

Celebrity Launched Products Effect on Consumers in “Recession”

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Abstract: This dissertation intends to find out if a relationship exists between branded products being launched by celebrities and its effect on consumer purchase decision in recession. In order to figure out the relationship that exists, academic journals and articles were used to get an insight on what consumers think about product launched by celebrities and if products are influenced by celebrities. Findings from this study show that there are a few numbers of consumers who really follow celebrities while purchasing their products. Consumers tend to purchase branded products because it has an effect on their personal status and increases their image amongst peers, family and work colleagues. Another interesting fact which was found out from the managers which were interviewed was that organizations use celebrities to sell or promote their lifestyles that can be adapted by the end users. This in return increases organization profit/sales and opens a new window for business, e.g. expanding in new markets. Own branded products by celebrities are also being bought by consumers. Women tend to buy cosmetics products launched by celebrities and men purchase sunglasses and perfumes. The research can be summed up by saying that Celebrities are merely a marketing tool which organisations use to get into new markets and reach new consumers which are hidden around the world. However, there is not a strong relationship between celebrities launching products and consumer decision behaviour, as there are a very small percentage of consumers who are attached with celebrities.

Key words: Celebrity endorsement • Recession • Purchase behaviour • Consumers

INTRODUCTION

Since 2008, the world has been affected with economic recession. This recession has affected businesses throughout the world, especially international organizations. The research is going to be focused on business practices in Pakistan, how business are surviving in this climate and are making a living out of it for themselves. Businesses are trying their level best to survive and get more consumers with the help of cutting their budget but are willing to spend an enormous amount of money to use celebrities. Certain questions need to be answered in order to get an insight about the topic which the reader may have figured out. How international organizations are still using celebrities in recession? Are consumers affected by the involvement of celebrities? Do consumers purchase products because their favourite celebrity has launched it?

In order to analyse these questions, the researcher is going to utilize primary and secondary data for this research.

Objectives: The main objective of this research is to find out:

“Products launched by the Celebrities affecting consumers in the Recession”

The author is going to look if a relationship exists between consumer’s decision making and celebrities in recession. The reason for choosing this subject is that a lot of articles can be found in regards to celebrities launching products and affecting consumers on the whole. Very little research has been done relating it with the current climate. Hence, few articles have been found which were relevant to this topic and have been analyzed in the literature review. Another reason for choosing this topic was to see how consumers and organisational managers perceive celebrities. Both elements will be analysed in Chapter 4.

Research Problem: Having read relevant articles in regards to this study, a clear idea could not be drawn which could give the reader a hint what the outcome of this research could be. People’s perception may have

been changed towards celebrity launched products in recession. In order to give facts, the research needs to entail responses from consumers who use branded products, with the help of questionnaires. Managerial views are also important, which will reveal on why big companies are still using celebrities in the recession. After getting the responses from managers and consumers, the results will be analyzed to give the reader a better picture in regards to the topic.

Hypotheses: There are certain questions that could be raised with this research. They can be identified as follows:

- Does a celebrity really help a business sell its product?
- Can it be possible, that buying branded product increases one's status, image and self-respect for others, in certain country of origin?
- Do consumers really purchase branded products because they were launched by their favourite celebrity?
- Are businesses not really affected by the recession, as they are still using celebrities to launch and promote their products?

In order to answer these questions /hypothesis, certain types of research need to be conducted. These will be discussed in the next sub section.

Research Methods: In order to carry out this research successfully, various stages will be identified in order to get as much information as possible. The two main research types the author is going to use are Primary and Secondary research.

Primary research will be gathered by interviewing 5 managers of big brands such as Hugo Boss, Adidas, Armani etc. to get an overview on why organisations use celebrities and how much they used to spend and how much they are spending on them in the current climate. 150 consumers will also be interviewed who purchase branded products.

Secondary research will be conducted with the help of journal articles and academia books as to what authors think about the research topic.

The aim of the research is to test the theory upon evidence, the literature research and the attributes of a large sample.

In order to successfully carrying out the research, ethical issues may raise up, e.g. respondents not willing to take part in the research, which would result in time

loss. Consumers may have a fear, that their responses will be leaked out in the research or passed on to third parties. These issues can be avoided by starting with the process of developing the questionnaire as soon as possible. On the questionnaire it will be mentioned that their responses will not be passed on to anyone, they will not be contacted further and their responses will not be published whatsoever.

To overcome certain obstacles, a pilot run of the questionnaire will be conducted on friends and supervisors. The pilot questionnaire can be found in Appendix (A).

Chapter 2 Literature Review

Insight about Celebrities Being Used: It can be noted that certain business use the help of celebrities in order to launch a product, which would result the business in a good way, by differentiation. However, using celebrity has become very common, as the business environment has become very competitive due to globalization. Competitors also use celebrities to differentiate themselves and try to become a market leader. The main reason for using celebrities is that they are known to the public who will be purchasing the products. However, using big celebrities has its own advantages and disadvantages. The first advantage is that the brand becomes more known to the public nationally or internationally. Secondly, the brands reputation increases as it repositions itself. Thirdly, the brand image gets polished with the use of celebrity.

Organizations using celebrities can also have a downside. The brand becomes more expensive, as organisations have to cover the cost for using a celebrity. Competition become fiercer and competitors may attack with copyright laws or image rights, as some of the ideas may get stolen, just to reduce the competition. This will degrade the reputation of the brand/product which will then be seen in a different way resulting it moving away from its actual target and aim.

From the above mentioned points, the reader tends to get a picture as to why organisations tend to use celebrity and what the advantages and disadvantages are. Using celebrities is an endorsement strategy which can turn out to be a good competitive weapon in certain markets to differentiate the products from its competitors. There are many ways to advertise but organisations don't have any room for a product differentiator, hence if the right celebrity is used and the actual audience targeted, the company can't be beaten, no matter how hard the competitors try [1].

They say that if organizations use celebrities to launch a new product, the influence and persuasiveness is going to be positive, however, there might be some aspects of mismatching between the images of celebrity and brand it. If the brands image and the celebrity's image are not matched, it can be very damaging for the product, as the message may not be clear. There still can be little doubt that a proper match between a product and the endorser can enhance the effectiveness of an advert which would make it hard to determine if the product will be successful at the end or not. As aforementioned, advertisers in this case may experience to have an advantage when they chose a certain celebrity whose image is somehow discrepant of the chosen brand [2].

If products and celebrity image are mismatched, organizations shouldn't take the risk to further use the celebrity. Small organisations with limited capital and less advertising budget can take on such risks by using small stars. This doesn't mean that small organizations shall go with this strategy for every product. This step shall only be taken for inexpensive products, such as a new chocolate bar. This would possess very little risk or a certain point of difference.

An article published by [3] state that using celebrities doesn't necessarily mean that the products they are promoting are of high quality. Most of the time, the celebrities don't even back the products they promote. Once a consumer purchases that product and takes it home, they realise that the product indeed is not of good quality. Organizations play with consumers mind and perception and make the buyers brain tells the body to go for that product. Organizations tend to spend a lot of money in promoting the product, but they may not spend that much on developing the product in order to get the quality what consumers look for. She further states that this is just a money making strategy for both, organization and the celebrity.

