correlation with Trustworthiness (r=.682, at P-Value<.01) and a moderate positive correlation with Celebrity credibility (r=.390, at P-Value<.01) and Celebrity attractiveness (r=.541, at P-Value<.01), indicating that a good match between the celebrity and product is important for building trust and credibility with customers.

Finally, Celebrity expertise has a moderate positive correlation with both Celebrity credibility (r=.347, at P-Value<.01) and Celebrity attractiveness (.515 at P-Value<.01,), this implying that customers view endorsements from experts in the field as more trustworthy and attractive.

The strongest positive and significant correlation between trustworthiness and customer usage behavior (r = 0.652, p 0.01) followed by match up (.602, p-value.01), next expertise (.546, p-value.01), and attractiveness (.508, p-value.01), moderate strength credibility (.490 p-value.01), and week strength (.258, p-value.01) relation to customer usage behavior at Coca-Cola. Celebrate endorsement elements were positive and significant, but their strengths varied.these correlations highlight which attributes related to celebrity endorsements and product perception is most strongly linked to customer behaviors towards Coca Cola.

Similarly, Kingsley, Deji and Yinka (2017) conducted a study on "Celebrity endorsement and consumer buying behaviour towards Airtel Nigeria Plc in Lagos, Nigeria". The study sought to establish the correlation between celebrity endorsement (credibility, product match-up, attractiveness and popularity) and consumer buying behaviour towards Airtel Nigeria Plc in Lagos, Nigeria. Primary data were collected from 204 telecommunication subscribers in Lagos using personally-administered questionnaire.). The findings of the study revealed that credibility, product match-up, attractiveness and popularity had a significant positive correlation with consumer buying behaviour towards Airtel Nigeria Plc in Lagos, Nigeria. Hence, the study reached the conclusion that there was a significant correlation between celebrity endorsement and consumer buying behaviour towards Airtel Nigeria Plc in Nigeria. Besides, the consumers' perception towards all celebrity attributes is good then there is relation for the more intention consumer has in purchasing banking services. Based on this, we concluded that purchase intention is moderately and positively correlated with celebrity's expertise, trustworthiness, and attractiveness (r=0.443, r=0.472, & r=0.454, p<0) and statistically significant at p<.01(Molla, 2019).

## 4. 5. Assumption of Regression

When running a Multiple Regression, there are several assumptions that we need to check our data meet, in order for our analysis to be reliable and valid. As clearly explained by statistician report on regression analysis, it is important to make sure that any violations of the assumptions.

Test for average value of the error term is zero (E (u) =0) assumption.

The first assumption required is that the average value of the errors is zero. In fact, if a constant term is included in the regression equation, this assumption can never be violated. Therefore, since the constant term (i.e.  $\alpha$ ) is included in the regression equation, the average value of the error term in this study is expected to be zero.

## 4.5.1. Assessment of Multi Collinearity

Multicollinearity refers to the state of high correlation among the independent variables. When independent variables are multi collinear, there is an overlap of power which results in contradiction (Hair et al., 2006). Multi collinearity exists when there are strong correlations among the predictors (independent variables) and the existence of r value greater than 0.80, according to (Hair et al., 2006). If the tolerance value is less than 0.1 and Variance Inflation factor (VIF) greater than 10, it indicates that the multiple correlation with other variables is high, suggesting the possibility of multicollinearity. Likewise, tolerance value below 0.10 and Variance Inflation factor (VIF) greater than 10 in the correlation matrix are the causes for the Multicollinearity existence (Field, 2009).

As one can see from the Table 4.11, VIF is less than the threshold which is 10. If you have a VIF above 10, it is possible to conclude that there are multi collinearity issues. Hence, Celebrity credibility, attractiveness, popularity, expertise, matchup, trustworthy—are not collinear with each other.

Table 4.11. Response of Multicollinearity

Collinearity Statistics						
Variables	Tolerance	VIF				
Celebrity Credibility	.581	1.722				
Celebrity attractiveness	.554	1.805				
Celebrity popularity	.765	1.308				
Trustworthy	.381	2.623				
Match up	.442	2.262				
Celebrity expertise	.557	1.797				

Source: Own survey,2023

In conclusion, the model presented in Table 4 appears to be a good fit for predicting customer usage behavior, with a high R-squared value and statistically significant F-statistic. The coefficients suggest that celebrity credibility, attractiveness, and expertise have a positive impact on customer usage behavior, while celebrity popularity has a negative impact. Trustworthiness and match up also have a positive impact on customer usage behavior. The Collinearity Statistics table shows no major issue with multicollinearity, which strengthens our confidence in the regression coefficients and recommendations for selecting celebrity endorsers in marketing strategies. Overall, companies should prioritize trustworthiness and match up when selecting a celebrity endorser, and consider incorporating these variables into their marketing strategies to maximize the impact on customer behavior.

