

**CELEBRITY ENDORSEMENT AND MARKETING SUCCESS OF BOTTLED DRINK COMPANIES IN PORT HARCOURT**

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**Abstract**

*The study aimed at empirically examining the relationship between celebrity endorsements and marketing success of bottled drink companies in Port Harcourt. Data was collected from customers of 5 bottled drink companies in Port Harcourt and analyzed using spearman's rank correlation coefficient with the aid of SPSS. Findings show that there was more positive correlation between personality-tie and perceived value. The study concludes that celebrity endorsement has a very high positive relationship with marketing success of bottled drink companies in Port Harcourt. In recommendations, the researcher asserts that Firms that wish for a better performance especially the bottled drink should invest more resources on initiating endorsement deals.*

*Keywords: Celebrity Endorsement, Personality Tie, Marketing Success, Perceived value, Repeat purchase*

**Introduction**

For long, business organizations have stop depending on just a single advertising message to increase their brand awareness. Instead, they tend to involve an integrated marketing approach where more than one marketing communication strategy is unleashed to meet up pre-determined goals. The Nigerian bottled drink industry have already been made up of industry giants such as Coke Cola, Pepsi, Pabod Brewery, Nigerian Breweries, Chi limited, Vitamalt PLC and lots more who are also not ready to sit and fold their hands but instead deploy marketing strategies in order to reach the market and let their message get to the right target audience.

Recently, the use of celebrity endorsement is more pronounced as companies' sales strategies and marketing programmes through the endorsement of musical stars, movie, and popular athletes. Supportively, Johnmark, Israel, Zumbung, (2014) noted that the celebrities act like spokespersons and share attributes like attractiveness, celebrated life style or special skills which make them gain more public respect. In Nigeria, Such persons are actors (like Jim Iyk, Desmond Eliot, Rita Dominic, Monalisa Chinda); sports – footballers (Kanu Nwanko, Mikel Obi); pop stars (like Tufac Idibia); business men (Aliko Dangote). Similarly, Jayaswal (2008) observed that bottled drink giants like Coca Cola and lots more

preferred to use multiple celebrities for their company. Furthermore, company like the Chi Food is also utilizing a same method which is helping them in to stand among other competing brands.

Obviously, every effort made by a business organization is to gain success as nobody wants to lose. Marketing success is tied with the goals and objectives set by individual organization and that is why they approach and measure success in divergent measures. For instance, Biwa's (2009) opined that the major reason for celebrities in advert programs is to gain much attention to the product in which the marketing activities is carried out for. Even Keller (2008), noted that an objective of a celebrity endorsement strategy is to affect consumers' opinions based in their previous knowledge about the celebrity in question.

Further, End organ (2001) observed that celebrity endorsement has become much more wide spread over the past 20 years since consumers have become increasingly attached to celebrities. Apparently, this contributes to the existing body knowledge as very little or no study has deemed it necessary to empirical investigate the relationship between celebrity endorsement and Marketing success of bottled drink in Port Harcourt.

### **Research Problem**

Despite the benefits of celebrity endorsement, a good number of problems still lie in manner of usage by different companies in the industries. Evidently, Belch and Belch (2001) noted that in most cases, the celebrity does not really tally with new product values which may lead to confusion as more credit could be given to the celebrity as against the brand itself.

More also, John mark et al., (2014) observed vital issues bordering on the usage of celebrities such as celebrity personal scandals which could dent the images and respect of such celebrity and at the same time translates into the product being advertised.

For an endorsement marketing deal to be a success, it is meant to add more benefits to the brand in question and not to fight against the brand or reduce its value. Hence, this study seeks to empirically investigate the relationship between celebrity endorse and marketing success of bottled drink companies in Port Harcourt.

### **Purpose of Study**

The study seeks to determine how celebrity endorsement relates with marketing success of bottled drink companies in Port Harcourt.