Stuff Entertainment state that if a consumer is already using a certain product and the organization starts to promote the same product with a celebrity, the buying behaviour would not change at all for that particular product. [4] A study carried out by analytics company Ace Metrix cited by Stuff Entertainment, mention that brands with celebrities don't tend to perform better than non-celebrities ad and may even perform worse [4].

According to the Journal of Advertising Research cited by Stuff Entertainment say that only 0.25% sales increase when organizations tend to use celebrities, whereas promoting through athletes increases sales by

4%. But this also depends on the performance of the athletes. For example Rodger Federer promoting Nike products, would increase their sales if he wins a Grand Slam title [4].

Stacey Jones (2012) says that consumers follow the trends of celebrities and make themselves part of the product. Organizations use celebrities in order to create a presence which attracts new sales and an increase in the awareness, however, it can be a challenging task for organizations to make consumers follow the lifestyles and trends of celebrities, although consumers follow the trend but not because of organizations use of celebrities. Another challenging task is that organizations can hire celebrities but they are not aware from where to start.

Having hired a celebrity which is making the organisation money is a huge step forward in the business, but managers should have a clear mind as to what they want to achieve. One can't just hand over a product to a celebrity and ask them to promote it without giving them an insight into it. If they do so, the product will just end up being at the celebrities' assistants place or someone else's assistants place. Managers, also need to keep reasonable expectations from the brand/celebrity. The product may be the best in the world, but may still lack consumer's attention [5].

Social media is a new medium where organizations now advertise. They spend millions to advertise on sites such as Facebook and Twitter. [5] mentioned that the social media ad spending is going to reach at least \$ 4.8 billion by the end of 2012 and \$9.8 billion by 2016. Although new types of advertising have opened up such social media ad which is taking over the market, organizations still tend to focus on using celebrities to give the product a final push.

Bloomberg (2012) further states that previous research has proven the use of celebrities can boost a products life from zero to international recognition. An example can be given of Oprah Winfrey. Whenever she mentions something on her show, whether it be a YouTube video or a book, they tend to become the most watched videos or the bestselling books. The news channel further states that people want them or think that they need them and at the end buy the books which are recommended. An example of the bestselling book can be given which became a hit just because of Oprah. "Leo Tolstoy's Anna Karenina" is a 19th century novel that reached the no 1 spot in the USA. The book was mentioned by Oprah in a December 2007 episode and the company website which had an average sale of \$3700/day made \$90,000/day on that single afternoon.

This gives the reader on how influential celebrities can become and how organizations play with the consumers' minds. Celebrities these days make a difference by tweeting about the products they are promoting.

From the research so far, we know that celebrities are more effective from anyone else. They are better than professional experts, company manager him/herself or even a certain consumers. All these can't represent the brand. It has been found that organization tend to use celebrities for two main reasons. One is that they want to create an awareness of the product which has been mentioned a few times above. Another reason is that they want to establish the brand by making it stronger or change the brand image as a whole for the future.

In order to have a successful advert, the attributes of the brand need to match the attributes offered by the celebrity. This is also known as Co-branding [2].

The principle for using co-branding is to create a relationship between the brand and the celebrity. Motion *et al.*, (2003) cited by [6] mention that the relationship reaches beyond a mere transaction. Money is exchanged for an image transfer, to become a mutually beneficial partnership between the involved parties.

[6] further states that the brand image is the key in understanding the relationship between the consumer and the celebrity launched product. Celebrity product endorsement and brand equity are linked by the mediating role of brand image.

Using a celebrity has its own difficulty. The organization needs to make a strategic justification and an in-depth research needs to be conducted while the organization is at the advertising or promotional stage as to which celebrity needs to be used, if they are busy, what replacement they can use. This can results in managers getting more leverage on the consumers brand equity evaluations if celebrities are constantly used with the other tools, such as advertising, public relations, sales promotions and direct marketing. (Pickton and Broderick, 2005 cited by [6].

Failed Celebrities: Celebrities aren't always the best tool to promote certain products. There are examples were organizations have used celebrities and have made a dramatic loss, resulting in loss of interest from consumers in that brand. Bentley, Abecombe and Fitch, Burberry and Cristal, were the organizations who suffered these losses.

According to Elliot, Paris Hilton was chosen as the brand ambassador for Bentley to promote their then newly launched car, Bentley Continental GT which was worth of \$212,800. The reason for choosing her was due to her being rich and young. When the car was about to launch, Paris's sex tape was leaked out, her drug cases were made public and she was defamed then, as she was only known for certain TV shows. Bentley wanted to target rich and young entrepreneurs but Paris, couldn't really become the cover page for Bentley. She herself bought the car in a bubble-gum pink colour which again dented Bentley's class. Consumers didn't like the car, but it still came in the limelight. It may be that Bentley used this as a strategy to promote themselves [7].

He further states that Abercombie and Fitch had similar issues. The star they used was the famous Jersey Shore star who consumers thought as being distressing. Hence, they did not waste time and got rid of him before they wanted to launch their new line of clothes.

Everyone has heard of Burberry. They also faced some problems, whenever they wanted to introduce a new line of fashion they used to overexpose it with the help of Chavs. Consumers tended to move away from the brand as some information they showed in their adverts were false. Hence, Burberry thought of launching their products slowly and don't overexpose their products [7].

A famous champagne maker, Cristal, was criticised when executives said rappers "affection might not be bubbly for its image. They used Jay-Z and he boycotted in which the company had to pay him some compensation [7].

According to Carter Virgin Media used some troubled stars to promote their campaign of launching Virgin Mobile. They hired Kate Moss to promote it. She was revealed to have some drug issues which she took with her then boyfriend, Pete Doherty. However, H and M and Chanel dropped her straight away when they heard the news of the drug case; but Rimmel, Burberry and Coty still kept her as they weren't really affected by the news [8].

Celebrities and Consumers: Having given the reader insightful information in regards to why consumers use celebrity, there is limited research conducted as to what affect it has on consumers. We know that branded products are sold more than unknown ones. This means that they will be more known to the public/ end user which are in the market. This is another reason why

celebrities are used by organizations as it influences consumers and their products could be sold more openly. Consumers tend to appreciate powerful celebrities as they influence consumers purchasing decisions.

Celebrities are used by organizations when they need to promote and sell highly priced products nationally or internationally. Examples of such products can be given as Nike, Coca Cola, Pepsi, Adidas and etc [9].

The communication is the main medium which is used to give the opinion as how organisations should position themselves in the eyes of the consumers. The message has to be clear enough in order to differentiate them as to what their competitors are offering. Communication is only used to draw the customers to enter the retail markets to make purchases. Once they are in the store, they would buy other products, too which are also launched by the same celebrity [10].

An example can be given of Pakistan, where celebrities have a huge impact in the Pakistani market. This began in in the 1970s or early 1980s. Pakistan's involvement in the celebrity advertisement has increased to 49% which is 6 times more than it was in 2003.

According to Pringle cited by Jain, Sudha and Daswani states that celebrities have such a respect in the public eye, which is due to beyond the hard work they put in appearing in any sort of advertisements. This makes them the object of veneration and respect [10, 11].

Not every organization can use celebrities, as their fees and demands have increased with time. Consumers on the other hand are the end users; they need to love the celebrity as well. As the article is purely based on the Indian market, it can be assumed that consumers do prefer both film actors and sportsperson for retail advertisement; however, all of these celebrities need to be women.