#### 4.5.2. Autocorrelations

Autocorrelation is adjacent residuals of any two observations not being independent of each other or correlated. For any two observations the residual terms should be uncorrelated (independent). This eventually is sometimes described as a lack of autocorrelation. This assumption can be tested with the Durbin-Watson test, which tests for social correlation between errors. Specifically, it tests whether adjacent residuals are uncorrelated. The test statistics for this can vary between 0 and 4 with a value of 2 meaning that the residuals are uncorrelated (Field, 2009). The research model the value of the test is closer to 2 (1.905). Hence, it is possible to deduce that the data used in this study doesn't indicate the existence of autocorrelation in the variables. (Table 4.13 or model summary)

Table 4.12. Durbin-Watson for Autocorrelation test

Model 1	Durbin-Watson		
2.50 0.00 0	1.905		

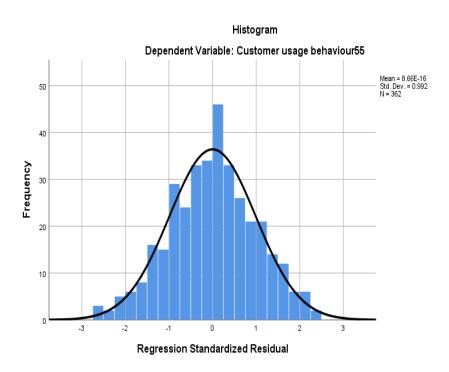
Source: Own survey, 2023

## 4.5.3. Normality Test

As shown in figure 4.1a, the residuals appeared to have a reasonably normal distribution, which confirms the normality of the data. Histograms are graphical methods of testing residuals that are

either normality distributed or not. If the residuals are normally distributed, the histogram would have bell-shaped, centered and unimodal (Robert, 2006). As it is shown in fig- 4-a the distribution of residuals is a normal curve which simply means that it is not heavily peaked. The distribution is also unimodal since there is only one peak, which confirms that the data is normally distributed. Normal probability plots were also used to test the normality assumption

Fig 4-a Histogram for testing normality



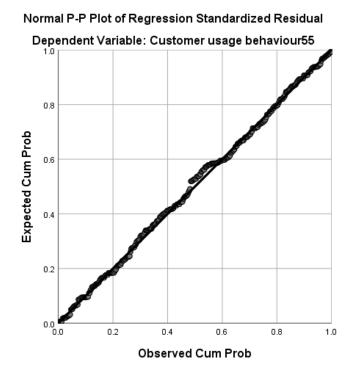
Source: Own survey, 2023

#### 4.5.3. Linearity test

The research is assumed to be linear. Linear means the Dependent variable ( customer purchasing intention ) is assumed to be affected with changes in the independent variables (product, price, place, promotion, people, process, physical evidence). The relationship between the two variables should be linear. This means that at a scatter plot of scores should be a straight line, not a curve (Field, 2009). The scatter plot of this study shows that there is an almost linear

relationship between the Variables. The plots do not show any evidence of non-linearity; therefore, the assumption of linearity is satisfied (Fig- 4-b)

Fig 4-b P-P plot for testing linearity



Source: Own survey, 2023

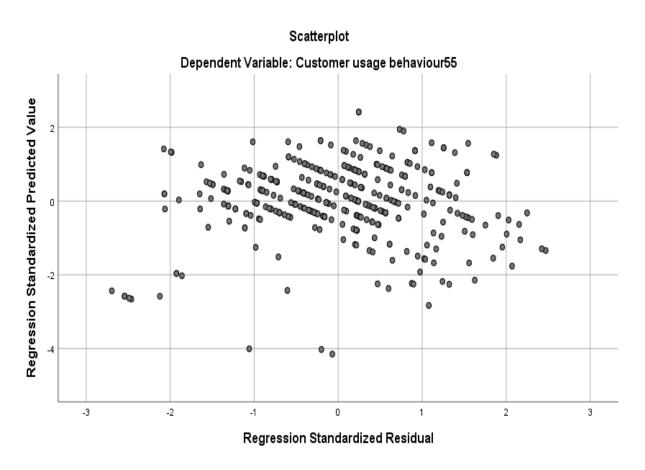
## 4.5.4. Heteroskedasticity

Heteroskedasticity also arise from a result of the presence of outliers (Gujarati and Porter, 2003, P. 390). Outliers are extreme values as compared to the rest of the data and are defined by the size of the residual in an OLS regression where all of the observations are used. What is involved in outlier detection is the determination whether the residual value (error = predicted - actual) is an extreme negative or positive value. One or many residuals influence the OLS estimates. Plotting the residual versus the fitted values can determine which errors are large, after running the regression.

Looking at Fig -4-a, the plot of residual versus the fitted values graph, it can be concluded that

there are no significant outliers implying the residual values do not have extreme negative or positive value. Also by predicting standardized residuals using SPSS software, it can be seen whether the outliers exist and influence the OLS estimates. As Robert (2006) indicated and recommended the use of standardized residuals, if the standardized residuals have values in excess of 4.5 and -4.5, they become outliers and affect the regression results. As seen in fig4-c the SPSS output, the standardize outliers are calculated, listed and tabulated. Therefore, there are no outliers in the study's dataset which create heteroskedasticity problem to the model.

Fig 4-c: scatter plot for heteroskedasticity



Source: Own survey,2023

Finally, passing the validity of the stated assumption, there is no problem to precede regression analysis, F- test, t-test, p-value test and other test are valid and helps to know the true value Regression model

## 4.6. Regression Analysis

Regression is a technique that can be used to examine the effect of one or more predictor variables on an outcome variable. Multiple regressions, which are sometimes called multivariate regression, involve the use of more than one independent variables to predict the values of one dependent variable (Bhattacherjee, 2012). It is used to investigate the influence of independent variables on the dependent variable and to identify the relatively significant influencer.

In this research, multiple linear regressions was conducted in order to identify by how much the independent variables namely Celebrity Credibility. Attractiveness, Popularity, Trustworthy, Match up and Expertise on (dependent variable) customer purchasing intention of East Africa bottling sharing company (coca cola ) in Addis Ababa.