### **Research Hypotheses**

**Ho<sub>1</sub>**. There is no significant relationship between personality-tie and perceived value of bottled drink companies in Port Harcourt.

**Ho<sub>2</sub>**. There is no significant relationship between personality-tie and repeat purchase of bottled drink companies in Port Harcourt

### **Literature Review**

#### **Theoretical Frameworks**

##### **Source Credit Model**

The Source Credibility Model (SCM) was propounded by Holland, Janis & Kelly in 1953 with the view that expertise and trustworthiness of an endorser are the key factor that makes endorsement marketing more effective (Holland, Janis, & Kelley, 1953). Endogen (1999) stated that source credibility can affect consumers' opinions and the behavior towards the item being endorsed. In order words, the "source credibility" model

Opines that the degree of trust a celebrity has, determines the level of influence the celebrity has over its followers or loyalists.

### **Meaning Transfer Theory**

The “meaning transfer theory” holds that in an endorsement deal among firms and celebrities an association must be transferred (De Mooij, 2005). This association transfer implies a transfer of idea, beliefs and other characteristics. Further, Lang Meyer & Walker (1991) opined that in meaning transfer, a celebrity can transfer meaningful and worthy qualities to products that have ordinary value and meaning. The theory holds that a celebrity can translate a common product to a higher esteem product, these can as well happen to a low cost product to an expensive high cost product.

### **Celebrity Endorsement**

Celebrity is generally a popular person whose personality is well-regarded and appreciated by members of the society. A celebrity is a person that is enjoying public recognition and attention based on certain qualities and features possessed. The celebrity is known to have an extraordinary life style which is recognized, accepted and admired by a group of people in the society (Schaech, 2003). Celebrity endorsement is recognized as a potentially potent tool in communications and has attracted lots of researchers. Studies like Sassenberg, Verreynne, & Morgan (2012); and Sieve (2012), noted that in a technical manner, “celebrity endorsement” is the attachment of a popular personality of considerable reputation to a product by virtue of an agreement between the organization and the person (the celebrity). Taleja (2005), identified cases or situations where celebrity endorsements are more likely chosen which includes products that possess some qualities like higher price, more potential buyers and when there is need to co-ordinate customers. However, celebrity endorsement is simply creating a link between a popular or famous person in the society with a product based on certain contractual agreement.

### **Personality-Tie**

Personality tie is a celebrity endorsement strategy that involves ensuring that there is a match or fit between the person (celebrity) used for the endorsement contract and the product or brand involved.

### **Marketing Success**

Marketing success is the measurement of what extent a business organizational goals and objectives are met within a certain period of time. It entails the marketing performance of a business organization using certain parameters or indicators. Marketing success is often used interchangeably with marketing performance. It is a term used by marketing professionals to describe the analysis, and enhancement of the efficiency and effectiveness of marketing (Gerard, 2008).

### **Perceived Value**

Perceived value is defined as the value formed by the opinion of the buyers; it entails the price consumers believe they are ready to pay for an offering in the marketplace (Luke, 2017). Perceived value of a product is the worth of that product as bestowed in the mind of the consumers over a period of time. Further, Sa'nchez. Calvarias. & Rodri'guez (2006) stated that belief about a product's value is personal based on individual different cultural backgrounds and at different time frame intervals, so their perceived value differs.

### **Repeat Purchase**

Repeat purchase is viewed to as the number of users who continuously buy from a particular brand at a certain period of time. Riley (2000), stated that repeat purchase measures the percentage or number of customers who purchased a product after first purchase and how frequency consumers buy from a particular firm. The author stated that for a product to gain repeat purchase, it must be of good quality and develop an effective relationship with existing users or potential users.

### **Empirical Review of Endorsement Marketing and Marketing Success**

A study by John mark et al., (2014) focused on celebrity advertising and performance Global Communication Company and found that celebrity advertisement has great impact on performance. They suggested that communication organizations should look out for agreement and congruency between what they are presenting to the market and the celebrity before entering into any endorsement deal. Studies have revealed that endorsements are closely related or linked with increased stock market performance for the advertising firm; which also leads to higher sales of the advertised product (Elberse and Verleun 2011).