One question which can be asked here is what product needs to be seen with celebrities whom the consumers would like? The answer is given in the article which states that end user want to see their favourite celebrities promoting fashion, accessories and beauty products. Consumers, however have one complain, which is also covered in this article. They state that with advertisement and basic information provided about the product, celebrities needs to make the consumer aware about the features the product has, the quality of the product and most importantly, the price. Consumers assume that the products may be cheap, but when they actually go to buy the products, they seem to find it to be expensive.

The authors of the article came with 7 factors that an organisation has to consider before signing a celebrity. Those factors have been classified as being proficiency, reliability, pleasantness, elegance, distinctiveness, approachability and non-controversial. All these factors shall be in the product which needs to be explained to the celebrity and should feature in the product. These will then have a long lasting effect on the consumers and they will continue purchasing the product, even if the celebrity has stopped promoting the product [10].

Other authors do agree with them. They state that technological products need to communicate with the consumer, so that they can be sold successfully [12].

Organizations are interested in the numbers of sales/profit after using a certain celebrity. Celebrities don't mean pretty faces anymore; they are the selling power which gives the end user to best deals. Organizations tend to use celebrities to sell their life styles to the public, their glamour and their aura of everlasting beauty and wealth. An example of Nicole Kidman is given; she promotes the iconic fragrance Chanel No.5. If celebrities show the result of their skin is due to that particular product which they are promoting, the consumers would straight away buy it [13].

Coming back to the recession, organizations tend to promote their products by slashing their prices or spice up the marketing communication. This can damage the reputation of the brand and confuse the end user. This is where brand ambassadors/celebrities come in. Celebrities are consumers' confidence. Celebrities are the opinion leaders which guide the consumer towards making a right purchase decision. Even in recession, consumers still tend to trust the celebrity rather than the brand. Consumers are now also the brand ambassadors. A survey was conducted in 2009 of 25000 internet consumers over 50 countries asking them about the most trusted form of advertisement. The respondents said that they seek information from their relatives and friends before purchasing certain products. This informs us that consumers have the power to make or break the brand [14].

CONCLUSION

From the literature it can be concluded that big brands still tend to use celebrities, even in the current climate, however a full assumption can't be made. Organizations tend to use celebrities to make more sales resulting in more profit, sell celebrity lifestyles so that

consumers can follow their favourite celebrity and big brands aren't really affected by the recession and still tend to use celebrities to promote their newly launched products. Consumer behaviour does change, when celebrities do get associated with negative publicity. Consumers then move on to a rivalry brands and products which results in the company losing customers and business.

The author will use primary research to prove the above mentioned points and try to come with more outcomes by interviewing managers and distribute questionnaires to roughly 130-140 customers who tend to buy branded products and whether their purchase decision or perception of branding has affected them during the recession.

Chapter 3 Methodology

Research Method: This chapter of the research is going to consist of various methodological approaches. It will cover the research approach, sampling techniques, data collection methods and the reasons of choice.

A mixed approach will be used by the author as it includes qualitative and quantitative methods. This allows gathering in-depth information about consumers and their behaviour towards a certain brand and how they approach celebrities in recession [15].

It is necessary to build a relationship with the primary and secondary research as both views are equally important.

Design Strategy: The main role of the research design is to ensure that the data collected does answer the hypotheses which were identified above. The main reason of choosing both open ended questionnaires and interviews is to express the views of consumers and managers in the best possible ways to understand the consumer behaviour and how organisations are managing the recession with the throughout use of celebrities. The literature has given the author an in depth analysis of why big brands are using celebrities and how consumers decision change, but with the limited data available on recession.

Research Approach: The research has commenced with giving the reader an insight about the topic with regards to the literature. With the progress of the thesis and talking about the literature, it moves on to the methods of collecting the data with the help of qualitative and quantitative data. Qualitative data has been gathered with

the help of open ended questionnaires which were asked to consumers and managers to get an insight in regards to celebrities and consumer behaviour in recession.

It was essential that managers were required to be interviewed as it would provide the author with in-depth information in regards as to how big organisations are still using celebrities in the tough recession climate. Questionnaires, (consumers and managers) can be found in the Appendix under B and C.

Ethical Issues: The whole research is a genuine piece and has not been copied from anywhere. The author has made sure that the work of known scholar is appropriately referenced where applicable. The findings are all real and not biased so that the hypothesis could be answered. The whole research is genuine and appropriate methods have been used to figure them out. The results are not made up on personal ideas or concept. In order to make sure that consumers' data was kept confidential and not passed on to anyone, on every questionnaire it was stated that:

"The reason to carry out the questionnaire is to find out if there is any kind of link between Celebrities launching products and how it effects customer decision making in Recession. Please try to be specific while answering the questions. Your responses will be kept private and confidential and you will not be contacted for any marketing purpose".

As this was mentioned on every questionnaire, consumers weren't afraid of filling out the questionnaire. This information also increased the participating number of consumers.

Data Collection: As aforementioned the data collected has been a combination of Primary and Secondary data. Having identified the research question, questionnaires and interviews were conducted to give the reader a better understanding of what the author wants to achieve. How are big companies surviving in the recession and why are medium sized business closing down or going into administration. What strategies are big companies taking that they are not affected by the recession and how come consumers are still spending on branded products. These are some of the hypotheses which were put in mind before creating the questionnaire.

Primary Data Collection: Primary data is such data that has not previously been collected. This particular information as aforementioned will be collected with the help of interviews and questionnaire. These will highlight

their perception and opinions of consumers which the author will scrutinize. In order to get the best opinions and views on the topic, questions were generated in regards to the aforementioned hypotheses. Fifteen questions were asked which were related to the topic and six questions were personal which would help the author analyse the result more easily. Consumers were approached at various locations such as shopping centres. Consumers at random were target outside various famous outlets such as Gucci, Oasis, Bell and Ross, Omega, Armani, Louis Vuitton and Hugo Boss. Another reason for choosing these outlets was that, big celebrities are being used by them. Other brands were also targeted but approaching customers wasn't hard. Hence, it was fairly easy to target the consumers. The main reason for choosing retailers is that they use big celebrities when a new product is being launched [15].

Other than distributing the questionnaire at the shopping centres, students and staff at the university were also targeted. The questionnaire was aimed to be evenly distributed in regards to age, gender, ethnicity, income and occupation. This would give the author a balanced outcome and different views and perception in regards to what consumers think in regards to big organizations spending so much on celebrities while launching a new product. Dillman (2007) states that in this type of research, it is fairly important to have a balanced opinion in order to successfully analyse the data. This is also known as Opinion variable.

A two page questionnaire has been developed which would mainly inform the reader about consumer behaviour and their devotion and loyalty towards a certain brand.

The questionnaire will also contain questions in regards to what they think about celebrities launching a product and what impact they may have on them. The questionnaire will hardly take five minutes. If the questionnaire may draw up attention of consumers wanting a new product, the suggestions may be given to the above mentioned retail managers.

There will not be any difficulty in obtaining relevant information from the managers as they have been contacted in advance. However, asking 150 people in the stores and streets can be time consuming as they may not have the time to fill in the questionnaire.