## **4.6.1.**Model summary

Table 4.6.1. Model summary /model Fitness

				Std. Error	Change Statistics				
		R	Adjusted	of the	R Square	F			Sig. F
Model	R	Square	R Square	Estimate	Change	Change	df1	df2	Change
1	.724ª	.524	.516	.33996	.524	65.133	6	355	.000

Source: Own survey,2023

Table 4.13., Finding showed Regression model, R value is =0.724 indicating that there was medium correlation between customer purchasing intention and Celebrity Credibility. Attractiveness, Popularity, Trustworthy, Match up and Expertise

R<sup>2</sup>=0.524, which is the coefficient of determination is a commonly used statistic to evaluate model fitness. The adjusted R<sup>2</sup>=0.516, is also called the coefficient of multiple determination is the percentage of the variation in the dependent variable explained uniquely or jointly by the independent variables. 52.4. % of the total variations customer purchasing intention can be explained by combined effect of the predictor Celebrity Credibility. Attractiveness, Popularity, Trustworthy, Match up and Expertise variables. On the other hand, 47.6 % of the changes cannot be attributed to explain the variation predictors or remaining unexplained. Similarly, The R2 (coefficient of determination) value of 0.233, signifies that up to 23.3 percent of the variation in

the dependent variable (consumer buying behaviour) can be explained by the independent variable (celebrity endorsement). Hence, a unit change in celebrity endorsement affect consumer buying behaviour towards telecommunication services by up to 23.3 percent when other factors are held constant (Anyadighibe et al.,2022).the same result endorsed by the model summary which reports R=0.594 and  $R^2=0.552$ . The  $R^2$  is used to determine the strength of the relationship between the model and the dependent variable. The value of the  $R^2$  therefore means 55% of the variations in the dependent variable (consumer behavior) are explained by the model. The significant level of 0.000 is also an indication that the predictors (celebrity credibility, celebrity attractiveness, celebrity familiarity, and celebrity trustworthiness) are positively related to consumer behavior (Ismaila et al., 2020).

## 4.6.2. Analysis of Variance / Statistical significance

Table 4. 14. Analysis of variance/statistical significant

	ANOVA <sup>a</sup>								
Model Sum of Squares df Mean Square F Sig.									
1	Regression	45.164	6	7.527	65.133	.000 <sup>b</sup>			
	Residual	41.027	355	.116					
	Total	86.192	361						

a. Dependent Variable: Customer purchasing intention

Celebrity attractiveness, Match up, Trustworthy

Source: Own survey, 2023

Analysis variance F-test is used to test the impact of overall explanatory power of the whole model, or the joint effect of all explanatory variables as a group. (i.e. testing the overall performance of the regression coefficients). It measures the statistical significance of the entire regression equation rather than of each individual coefficient as t-test. As indicated in the above table 4.14,the value of F statistic is 65.133 greater than F (6,355) =2.03 at 5% and p=0.000< 0.05.

b. Predictors: (Constant), Celebrity expertise, Celebrity popularity, celebrity creditably,

It implies that the overall model was fit and there was statistically significant association between the independent variables (Celebrity Credibility. Attractiveness, Popularity, Trustworthy, Match up and Expertise) and dependent variable (customer purchasing intention) of East Africa bottling sharing company (coca cola in Addis Ababa See Table 4.14)

## 4.6.3. Regression Analysis / Estimated model coefficients

Table 4. 15. Coefficient of regression

		Coefficients <sup>a</sup>		
		Standardized		
Unstandardized Coefficients		Coefficients		
В	Std. Error	Beta	t	Sig.
1.264	.149		8.488	.000
.129	.041	.152	3.163	.002
.082	.039	.102	2.072	.039
066	.030	092	-2.194	.029
.256	.049	.313	5.275	.000
.176	.043	.224	4.062	.000
.115	.037	.152	3.087	.002
	B 1.264 .129 .082066 .256	B Std. Error  1.264 .149  .129 .041  .082 .039 066 .030  .256 .049  .176 .043	Unstandardized Coefficients  B Std. Error Beta  1.264 .149  .129 .041 .152  .082 .039 .102 066 .030092  .256 .049 .313  .176 .043 .224	Standardized Coefficients           B         Std. Error         Beta         t           1.264         .149         8.488           .129         .041         .152         3.163           .082         .039         .102         2.072          066         .030        092         -2.194           .256         .049         .313         5.275           .176         .043         .224         4.062

Source: Own survey,2023

Based on Table 4, the model appears to be a good fit for predicting customer usage behavior, as indicated by the R-squared value of 0.524, which implies that the model explains 52.4% of the variance in the dependent variable. The F-statistic of 65.133 and its associated p-value of 0.000 also indicate that the model as a whole is statistically significant.

Looking at the coefficients, celebrate trustworthy, celebrate/ product match up (B=0.256,B=0.176, P-Value <.05) and next one can see that celebrity credibility, attractiveness, and expertise (B=0.129, B=0.082 and B=0.115 at P-value<.05 respectively), have a positive impact on customer usage behavior, while celebrity popularity (B=-0.066) has a negative impact.

#### **Standardized Coefficients**

The standardized coefficients are useful to know which of the different independent variables is more important. They are used in comparison of impact of any independent variable on the dependent variable. Hence, the strength of each independent (predictor) variable influence on the criterion (dependent) variable can be inquired by standardized Beta coefficient. Therefore, the regression coefficient explain the average amount of change in dependent variable that caused by a unit of change in the independent variable. Thus, as indicated in regression coefficients (Table 4.15) above, celebrate Trustworthy is the first contributing factor in the prediction of customer purchasing intention with beta value of (B=.313), Second factor by people (B=.224) that the variables are making positive relation and statistical significant to the prediction of customer purchasing intention, third factor are both celebrity credibility and expertise(b=.152) while this variable is making negative but significant to the prediction of customer purchasing intention, the fourth contributor is celebrate popularity(.092), fifth celebrate attractiveness(.102), they make positive relation and statistical significant to the prediction of customer purchasing intention of East Africa bottling sharing company (coca cola in Addis Ababa customers.

#### **Unstandardized Coefficients**

Unstandardized coefficient denotes the change in the dependent variable with a unit change in the independent variable. But they are not comparable in terms of impact on the dependent variable.

As stated in chapter three, the study used the following multiple regression model to establish the statistical significance of the independent variables on the dependent variable

Both independent and dependent variables in the model could be measured by ordinary scale.

$$Y = \beta_{0+} \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \epsilon$$

Where, Y is customer purchasing intention (Dependent Variable)

 $\beta_0$  is constant,

 $\beta_1 - \beta_6$ = Regression Coefficient of Independent Variable

X<sub>1</sub> is celebrate credibility (Independent Variable)

X<sub>2</sub> is attractiveness (Independent Variable)

X<sub>3</sub> is Popularity(Independent Variable)

X4 is celebrate trustworthy (Independent Variable)

X5is matchup (Independent Variable)

X<sub>6</sub> is celebrate exprise(Independent Variable)

 $\varepsilon$  =Stochastic/ the residual amount (Independent Variable)

From the results of multiple linear regression analysis as seen above table 4.13,14, and 15. it can be seen that the regression coefficient value of each research variable, namely the regression variable of celebrate credibility,( $\beta_1$ ) 0.129, Attractiveness( $\beta_2$ ) 0.082, popularity( $\beta_3$ ) - .066,trustworthy( $\beta_4$ ).256,matchup( $\beta_5$ ) .176 and celebrate expertise( $\beta_6$ ) .115.

## 4.6.4. Regression Equation

$$Y = 1.264 + .129X_1 + .082 X_2 - .066 X_3 + .256X_4 + .176X_5 + .115X_6 + \varepsilon$$

The regression table implies that there is a significant relationship between product, price, place, promotion, people, process and physical evidence and brand loyalty at 1.264

## 4.7. Hypothesis Test

In this study there are six expected hypothesis which predetermined on proposal of the research so that it should be tested by regression equation whether accepted or not

Table 4.16. Hypothesis test

Explanatory	Observed		Sign( p- value)	Result
variables	β sign			$H_0$
	β	Sig		110
Celebrity Credibility	+	Sig	P-0.002<0.05	Accept
Celebrity attractiveness	+	Sig	P- 0.039<0.05	Accept
Celebrity popularity	-	Sig	P- 0.029<0.05	Reject
Trustworthy	+	Sig	P-0.000<0.05	Accept
Match up	+	Sig	P-0.000<0.05	Accept
Celebrity expertise	+	Sig	P- 0.002<0.05	Accept

Source: Own survey, 2023

## 4. 8.Discussion of Hypothesis

# HO<sub>1</sub>: There is positive and significant relation between celebrity credibility and consumer purchasing intention of East Africa bottling sharing company in Addis Ababa.

The first hypothesis of this study assumed that there is positive relationship and statistical significant between celebrate credibility and customer purchasing intention of customer purchasing intention, As shown in table 4.15 the beta coefficient of the variable ( $\beta$  = 0.129, t= 3.163, P=0.002<.05) indicates that there exists a positive relationship between celebrate credibility and customer purchasing intention It means if 1% increase in celebrate credibility, results in a 12.9% increase in customer purchasing intention of East Africa bottling sharing company customers.

It is supported by Omorodion & Osifo (2019) Celebrity credibility was found to have a positive and significant impact on consumer behaviour with a B-value of 0.028 and a p-value of 0.002, besides, Chauhan, (2018) and Orina(2022) indicate that realize the objectives for celebrity endorsement, the personal credibility of the celebrity is very crucial and cannot be overlooked. This is because celebrity endorsements serve as an external signal that enables customers to sift through the immense brand clutter in the market and the celebrity's credibility factor significantly influences consumer acceptance to buy the product.

## .HO<sub>2</sub>: There is positive and significant relation between celebrity trustworthiness and consumer purchasing intention of East Africa bottling sharing company in Addis Ababa.

The second hypothesis of this study assumed that there is and positive relationship and statistical significant between celebrity trustworthiness and customer purchasing intention of East Africa bottling sharing company, As shown in table 4.15 the beta coefficient of the variable ( $\beta$  = 0.256, t= 5.275, P=0.029<.05) indicates that there exists a positive relationship between celebrity trustworthiness and customer purchasing intention It means if 1% increase in celebrity trustworthiness, results in a 27.6% increase in customer purchasing intention of East Africa bottling sharing company customers.

it is mentioned by Omorodion & Osifo (2019) Celebrity trustworthiness was found to have a positive and significant impact on consumer behaviour with a B-value of 0.020 and a p-value of 0.001..It emphasizes that celebrities that can provide information in an unbiased, honest, and dependable manner about products/services to consumers is a substantial and visible significant determinant asset affecting purchasing behaviour among students of the University of Benin.

Wang and Scheinbaum (2017) and Orina(2022) stated that consumers' perception of a celebrity endorser's attractiveness and trustworthiness increases brand attitude, brand credibility, and in turn purchase intention towards endorsed brands

## HO<sub>3</sub>: There is positive and significant relation between celebrity attractiveness and consumer purchasing intention of East Africa bottling sharing company in Addis Ababa.