As the questionnaires will be filled in by randomly selected people, they may have a concern about data privacy. However, before they fill in the questionnaire they will be assured that their data will be kept confidential, will not be passed on to third parties and will

only be used for the project being carried out. Personnel questions such as names and contact details will not be taken, however, gender will be taken.

Parallel to the distribution of questionnaires, managers were also interviewed. The author mentioned that five managers would be interviewed, however, due to time constraints and other managers not being available, only three managers were interviewed. The reason for interviewing the managers is that they will give me a better insight in regards to their budget, what steps they undertake in choosing a celebrity, how long a contract is and how much is the expected return while using a celebrity.

In regards to the interviews, the managers' name will be changed to something else, if there is a need to mention them in the project.

Secondary Data Collection: Secondary data has been collected with the help of academia journals which were available at our university's portal database. Journals were searched from well-known databases such as Business Source Premier and Emerald. Google Scholar was also used to gather some literature. These databases provide handful of journal articles which are related to the business subject. Major articles which have been cited in the literature review; chapter 2 have been taken from these databases. Certain information was gathered from the websites of well-known brands, stating what their next product is going to be or what celebrity they are using or even who their brand ambassadors are. Financial data of big brands was also researched, but the company didn't let author to publish it in the Appendix. Academia books were also read and used in this piece of research which helped the author explain certain theories.

Data Analysis: Once the data has been collected it will be analysed with the help of SNAP. SNAP is computer software which was developed in 1968 by Norman H. Nie. It was bought by IBM in 2009 and has been used by various sciences, market researchers to analyse their data. SNAP is software which allows one to create questionnaire and helps to analyse the data instantly.

This software allows the user to enter the data which has been collected. Once the data has been entered, various questions can be compared with each other. Various themes would be established which would make it easy for comparison. For example, personnel questions can be compared with actual responses. This will give the reader and author a better insight about what gender, or

employee is affected with the recession and whether they care about a celebrity or not launching a product in recession. This tool will also allow the researcher to perform data management and analyse statistics by comparing different variables of questions. Different statistics can be measured such as cross tabulation, frequencies, t-test, correlation and linear aggression. These types of results will give the researcher a better understanding which answer the hypothesis and may develop more theories which can be used for the project.

Qualitative data which will be collected from managers will be analysed with the help of grounded theory by using codes. Codes will be used because the respondents may have the same opinion and the responses would be occurring again and again. Coding will make it easier for the researcher to analyse information more easily. [15]. However, using codes has its own drawbacks as it can make the researcher confuse as to what code was used for which theme and etc.

Chapter 4 Data Analysis: This section of the research is going to inform the reader about the results which have been gathered with the help of the questionnaires created for Consumers and Managers. Majority of the questions would be supported with tables in order for the reader to understand the different variables and relations between various factors linking them with the hypothesis identified.

Findings/Analysis Consumer Questionnaire: This part will explain the findings which have been identified from the questionnaire. There are some interesting results which have been discovered, surprising the researcher.

A total of 150 consumers were approached who have filled out the questionnaire; 3 managers were also interviewed with a separate questionnaire specially designed for them. 70 males and 80 females answered the questionnaires that were aged from 15-45; however, some elderly respondents took part as well.

According to the Literature it was found out that organizations shall avoid using celebrities during recession as the return won't be great what the organisations would expect. Another interesting fact in the literature stated that Celebrities with negative image in the media won't have an effect on consumer decision. This has proved positive in the primary research which was carried out with the help of questionnaires. However, there is a small indication of respondents who are

celebrity conscious and avoid buying those products with the negative image of a celebrity. They move on to a different/new brand and celebrity.

After carrying out primary research, the hypothesis "Do celebrities have an effect on consumers or not?" has not really proven positive, as majority of respondents state that that they buy branded products but not because of a certain celebrity launching it.

Another interesting fact was that some consumers use products which were launched by celebrities but they are not aware of that.

The table 1.1 has identified that male tend to buy products from Own branded outlets whereas the females prefer to go to High Streets. The reason they provided was mainly because of convenience, saves time, with more choice of available products and offers on products when a promotion is run. Although, the total respondents asked were 150 (70 male and 80 female), it may have been that, if an even number would have been asked, the result may come out different.

Another interesting observation found from the result is that majority of students tend to buy their branded products from High Streets, whereas Employees and Employers tend to visit "Own Branded Outlets". Detailed information is provided in the table below. Some students also work; hence they tend to go to both, high streets and own branded outlets to make their purchase. A more detailed explanation can be seen in table 1.2.

24.7% of students tend to visit Own branded outlet, whereas 33.3% visit high streets, however, as aforementioned students tend to work, that is why the percentage of the employees is higher in the Own branded outlet column.

Employers, whether it is a newly established business or they are running their own businesses for long, go to Own branded outlets. An assumption can be made here is that, being an own boss gives them the confidence to purchase products from own branded outlets.

Respondents whose income is in the range of 25k plus annually tend to buy branded products from outlets, although, majority respondents were students, they tend to visit High Street

Out of 150 respondents, 106 (both male and female) don't buy celebrity launched products. 44 consumers buy products because of celebrities out of which 23 are male and 21 female which is quite surprising, as it is always thought that female consumers are merely more attached to celebrities than men.

Table 1.1: Gender with Products purchased from

Counts Analysis % Break % Base % Respondents	Total	Where do you buy branded products from?	
		Own Branded Outlets	High Streets, Shopping Centres
Base	150	79 52.7%	77 51.3%
What is your Gender?			
Male	70 46.7%	47 67.1% 59.5% 31.3%	27 38.6% 35.1% 18.0%
Female	80 53.3%	32 40.0% 40.5% 21.3%	50 62.5% 64.9% 33.3%

Mean (GENDER)	75	Standard Deviation (Gender)	7.071068	Median (Gender)	75
Mean (Shopping)	78	Standard Deviation (Shopping)	1.414214	Median (Shopping)	78
Mean (Both)	76.5	Standard Deviation (Both)	4	Median (Both)	76.5

Table 1.2: Occupation with where consumers buy products from

Counts Analysis % Break % Base % Respondents	Total	Where do you buy branded products from?	
		Own Branded Outlets	High Streets, Shopping Centres
Base	150	79 52.7%	77 51.3%
What is your occupation			
Student	83 55.3%	37 44.6% 46.6% 24.7%	50 60.2% 64.9% 33.3%
Employee	114 76.0%	61 53.5% 77.2% 40.7%	58 50.9% 75.3% 36.7%
Employer	8 5.3%	6 75.0% 7.6% 4.0%	3 37.5% 3.9% 2.0%
Retired	-	-	-
Others	-	-	-

Table 1.3: Income with where they buy branded products from

Counts Analysis % Break % Base % Respondents	Total	Where do you buy branded products from?	
		Own Branded Outlets	High Streets, Shopping Centres
Base	150	79 52.7%	77 51.3%
What best describes your annual income?			
Less than €15,000	26 16.7%	12 48.0% 15.2% 6.0%	14 56.0% 18.2% 9.3%
€15,000-€20,000	35 23.3%	14 40.0% 17.7% 9.3%	22 62.9% 28.6% 14.7%
€20,000-€25,000	32 21.3%	14 43.8% 17.7% 9.3%	18 56.3% 23.4% 12.0%
€25,000-€30,000	21 14.0%	13 61.9% 10.5% 6.7%	10 47.6% 13.0% 6.7%
€30,000-€35,000	18 12.0%	13 72.2% 16.5% 8.7%	6 7.8% 4.0%
€35,000-€40,000	17 11.3%	12 70.6% 15.2% 8.0%	6 35.3% 7.8% 4.0%
€40,000+	2 1.3%	1 50.0% 1.3% 0.7%	1 50.0% 1.3% 0.7%

A detailed explanation of percentages and numbers can be found in the Appendix under Table 4.1; Gender and Celebrity Endorsement

Consumers who were aged from 26-35 answered the majority of the questionnaire. Majority of them work and are students. 79 respondents or 53% fall in this age bracket. Out of these fifty consumers don't purchase branded products because of celebrities, however, twenty-nine do.