The hypothesis of this study assumed that there is and positive relationship and statistical significant between celebrate attractiveness and customer purchasing intention of East Africa bottling sharing company, As shown in table 4.15 the beta coefficient of the variable ( $\beta$  = 0.082, t= 2.072, P=0.039<.05) indicates that there exists a positive relationship between celebrate attractiveness and customer purchasing intention It means if 1% increase in celebrate attractiveness, results in a 8.2% increase in customer purchasing intention of East Africa bottling sharing company customers. It is consistent to Omorodion & Osifo, (2019) celebrity attractiveness was established to have a positive and significant impact on consumer behaviour with a B-value of 0.027 and a p-value of 0.001. These results conform with the outcome from Martey & Frempong, (2014) which established that celebrity attractiveness had a positive and significant

impact on brand positioning with a correlation coefficient of 0.007 and significant at 0.001. The outcome is also supported by evidence from Carvalho, (2012)) where celebrity attractiveness was found to affect the purchasing behaviour of consumers and recorded a B-value of 0.557 and significant at 0.001.i

### HO<sub>4</sub>: There is positive and significant relation between celebrity popularity and consumer purchasing intention in East Africa bottling sharing company in Addis Ababa.

On the contrary, The hypothesis of this study assumed that there is and positive relationship and statistical significant between **celebrity** popularity and customer purchasing intention of East Africa bottling sharing company, As shown in table 4.15 the beta coefficient of the variable ( $\beta$  = -0.066, t= -2.194, P=0.029<.05) indicates that there exists a positive relationship between celebrity popularity and customer purchasing intention It means if 1% increase in celebrity popularity, results in a 6.6 % decrease in customer purchasing intention of East Africa bottling sharing company customers on the contrast,

## HO5: There is positive and significant relation between celebrity expertise and consumer purchasing intention East Africa bottling sharing company in Addis Ababa

The hypothesis of this study assumed that there is and positive relationship and statistical significant between celebrity expertise and customer purchasing intention of East Africa bottling sharing company, As shown in table 4.15 the beta coefficient of the variable ( $\beta$  = 0.115, t= 3.087, P=0.002<.05) indicates that there exists a positive relationship between celebrity expertise and customer purchasing intention It means if 1% increase in celebrity expertise, results in a 11.5% increase in customer purchasing intention of East Africa bottling sharing company customers.it is supported by

## HO<sub>6</sub>: There is positive and significant relation between celebrity/ product match up and consumer purchasing intention of East Africa bottling sharing company in Addis Ababa.

Similarly, The hypothesis of this study assumed that there is and positive relationship and statistical significant between celebrity/ product match up and customer purchasing intention of East Africa bottling sharing company, As shown in table 4.15 the beta coefficient of the variable  $(\beta = 0.176, t= 4.062, P=0.000<.05)$  indicates that there exists a positive relationship between

celebrity/ product match up and customer purchasing intention It means if 1% increase celebrity/ product match up, results in a 17.6% increase in customer purchasing intention of East Africa bottling sharing company customers

#### 4. 9. Discussion of the finding

This study found that Effect of celebrity endorsement on consumer buying behaviour towards East Africa bottling sharing company customers, Based on the results in this table, it can be interpreted that celebrity of credibility, attractiveness, trustworthy, matchup and expertise have significant positive relationships with customer purchasing intention since their p-values are less than 0.05 (p<0.05). popularity is negatively associated with consumer buying behaviour, meaning that as popularity increases, consumer buying behaviour decreases.

#### **Celebrity of credulity**

After the first hypothesis of the study, it was shown that celebrity credibility has a significant positive effect on consumer buying behaviour of telecommunication services. This finding resounds with the study of Abu-Fatool and Farhim (2016), which found that celebrity credibility, had a significant effect on consumer buying behaviour towards soft drinks in Karachi, Pakistan. The finding is also in alignment with the study of Khan and Raheeb (2018), which revealed that celebrity credibility had a significant effect on consumer purchase behaviour towards clothing accessories in Amman, Jordan. These findings imply that celebrity credibility has the potential to significantly improve consumer buying behaviour towards telecommunication services.

#### **Celebrity attractiveness**

Testing the study's first hypothesis found that customer purchase behavior for telecommunication services is significantly influenced favorably by celebrity credibility. The study by Abu-Fatool and Farhim (2016), which discovered that customer purchasing behavior for soft drinks in Karachi, Pakistan, was significantly influenced by celebrity credibility, is consistent with this conclusion. The results are also consistent with a research by Khan and Raheeb (2018), which found that customer purchasing decisions for apparel accessories in Amman, Jordan were significantly influenced by celebrity reputation. According to these results, celebrity reputation may dramatically enhance customer purchasing behavior for telecommunication services.

#### Celebrity popularity

On the contrary this research, testing of the third hypothesis revealed that celebrity popularity has a significant positive effect on consumer buying behaviour towards telecommunication services. This finding is in consonance with the study of Oladejo and Fayemi (2015), which revealed that celebrity popularity had a significant positive association with consumer buying behaviour towards commercial banks in Lagos. Similarly, the finding resonates with the study of Kingsley, Deji and Yinka (2017), which revealed that celebrity popularity had a significant positive correlation with consumer buying behaviour towards Airtel Nigeria Plc in Lagos, Nigeria. These findings imply that celebrity popularity has the capacity to positively influence consumers' buying behaviour towards telecommunication services

#### **Celebrate trustworthy**

According to (Ismaila et al., 2020) study showed that Celebrity trustworthiness was found to have a positive and significant impact on consumer behaviour with a B-value of 0.020 and a p-value of 0.001. The outcome conforms with that of Malik & Guptha, (2014) where celebrity trustworthiness was established to have an impact on consumer buying behaviour. According to the study, the trustworthiness of a celebrity is the most important and necessary feature when it comes to celebrities endorsing a product. The outcome of this study is also supported by the outcome in Wang & Scheinbaum, (2018) where celebrity trustworthiness emerged as an essential feature that influences the credibility of a brand and consumer's perceptions.