Three main attributes were identified from the questionnaire as to why consumers purchase celebrity branded products. Those were perceiving quality (95.3%); name of brand/celebrity (81.3%) and Friends/Family recommend (40.7%). Quality is always the main attribute when it comes to buy branded or non-branded products as quality will

always fulfil the need and satisfaction of the consumers. Name of Brand/Celebrity was mainly chosen by Asian (Indian, Chinese and Pakistani) respondents who thought that buying branded products would increase their status in family, culture or society.

Another reason given for choosing this option is that consumers assume; if they buy branded or celebrity launched products they would look cool because they are in fashion. They will resemble their favourite celebrity on the streets. Main respondents were students who work at the same time as well. This question came out with a new and interesting finding which stated that consumers buy celebrity launched product to follow the celebrity lifestyle or fashion which is going on in the society.

Table 1.4: Gender and why consumers buy celebrity endorsed products

Counts Analysis % Break % Base % Respondents	Total	Why do you buy celebrity endorsed products?					
		Perceive Quality	Name of the Brand/Celebrity	Advertisement	Friends/Family recommend	Packaging	Others
Base	150	143 95.3%	122 81.3%	12 8.0%	61 40.7%	17 11.3%	3 2.0%
What is your Gender?							
Male	70 46.7%	67 95.7% 46.9% 44.7%	59 84.3% 48.4% 39.3%	7 10.0% 58.3% 4.7%	29 41.4% 47.5% 19.3%	8 11.4% 47.1% 5.3%	2 2.9% 66.7% 1.3%
Female	80 53.3%	76 95.0% 53.1% 50.7%	63 78.8% 51.6% 42.0%	5 6.3% 41.7% 3.3%	32 40.0% 52.5% 21.3%	9 11.3% 52.9% 6.0%	1 1.3% 33.3% 0.7%

Table 1.5: Occupation with Reasons of purchasing Celebrity Endorsed Products

Counts Analysis % Break % Base % Respondents	Total	Why do you buy celebrity endorsed products?					
		Perceive Quality	Name of the Brand/Celebrity	Advertisement	Friends/Family recommend	Packaging	Others
Base	150	143 95.3%	122 81.3%	12 8.0%	61 40.7%	17 11.3%	3 2.0%
What is your occupation							
Student	83 55.3%	77 92.8% 53.8% 51.3%	62 74.7% 50.8% 41.3%	7 8.4% 58.3% 4.7%	37 44.6% 60.7% 24.7%	7 8.4% 41.2% 4.7%	2 2.4% 66.7% 1.3%
Employee	114 76.0%	111 97.4% 77.6% 74.0%	101 88.6% 82.8% 67.3%	10 8.8% 83.3% 6.7%	50 43.9% 82.0% 33.3%	16 14.0% 94.1% 10.7%	1 0.9% 33.3% 0.7%
Employer	8 5.3%	8 100.0% 5.6% 5.3%	8 100.0% 6.6% 5.3%	- - - -	3 37.5% 4.9% 2.0%	1 12.5% 5.9% 0.7%	- - - -
Retired	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-

We are aware of the certain attributes consumers look for in a product. The first thing a consumers looks for in the product is its quality, usually followed by a recommendation from a family member or a friend. But from this question it was revealed that now after quality, the second most important attribute in purchasing a product is the name of the brand/celebrity. As we can see from the table, 95.3% consumers still look for quality in their products followed by 81.3% saying that name of brand/celebrity is now more important. On number three now are Family member/friends recommending the product.

Shoes and Clothes are the main items which are purchased by both genders when they buy branded products. However, when it comes on buying celebrity endorsed products, female tend to purchase Makeup

(76.1%) and Skincare (69.5%) products whereas male purchase Mobile Phones (54.2%) and Sunglasses (53.1%). This is also a new finding which has been discovered from the primary research. A detailed table can be found below.

As we are aware, celebrities own launched products are not that expensive, as compared to those products which are branded. Hence, it can be seen from the table above, those consumers earning in the bracket of 20k-25k, mainly graduates/students with their first job in hand tend to purchase shoes, clothes and makeup. Whereas consumers earning more than 25k, tend to not buy celebrities own launched products, although it can be assumed, that they aren't aware of the products they are purchasing are also launched by celebrities.

Table 1.6: Celeb Products with Gender

Counts Analysis % Break % Base % Respondents	Total	What is your Gender?	
		Male	Female
Base	150	70 46.7%	80 53.3%
What branded products launched by celebrities do you buy?			
Shoes	82 54.7%	52 63.4%	30 36.6%
		74.3%	37.5%
		34.7%	20.0%
Clothers	94 62.7%	58 61.7%	36 38.3%
		82.9%	45.0%
		38.7%	24.0%
Accessories	51 34.0%	32 62.7%	19 37.3%
		45.7%	23.8%
		21.3%	12.7%
Makeup	71 47.3%	17 23.9%	54 76.1%
		24.3%	67.5%
		11.3%	36.0%
Skin Care	91 60.7%	31 34.1%	60 65.9%
		44.3%	75.0%
		20.7%	40.0%
Perfumes	74 49.3%	26 35.1%	48 64.9%
		37.1%	60.0%
		17.3%	32.0%
Sunglasses/Glasses	49 32.7%	26 53.1%	23 46.9%
		37.1%	28.7%
		17.3%	15.3%
Phones	24 16.0%	13 54.2%	11 45.8%
		18.6%	13.3%
		8.7%	7.3%
Undergarments/Laundry	18 12.0%	8 44.4%	10 55.6%
		11.4%	12.5%
		5.3%	6.7%
Others	6 4.0%	2 33.3%	4 66.7%
		2.9%	5.0%
		1.3%	2.7%

The own celebrity launched products which are bought by consumers the most is clothes with 62.7% followed by skincare product at 60.7%.

Comparing occupation with celebrity launched product is giving the reader an indication as to the percentage purchasing celebrity clothing are mainly employees, but as aforementioned, employees can also be studying at the same time, as the majority of respondents were aged from 26-35. As from the previous table, skin care products are again at number 2 with students/ employees purchasing them. The least bought product which has a celebrity tag on them is undergarments/ laundry. Out of 150 consumers only 18 purchase them, meaning a 4% population from both men and women.

Another amusing thing which has been found through this questionnaire is that although a small percentage tends to buy products because of their favourite celebrity, recession has put a halt to that as well. Consumers now tend to wait and see if there is really a need for that product which has been launched recently by their favourite celebrity, whereas before the recession, consumers just tend to buy the unnecessary products.

Table 1.7: Income with Celebrity Products

Counts Analysis % Break % Base % Respondents	Total	What best describes your annual income?						
		Less than £15,000	£15,000-£20,000	£20,000-£25,000	£25,000-£30,000	£30,000-£35,000	£35,000-£40,000	£40,000+
Base	150	25 16.7%	35 23.3%	32 21.3%	24 14.0%	18 12.0%	17 11.3%	2 1.3%
What branded products launched by celebrities do you buy?								
Shoes	82 54.7%	8 9.8%	17 20.7%	19 23.2%	14 17.1%	12 14.6%	11 13.4%	1 1.2%
		32.0%	40.0%	59.4%	60.7%	69.7%	64.7%	50.0%
		5.3%	11.3%	12.7%	9.3%	8.0%	7.3%	0.7%
Clothers	94 62.7%	8 8.5%	21 22.3%	20 21.3%	15 16.0%	15 16.0%	13 13.8%	2 2.1%
		32.0%	60.0%	62.5%	71.4%	83.3%	76.5%	100.0%
		5.3%	14.0%	13.3%	10.0%	10.0%	8.7%	1.3%
Accessories	51 34.0%	2 3.9%	9 17.6%	13 25.5%	7 13.7%	7 13.7%	12 23.5%	2 2.0%
		8.0%	25.7%	40.6%	33.3%	38.9%	70.6%	50.0%
		1.3%	6.0%	8.7%	4.7%	4.7%	8.0%	0.7%
Makeup	71 47.3%	7 9.9%	19 26.8%	17 23.9%	9 12.7%	5 11.3%	5 12.7%	2 2.8%
		28.0%	54.3%	53.1%	42.9%	44.4%	52.9%	100.0%
		4.7%	12.7%	11.3%	6.0%	5.3%	6.0%	1.3%
Skin Care	91 60.7%	10 11.0%	21 23.1%	22 24.2%	14 15.4%	11 12.1%	11 12.1%	2 2.2%
		40.0%	60.0%	68.8%	66.7%	61.1%	64.7%	100.0%
		6.7%	14.0%	14.7%	9.3%	7.3%	7.3%	1.3%
Perfumes	74 49.3%	8 10.8%	15 20.3%	20 27.0%	10 13.5%	9 12.2%	10 13.5%	2 2.7%
		32.0%	47.6%	67.6%	47.6%	40.0%	58.8%	100.0%
		5.3%	10.0%	13.3%	6.7%	6.0%	6.7%	1.3%
Sunglasses/Glasses	49 32.7%	4 8.2%	8 16.3%	15 30.6%	10 20.4%	6 12.2%	5 10.2%	1 2.0%
		16.0%	22.9%	46.9%	47.6%	33.3%	29.4%	50.0%
		2.7%	5.3%	10.0%	6.7%	4.0%	3.3%	0.7%
Phones	24 16.0%	2 8.3%	4 16.7%	4 16.7%	6 25.0%	4 16.7%	3 12.5%	1 4.2%
		8.0%	11.4%	12.5%	26.0%	22.2%	17.6%	50.0%
		1.3%	2.7%	2.7%	4.0%	2.7%	2.0%	0.7%
Undergarments/Laundry	18 12.0%	-	1 5.6%	6 33.3%	3 16.7%	2 10.0%	2 11.1%	-
		-	2.9%	18.8%	28.6%	16.7%	11.8%	-
		-	0.7%	4.0%	4.0%	2.0%	1.3%	-
Others	6 4.0%	-	1 16.7%	1 16.7%	-	-	-	-
		16.0%	2.9%	3.1%	-	-	-	-
		2.7%	0.7%	0.7%	-	-	-	-

Table 1.8: Occupation and Celebrity Products

Counts Analysis % Break % Base % Respondents	Total	What is your occupation				
		Student	Employee	Employer	Retired	Others
Base	150	83 55.3%	114 76.0%	8 5.3%	-	-
What branded products launched by celebrities do you buy?						
Shoes	82 54.7%	43 52.4%	67 81.7%	5 6.1%	-	-
		51.8%	58.8%	62.5%	-	-
		28.7%	44.7%	3.3%	-	-
Clothers	94 62.7%	49 52.1%	76 80.9%	7 7.4%	-	-
		59.0%	68.7%	87.5%	-	-
		32.7%	50.7%	4.7%	-	-
Accessories	51 34.0%	23 45.1%	44 86.3%	6 11.8%	-	-
		27.7%	38.6%	75.0%	-	-
		15.3%	29.3%	4.0%	-	-
Makeup	71 47.3%	36 45.1%	55 80.7%	6 8.5%	-	-
		43.4%	48.2%	75.0%	-	-
		24.0%	36.7%	4.0%	-	-
Skin Care	91 60.7%	44 48.4%	73 80.2%	6 6.6%	-	-
		53.0%	64.0%	75.0%	-	-
		29.3%	48.7%	4.0%	-	-
Perfumes	74 49.3%	33 44.6%	58 78.4%	5 6.8%	-	-
		39.8%	50.9%	62.5%	-	-
		22.0%	38.7%	3.3%	-	-
Sunglasses/Glasses	49 32.7%	25 51.0%	39 79.6%	4 8.2%	-	-
		30.1%	34.2%	50.0%	-	-
		16.7%	26.0%	2.7%	-	-
Phones	24 16.0%	10 41.7%	21 87.5%	1 4.2%	-	-
		12.0%	18.4%	12.5%	-	-
		6.7%	14.0%	0.7%	-	-
Undergarments/Laundry	18 12.0%	7 38.9%	18 100.0%	-	-	-
		8.4%	15.8%	-	-	-
		4.7%	12.0%	-	-	-
Others	6 4.0%	5 83.3%	2 33.3%	-	-	-
		6.0%	1.8%	-	-	-
		3.3%	1.3%	-	-	-

Table 1.9: Gender with New Product Launch by Celebrity

Counts Analysis % Break % Base % Respondents	Total	What is your Gender?	
		Male	Female
Base	150	70 46.7%	80 53.3%
If a new product is launched by a celebrity you adore, would you buy it straight away or not?			
Yes	16 10.7%	5 31.3%	11 68.8%
		7.1%	13.8%
		3.3%	7.3%
No	134 89.3%	65 48.5%	69 51.5%
		92.9%	86.3%
		43.3%	46.0%

Consumers now wait for reviews or try the products out in store before making a purchase. 134 consumers (65 male and 69 female) have answered No to the question asked

“If a new product is launched by your favourite celebrity, would you buy it straight away or not?” During the research another question was added, “Before the recession would you have bought a celebrity product when launched?” and the minority who are celebrity brand conscious with their products answered “YES”.

Finally, the finding which has again surprised the author is that even the consumers at younger age are not concerned with purchasing a newly launched product by their favourite celebrity. This indicates that consumers are taking precautionary measures while making a purchase in the recession. However, if a product is cheap, then the younger consumers can go and purchase the product. Another point to keep in mind is that as aforementioned majority of the respondents are students who live with their parents and work at the same time. They, themselves are taking precautionary measures to save some money for the upcoming days. As recession has hit us very hard, there are consumers who are earning and spending enormously on branded products, whether they are launched by celebrities or not.