It was supported by Omorodion & Osifo(2019) study reveals that celebrity trustworthiness has the most significant effect on consumer purchasing behaviour of students of the University of Benin ( $\beta 1 = 0.8234$ , p < 0.05) This indicates that students believe that trustworthy celebrity can provide information in an unbiased, honest, and dependable manner about products/services to consumers. The t-value of celebrity trustworthiness turned out to be the highest among the independent variables with 26.319 with significance 0.000.

It emphasizes that celebrities that can provide information in an unbiased, honest, and dependable manner about products/services to consumers is a substantial and visible significant determinant asset affecting purchasing behaviour among students of the University of Benin. Wang and Scheinbaum (2017) stated that consumers' perception of a celebrity endorser's

attractiveness and trustworthiness increases brand attitude, brand credibility, and in turn purchase intention towards endorsed brands

#### Celebrate/ product Match up

This factor is statistically significant at 1%, with value  $\beta = 0.288 > 0$ , meaning that H'6 hypothesis is not supported. Celebrate/ product matches up cause positive effect on the customers' attitude towards advertisement, brand / product and purchase intention (Kirmani & Shiv, 1998), (Edom, 2017) and (Asrat, 2019. A study by Pham and Nguyen (2015) indicates that "celebrity match-up congruence with the brand / product" has a positive impact on "customer's attitude toward the advertisement". Results of this study also find positive impact of "celebrity match-up congruence with the brand / product" on "customer's attitude toward brand". This can be explained as follows: everyday, customers can watch a lots of advertisements with celebrity, even the same one in different advertisements. When a brand / product is advertised by a celebrity with suitable image that is highly relevant to the brand / product, the confidence was higher on the advertisement and the celebrity compared to a brand / product image promoted by a less famous, less relevant person, In addition, Edom (2017) and Asrat (2019) tried to examine the ffect of celebrity endorsements on customers' usage behavior in Ethiopian banking industry,. The results of the study show that Expertise, Trustworthiness and Product/match up of celebrity have positive and significant influence on customers' purchasing intention

#### Celebrate expertise

This factor is statistically significant at 1%, with value  $\beta = 0.181 > 0$ , this means that H2 hypothesis is supported. The expertise mentions the level of knowledge and experience that a person may obtain in a specific field that is acknowledged as valid (Hovland et al., 1953). In addition, (Edom, 2017) and (Asrat, 2019). The more persuasive a celebrity's expertise is (Aaker, 1997), the more purchase decisions were generated (Ohanian, 1991). A study by Pham and Nguyen (2015) indicates that "celebrity expertise" has a positive impact on "customer's attitude toward the advertisement". Results of this study also find positive impact of "celebrity expertise" on "customer's attitude toward brand". This can be explained as follows: With their attractiveness and influencing ability, celebrities are highly paid for their appearance in advertisements although the brand is not related to their expertise. Therefore, customers feel that

they are not assured, and their confidence in the brand is wondered. So, enterprises need to select the celebrities that have expertise related to the brand to be advertised so that customers were more confident and accept it more positively

#### **CHAPTER FIVE**

#### 5. MAJOR FINDING, CONCLUSION AND RECOMMENDATIONS

#### 5.1. Major Finding

The East African bottling sharing company Coca-Cola values various attributes in their celebrity endorsers credibility. Endorsers who possess honesty, sincerity, and trustworthiness and have similar values to the company are highly valued. Customers respond with a mean value greater than 3.68. Companies like Coca-Cola know that endorsements can greatly influence consumer behavior, so they value these attributes above all else in their celebrity endorsers to help improve their brand perception.

These factors suggest that the celebrate attractive characteristics of celebrities may have an effect on how consumers perceive Coca-Cola. This indicates that a majority of the respondents had a mean response over 3.64

The majority of each attribute of popularity responded to by customers with a mean value above 3.25. It implies that these attributes demonstrate the importance of choosing a celebrity endorser who is well-known and respected by customers. Popularity, fame, and recognition are all factors that can lend credibility and trust to a celebrity endorsement and influence customer behavior towards using Coca-Cola products.

For each trustworthiness of celebration attributes, the majority of the respondents accepted that the honesty, sincerity, dependability, and faithfulness of celebrity endorsements influence customers' perceptions of Coca-Cola. The respondent scored above 3.83. It implies that customers perceive trustworthiness as important effect to the Coca-Cola product.

The majority of the respondents accepted the results by showing a mean value above 3.67. These results suggest that companies should carefully select endorsers who have sufficient knowledge and skill and balance physical attraction with the overall message and credibility of their product in order to effectively influence customer behavior through celebrity endorsements.

Consumer usage behavior is significantly influenced by the celebrity endorser's perceived knowledge and competence. This demonstrates that the majority of respondents said their acceptance was higher than 3.62. This indicates that a significant factor affecting consumers' interest in Coca-Cola is popularity.