Table 1.10: New Product launch by a Celebrity with Age

Counts Analysis % Break % Base % Respondents	Total	If a new product is launched by a celebrity you adore, wo...	
		Yes	No
Base	150	16 10.7%	134 89.3%
What is your age group?			
15-25	49 32.7%	4 8.2% 25.0% 2.7%	45 91.8% 33.6% 30.0%
26-36	79 52.7%	12 15.2% 75.0% 8.0%	67 84.8% 50.0% 44.7%
36-45	20 13.3%	-	20 100.0% 14.9% 13.3%
46-55	1 0.7%	-	1 100.0% 0.7% 0.7%
56-65	2 1.3%	-	2 100.0% 1.5% 1.3%
65+	-	-	-

Findings/Analysis Managers Interview: Initially, the researcher contacted 5 managers from which only 3 responded with a positive answer. One of them, however, gave very limited time and not provided the relevant information which researcher was looking for. A total of 26 open ended questions were asked resulting in more questions being generated at the time of the interview. One interview took roughly 20 minutes.

The results of the interviews were surprising. A brief outline of the questions asked can be found in the Appendix under 3. The author is going to compare the two questionnaires partially which were relevant and properly filled by the author in order to come up with a firm conclusion. The conclusion will mainly highlight if a relationship exists between consumer behaviour towards celebrities launching products in recession. Detailed responses were thought of being published by the author, but both managers asked me not to publish it as it would not meet the Data Protection Act 1998.

The main response the managers gave in regards to if their brand has been affected by the recession was “Yes, to some extent, affecting sales, losing customers and profit margin dropping”. However, companies are still making profit at a lower scale by using celebrities.

In the consumer questionnaire, consumers were asked “Why do you think companies use celebrities to endorse their products?” and “What do you think companies actually want to achieve by using celebrities?” and the consumers; mainly middle aged, (26-35) thought that they want to make profit, increase market share, reach new markets and sell celebrity lifestyles.

Interestingly the managers answered this question in the context of reaching new market e.g. expanding internationally and sell/create an awareness of their products resulting in making profit. Everyone could assume these answers by the managers. One manager in particular mentioned that the main reason for using celebrities is that, they want to play with the consumers’ perception/mind which would result in an increase of sales/profit.

Another reason the manager gave was that they want to sell celebrities lifestyle to consumers so that they can be like them. A couple of consumers who are celebrity brand conscious mentioned that in the questionnaire, too. They want to resemble their celebrities and become like them. According to the literature, organisations use celebrities to make their product sell more easily as the consumers will pay more attention to see a familiar face.

The next question asked by the researcher in the interview was “How do you afford to use celebrities during a recession?” and the responses received was that they have cut down their budget from different departments but kept their marketing budget up so that they can keep on using celebrities, however, they have reduced their product launches and only launch on special occasions such as Valentines Days, Christmas/Eid or Summer sales, however it varies. If it is necessary to launch a product as the previous one is not performing well, celebrities are brought up again and the product launch can take place, when the organizations feel the time is right.

Another aspect which was found from the interview was that if the use of celebrities is not giving the organizations the response they are looking for, what would they do? The managers replied to that by saying alongside promoting their products through celebrities, they would increase the use of media sources such as promotional campaigns on TV, Radios and Billboards. Consumers don’t always watch TV, hence, when they are on their way to work or pick up their children from school, they can see adverts on billboards or listen to them on their favourite radio channel.

The next question asked was about the “class” organizations target and all managers stated that they have various products for each class which would meet the end users need; however, they don’t have any substitute products. Each class has its own qualification and products.

Managers spend a fairly huge amount of money on celebrities. The average can’t be told, but some pay 500,000 Euros/year. If it is a lengthy contract the celebrity would initially compromise on the price; however, if it is a short contract, (1 year minimum), then it would cost an organisation far more than expected.

The next question asked to the manager was “if/when you change celebrities, do you enhance the product?” They replied to this by stating; this depends on the product. If the celebrity being used can’t represent the product, they have to change him/her. However, during recession companies try to avoid enhancing the products. If it is going to make a loss rather than profit, the product may then be discontinued.

An interesting question asked nearing the end of the interview was that “How do you compare a product that is endorsed by the celebrity with those that are not?” Both managers stated that by using celebrities, consumers’ perception starts to have a value, resulting in better quality and the product becomes more reputable in their eyes. Hence, using celebrities always work, for consumers and the organisations.

CONCLUSION

After giving the reader insightful information in regards to Celebrity launched products affecting consumers in recession; it can be concluded that there is a very small amount of people/consumers who tend to follow celebrities which makes it hard for organizations to sell newly launched products by celebrities, especially in recession.

Another interesting fact which has been discovered from the research is that consumers nearly tend to spend the same amount of money on branded products as they used to. However, this also depends on the household income on people living in a house.

A shocking result which was found is that consumers are not concerned with the negative publicity of celebrities. They just carry on buying their products. I, myself, wouldn’t be bothered about the negative publicity of a celebrity, but would definitely give it a little thought before purchasing a product. This, however, can be a strategy adopted by organizations, to use such celebrity who are in the limelight to promote certain products, who wouldn’t be given much attention by the buyers.

Another fact which was proven from the literature and from the research itself is that organizations tend to use celebrities to sell their lifestyles, reach a new market and promote the business financially by making more profit resulting in an increase of sales. Celebrities can be prescribed as a marketing tool which organizations use in order to gain an insight to new markets.

Consumers (students) who tend to live with parents purchase branded products merely for themselves and their parents, but from own branded outlets. However, some of the students living with their parents tend to purchase products from High Streets instead, but those have less income.

Students living on their own purchase branded products from high streets. They mention that they get more choice from different brands if they buy from high streets rather than visiting individual own branded outlets. Some high streets tend to have more variety which makes it easy for consumers to compare certain products.

Consumers from Asian background have a habit of buying branded products because it changes their status in their culture they come from. British Nationals tend to go for any product whether it is branded or not. African nationals tend to buy branded products from own branded outlets as it changes their statuses as well in their culture.

Another amazing factor which was discovered from the research is that the average spending of a consumer

aged from 15-25 (students) during the recession is £250/month and consumers aged from 26-35 (mostly employees) spend roughly £300/month.

Celebrities these days are also launching their own products to enter the market and target their special consumers. Their products range from cosmetics, sunglasses, perfumes and etc. Majority of women with less income tend to purchase celebrity produced cosmetics whereas men purchase perfumes and sunglasses.

Age plays a vital role in consumers. When one reaches a certain age, the taste of branded products vanishes. The age when consumers aren't concerned with branded products is 36+. They would buy any product, whether it be an own branded, a celebrity launched or branded product from a posh retailer.

Certain celebrities are associated with more than one brand. This makes it hard for companies to afford them, as celebrity demand increases. Companies before signing a celebrity need to make an agreement that they should be committed and shall stay in touch with the organization whenever they are needed.

All the above mentioned points in the conclusion came out from the questionnaires and the interviews which were carried out with 2 managers. If there would have been more interviews with the managers and an involvement of more respondents in the questionnaire, new interesting factors may have come out.

Chapter 6 Limitations: Every research has limitations. The main issue which was faced by the author was the sampling technique used; convenience sampling. This technique allows the user to target anyone at random, however sometimes this strategy is very useful. To get a better insight about the views and attitudes of respondents, stratified sampling could have been utilized instead. Sample size was another issue. 150 being a reasonable sample size for this scale of research can give the reader a brief insight about what to expect, however, other researchers have used bigger sample which can give more in depth information.

Time was also an issue which was faced. The questionnaire could have been distributed to larger sample size, e.g. 200, but then, people these days are not concerned about the research which the author or anyone in this field is going to conduct because it may not benefit them. If there is awareness, people tend to show an interest.

Chapter 7 Future Research: Future research in regards to this topic can be made as the majority respondents were students from different backgrounds. If all occupations

are put into perspective then there is a possibility that, it may give a different outcome to the research.

Although a lot of research is available which targets others ethnicities and fewer companies interviewed, the author found this gap and targeted students from different backgrounds and interviewed 2 managers alongside. If more managers can be interviewed, new hypothesis can be discovered and a firm conclusion can be drawn, if consumers are affected by celebrities launching products in recession.

Another research can be conducted within the non-recession environment and the results then can be compared. They may fill up the gaps in the research which are still open.

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Appendix

1. Draft Questionnaire

1) Do you buy branded products because of celebrity endorsement?

Yes

No

2) Why do you buy celebrity endorsed product?

3) Where do you buy branded products from?

High Streets, Shopping Centres

Own branded outlets

4) What branded products launched by celebrities do you buy?

5) Why do you think companies use celebrities to endorse their products?

6) If a new product is launched by a celebrity you adore, would you buy it straight away?

7) Does your purchasing decision change if a celebrity gets associated with negative publicity? _____

8) What do you think companies actually want to achieve by using celebrities?

2. The Questionnaire for consumers

Celebrities Vs. Customer Decision in Recession

The reason to carry out the questionnaire is to find out if there is any kind of link between Celebrities launching products and how it effects customer decision making in Recession. Please try to be specific while answering the questions. Your responses will be kept private and confidential and will not contact you for any marketing purpose [38-40].

Please answer all questions

1) Do you buy branded products because of celebrity endorsement?

Yes No

2) Please specify the choice from question 1

3) Why do you buy celebrity endorsed product?

4) Where do you buy branded products from?

High Streets, Shopping Centres Own branded outlets

5) Please specify the choice from question 4

6) What branded products launched by celebrities do you buy?

7) Which branded products launched by celebrities do you buy?

8) Why do you think companies use celebrities to endorse their products?

9) If a new product is launched by a celebrity you adore, would you buy it straight away?

10) Please specify the choice from question 8

11) How much on average did you normally spend on branded product before the recession?

12) What is your average spending since the recession?

13) Do you consider yourself to be influenced by celebrities in adverts?

14) Does your purchasing decision change if a celebrity gets associated with negative publicity?

15) What do you think companies actually want to achieve by using celebrities?

Personal Questions

16) What is your gender?

Male Female

17) What is your age group?

15-25 46-55

26-35 56-65

36-45 65+

18) What is your ethnicity?

19) What best describes your marital status?

Single Married

Living with partner Others

Living with parents Please specify: _____

Q20) What is your occupation?

Student Employer

Employee Others

Retired Please specify: _____

Q21) What best suits your annual income?

Less than £15,000 £20,000-£25,000 £30,000-£35,000 £40,000+

£15,000-£20,000 £25,000-£30,000 £35,000-£40,000

3. Questions asked to managers

1) Has the recession affected your brand?

2) Have you lost any potential consumers?

3) If you use celebrities, does it have a positive effect on the business?

4) If you use any celebrities, how many do you use?

5) How often do you use them?

6) When do you use them?

7) For example, if a new product is launched, do you straight away start promoting the product through celebrities?

8) Do you use any medium first, e.g. Radio, TV, Newspapers/Magazines etc.?

9) Even in recession, how are you able to use celebrities?

10) Does it have an effect on the profit?

11) According to research, using celebrities increases market share, is that still the case?

12) For instance, if a product is launched by a celebrity and the response is low, what do you do in that case?

- 13) Do you target a specific class?
- 14) Do you have any replacement product, which not everyone can afford which meets the same criteria they want?
- 15) The fake products which are in the market, how does it affect you in whole?
- 16) Do celebrities have any issues with that?
- 17) How much on average do you spend on a certain celebrity?
- 18) How do you know which celebrity to use for a product?
- 19) Has a celebrity ever let you down, for e.g. not turning up for shooting ads or not turning up at all?
- 20) If a celebrity has a negative image how badly does it affect the business?
- 21) If the brand itself is facing recession, do celebrities demand more?
- 22) How does the brand cope with that especially in recession?
- 23) If you change celebrities, do you enhance the products?
- 24) How do you manage that during the recession?
- 25) In specific, do celebrities put any input in developing the products or do they act as a face of the product only?
- 26) When not using a celebrity, what would be the current status of that particular brand or product?

4 Tables

4.1: Gender and Celebrity Endorsement

Counts Analysis % Break % Base % Respondents	Total	Do you buy branded products because of celebrity endorsement...	
		Yes	No
Base	150	44 29.3%	106 70.7%
What is your Gender?			
Male	70 46.7%	23 32.9% 52.3% 15.3%	47 67.1% 44.3% 31.3%
Female	80 53.3%	21 26.3% 47.7% 14.0%	59 73.8% 55.7% 39.3%

Men consumers are more into celebrities than women

4.2: Age with Do you buy because of Celebrity

Counts Analysis % Break % Base % Respondents	Total	Do you buy branded products because of celebrity endorsement...	
		Yes	No
Base	150	44 29.3%	106 70.7%
What is your age group?			
15-25	49 32.7%	10 20.4% 22.7% 6.7%	39 79.6% 36.8% 26.0%
26-35	79 52.7%	29 36.7% 65.9% 19.3%	50 63.3% 47.2% 33.3%
36-45	20 13.3%	4 20.0% 9.1% 2.7%	16 80.0% 15.1% 10.7%
46-55	1 0.7%	1 100.0% 2.3% 0.7%	-
56-65	2 1.3%	-	2 100.0% 1.9% 1.3%
65+	-	-	-

From all ages of consumers, only age 26-35 purchase products because of celebrity. (29 out of 150)

4.3 Reason for buying celebrity endorsed product with age

Not Saved - What is your age group? by Why do you buy celebrity endorsed products?

Counts Analysis % Break % Respondents	Total	Why do you buy celebrity endorsed products?					
		Perceive Quality	Name of the Brand/Celebrity	Advertisement	Friends/Family recommend	Packaging	Others
Base	150	143 95.3%	122 81.3%	12 8.0%	61 40.7%	17 11.3%	3 2.0%
26-35	79 52.7%	77 97.5%	72 91.1%	9 11.4%	36 45.6%	9 11.4%	-
36-45	20 13.3%	19 95.0%	17 85.0%	1 5.0%	6 30.0%	5 25.0%	1 5.0%
46-55	1 0.7%	1 100.0%	1 100.0%	-	1 100.0%	-	-
56-65	2 1.3%	2 100.0%	1 50.0%	1 50.0%	-	1 50.0%	-
65+	-	-	-	-	-	-	-

When consumers reach the age of 46+, they aren't bothered about the brand; they just purchase what they like. However, if a bigger sample would have been gathered, the result may have been different.