The strongest positive and significant correlation between trustworthiness and customer usage behavior (r = 0.652, p < 0.01) followed by match up (.602, p-value.<.01), next expertise (.546, p-value< .01), and attractiveness (.508, p-value < .01), moderate strength credibility (.490 p-value < .01), and week strength (.258, p-value<.01) relation to customer usage behavior at Coca-Cola. Celebrate endorsement elements were positive and significant, but their strengths varied.

The result showed that celebrate trustworthiness, celebrate product matchup, credibility, attractiveness, and expertise (B = 0.256, 0.176, B = 0.129, B = 0.082, and B = 0.115, P-value< .05, respectively) have a positive and significant effect on customer usage behavior, while celebrate popularity (B = -0.066) has a negative impact.

#### **5.2. Conclusions**

Regarding the examination of the effect of celebrity endorsement on consumer behavior, consumer behavior deceptions are at the core of the marketing function. This study also proved that celebrity endorsement is one of the advertising tools that influences buying behavior in East African bottling sharing company( Coca-Cola) Addis Ababa.

The study offers insights into how the East African bottling business Coca-Cola rates various traits in their celebrity endorsers based on the descriptive and inferential statistical findings. Endorsers who share the same values as the organization and who are honest, sincere, and trustworthy are highly respected. Companies like Coca-Cola are aware of how endorsements may significantly affect and enhance how consumers perceive their brand and use it.

From The results of finding celebrity's physical appearance can play a role in influencing customer behaviour towards Coca Cola. However, it is important for companies to strike a balance between physical attraction and the overall message and credibility of their product. Customers may be more influenced by a celebrity's perceived elegance and class than by their

physical attractiveness alone, so it is important for companies to carefully select endorsers who can effectively balance these attributes.

On the other hand, choosing a celebrity endorser who is well-known and respected by customers It was not effective from the perspective of customers' of the company. Even if popularity, fame, and recognition are all factors that can lend credibility and trust to a celebrity endorsement and influence customer behavior towards using Coca-Cola products. However, the researcher concluded that popularity did not influence customer usage behavior.

From the result of finding the research can be concluded that the perceived trustworthiness of a celebrity endorser has a significant role in consumer behavior Company know it is the importance of building trust with customers through celebrities who are perceived as honest, reliable, and sincere, as well as leveraging preexisting levels of trust in celebrity endorsers.

The customers perception showed that company's should carefully select endorsers who have sufficient knowledge and skill and balance physical attraction with the overall message and credibility of their product in order to effectively influence customer behavior through celebrity endorsements.

The study concluded that perceived expertise and knowledge of the celebrity endorser is a significant factor in consumer behavior. Therefore, company's ensured that they choose the most suitable celebrity endorser with enough credibility on the product they endorse. The expertise and its attribution were effective to influence customer usage of the product.

In general ,from the results of descriptive and inferential statistics he researcher concluded that celebrate credibility, attractiveness, trustworthiness, matchup and expertise were effective advertising tool to the customer usage coca cola.

#### **5.3. Recommendations**

Based on the conclusions drawn the following recommendations are forwarded to east Africa bottling sharing company

The study's conclusions demonstrate that, with the exception of its popularity, Celebrate's credibility, attractiveness, trustworthiness, match-up, and expertise were positive and significant

and its result were successful promotional tactics for consumer usage behavior. Celebrate recommendations, maintain them, and take note of the market's dynamism for ongoing development to remain competitive in the market.

The study recommend that companies focus on selecting celebrity endorsers who are perceived as trustworthy and credible by consumers, as these attributes have the strongest impact on usage behavior. They should also consider how well the celebrity matches with the brand values and personality (match up) to ensure that the endorsement is seen as authentic and genuine by consumers. It's important to note that celebrity attractiveness and expertise can also have a positive impact on usage behavior, but should be balanced with other more important attributes like popularity, trustworthiness and match up. Finally, companies should be cautious of simply selecting a popular celebrity endorser without considering other attributes, as popularity appears to have a negative impact on usage behavior in this study.

#### 5.4. Limitation and Directions for Further Studies

Every research has certain limitations therefore it is necessary to acknowledge them. There is limitation with regard to sample area and sampling technique used. The sampling was done only in Addis Ababa but in order to make the research more representative, samples should be collected at least from the major cities of the country. As the convenience sampling was used, bias may exist. If the random sampling was used, it would contribute for a higher credibility of the results.

This study examined the effect of celebrity endorsement on customers buying behavior by focusing only on the selected East Africa bottling S.C. other effect of celebrity endorsement on other products and on other sectors of the economy could be studied. Similar studies could also e done by incorporating the influence of gender, occupation, and other demographic variables on customers" attitude. Other area of investigation could be the effect of celebrity and non-celebrity endorsement towards customers buying behavior.

The research, however, has more rooms for improvement. Further research could be conducted on a different product category, expanded to a larger sampling size or geographical area so that the result may be reflective of the actual buying pattern of consumers and to generate higher outcomes of the confidence level.

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#### Annex-I



# ST. MARY'S UNIVERSITY SCHOOL OF GRADUATE STUDIES MASTERS OF MARKETING MANAGEMENT (MMM) PROGRAM

#### Dear respondents,

This questionnaire is designed and distributed to collect data on The Effect Of Celebrity Endorsement On Consumer Usage Behavior in East Africa Bottling Sharing Company (Coca-Cola) In Addis Ababa . The study is conducted by a postgraduate student in partial fulfillment of MA degree in business administration.

I kindly ask you to spare some of your time to completing the questionnaire. I like to assure you that your response be treated with utmost confidentiality and used for academic purpose only. The objective of the study cannot be realized without your genuine support. Therefore, your genuine, honest and prompt response is a valuable input for the quality and successful completion of the research.

Thank you in advance for your crucial cooperation to spare invaluable time and energy to complete these questionnaires

Name: Genet Hailu student at St. mary University of marketing management

Tel:

	_
Questionnaires No:	Date:

### Questionnaires for customer's respondents

### Section -I Demographic Characteristic of Respondent

1	Gender of Respondents?	A. Male B. Female
2	Age of Respondents	A. below 20years B. from 20-29 years
		C. from 30-39 year D. from 40-49 years
		E. greater than or equal to 49 years
3	Respondent's Occupation?	A. Government Office B. Business person
		C. Student D. Employee of private organization
		E. Others please specify
4	Educational qualification	A. Elementary School B. Secondary School C.
		Certificate D. Diploma E. Bachelor degree
		F. Master degree and above
5	Marital status	A ,Married B, Single C Divorce

#### Section –II Component of Celebrity Endorsement

In this part questioners are related to measures that determine celebrity endorsement and in turn purchase intention. The measurement scales are two opposite ends which represents respective alternatives:

(1) Strongly disagree, (2) Disagree, (3) Neutral, (4) Agree, (5) Strongly agree ,to choose your best interest. So please circle your best choice towards source of celebrity endorsement

Variable 1	Attributes	1	2	3	4	5
Physical	I buy the product because the celebrities	1				
Attractiveness	are attractive unattractive					
	I use the product because the celebrity	2				
	endorsing the product creates a class					
	Not Classy					
	I use the product because the celebrity	3				
	endorsing the products are beautiful					
	Ugly					
	I use the product because the celebrity	4				
	endorsing the products are elegant					
	I use the product because the celebrities	5				
	look sexy					

Variable -2	Attributes	1	2	3	4	5
	I use the product because the celebrity is honest about	1				
	the message he/she is giving					
	Dishonest					
	I use the product because the message given by the	2				
	celebrity is reliable.					
Tenetycethy	Unreliable					
Trustworthy	I use the product because the message given by the	3				
	celebrity is sincere					
		4				
	I use the product because i trust the celebrity regarding	5				
	the product					
	Untrustworthy					

Variable-3	Attributes	1	2	3	4	5
Expertise	I buy the product because the celebrity has enough	1				
	expertise of the product he/she endorsed					
	I buy the product because the celebrity has enough	2				
	experience to endorse the product					
	I buy the product because the celebrity has enough	3				
	knowledge of the product he/she endorsed					
	I buy the product because the celebrity has enough	4				
	qualification to endorse the product					
	I have interest to use the celebrity endorser influencer	5				
	has skill					

V-4	Attributes	1	2	3	4	5
Match	I buy the product because the celebrity is compatible	1				
Up	with the product					
	I buy the product because the celebrity has good fit	2				
	with the product					
	I buy the product because the celebrity has good match	3				
	with the product					

V-5	Attributes	1	2	3	4	5

Credibility	I perceive myself similar (in terms of values, styles,	1		
	etc) with the celebrity endorser of East Africa bottling			
	sharing company (coca-cola)			
	I have impression to buy that the celebrity endorser of	2		
	possess honesty in endorses the East Africa bottling			
	sharing company (coca-cola)			
	I have impression that the celebrity endorser of East	3		
	Africa bottling sharing company (coca-cola) possess			
	sincerity in endorses the cocacola			
	I have impression that the celebrity endorser of	4		
	possess trustworthy in endorses the product			
	I have impression that the celebrity endorser of	5		
	possess reliability in endorses the coca cola			

V-6	Attributes	1	2	3	4	5
popularity	I have interest to use the celebrity endorser influencer has popularity	1				
	I have interest to use the celebrity endorser influencer has fame	2				
	I have interest to use the celebrity endorser influencer has recognition	3				

Customer purchasing intention Attributes	1	2	3	4	5
I use the coca cola of the East Africa bottling sharing company because I am well aware of the coca cola endorsed by the celebrity.	1				
I use the coca cola of the East Africa bottling sharing company because of the expertise of the celebrity.	2				
I use the coca cola of the East Africa bottling sharing company because of the trustworthiness of the celebrity.	3				

I use the coca cola of the East Africa bottling sharing company because of the Physical Attractiveness of the celebrity.	4		
I use the coca cola of the East Africa bottling sharing company because of the Perceived congruence (fit) between the celebrity and the brands of the celebrity.	5		
I found the advertisement by the celebrity to be personally relevant for me	6		
I used the coca cola of the East Africa bottling sharing company endorsed by the celebrity	7		

### **Interview for managers**

- 1. Celebrity endorsement enhances product information and creates awareness among consumers. It helps them to recall the brands of the endorsed products.
- 2. Celebrity Endorsed Ads persuade customers to purchase products rather than non-celebrity endorsed Ads, Comic character Ads, Executive Ads and Fiction Ads.
- 3. A good number of respondents believe that celebrities are not using those products which they themselves endorse.
- 4. Most of the respondents believe that frequent changes in celebrity for advertising the product reduce the purchasing decision of customers.
- 5. The purchase attitude is influenced by the Quality of the products rather than endorsement factors, price of the product, Discounts and offers etc
- 6. Famous personalities are playing major role in creating an impact than Sports personalities and other Film stars.
- 7. A good number of respondents believes that the quality of Goods advertised by celebrities may be are may not be good in qualit