Similar, Stone, Joseph & Jones (2003) asserted that the use of sports stars as endorsers, are most flourishing when the items being endorsed are believable and the sports star is trust worthy. They added that athlete celebrity provide testimonies of how the product help them in their sports performance which also increase believability.

In Nigeria, a typical example is the agreement of Friesland Campina WAMCO Nigeria PLC with a popular Nigerian football star, Kanu Nwankwo for Peak Milk product. The “Peak is in You” campaign was used to show the audience that kanu drinks peak milk before entering the pitch to play football and that is responsible for his fabulous performance. The company recorded a huge communication success as the campaign went viral beyond expectation. Supportably, Goldsmith et al. (2000) found that celebrities’ trust had higher effect on organization’s credibility and further influenced the intent of consumers to buy the product being endorsed for.

Negatively, Garland (2005) found that the majority of New Zealand advert experts said they were trying to stay away from using celebrities in their marketing communication with the reasons that it was usually too luxurious, basically sticky and the celebrity often suppress the company” message. In the same manner, Louie and Obermiller (2002) stated that situations known as “negative events” which are accidents that hinder a celebrity’s ability to perform can render huge injuries on brands being attached to them. Martey & Frempong (2014), is of the view that celebrities whose popularity and reputation is limited to a particular geographical area would make the same level of effect on product performance in terms of sales. Their argument is that celebrity whose popularity is limited to just few areas while limit the number of sales to just that particular area therefore, it hinders the product spread or market share. Also, Knittel and Stango (2011) found that the negative publicity surrounding Tiger Woods’ alleged marital infidelity in 2009 caused a lowering of in the stock market strength of business that used him in a celebrity endorsement deal.

On a contrary, Opuni., Asiedu., Acheampong (2014) showed that after celebrity endorsement of an item, the repeat purchase significantly goes higher relative to before the endorsement. Ahmed & Habiba (2013) confirmed a positive effect of celebrity endorsement on purchase of a product. Hunter & Davidson (2008), asserted that celebrity endorsement is found to cause an incremental effect on sales generated. Okorie et al (2012) also celebrity

endorsement deals than before the endorsement. The presence of a celebrity improves the value a customer places on the product. Similarly, Ogunsiji (2014) affirms that products attached to fit celebrities are better patronized by consumers who love the celebrity. A study conducted by Yermack (2011) found that apparel companies experience a very higher growth of over 1.7 percent in their stock market performance after First Lady Michelle Obama, the wife of former American president Obama wore their clothing items. These shows that celebrity significantly assist produces that they are linked with.

Based on the above assertions, the hypotheses are restated then as thus:

**Ho<sub>1</sub>.** There is no significant relationship between personality-tie and perceived value of bottled drink companies in Port Harcourt.

**Ho<sub>2</sub>.** There is no significant relationship between personality-tie and repeat purchase of bottled drink companies in Port Harcourt

### Methodology

The study adopted a survey research design with a sample of 100 customers of 5 bottled drink companies in Port Harcourt. After data cleaning, 94 copies of the distributed copies of questionnaire were found valid for analysis, and was analyzed using spearman ranking correlation coefficient at a 0.05 level of significance.

### Data Analysis and Presentation

**Table 1** Correlations test of Hypotheses 1&2

			Correlations		
			Personality-Tie	Perceived Value	Repeat Purchase
Personality-Tie	Correlation Coefficient		1.000	.826*	.906
	Sig. (2-tailed)		.	.000	.000
	N		94	94	94
Spearman's rho Perceived Value	Correlation Coefficient		.826*	1.000	.
	Sig. (2-tailed)		.000	.	.
	N		94	94	94
Repeat Purchase	Correlation Coefficient		.906	.	1.000
	Sig. (2-tailed)		.000	.	.
	N		94	94	94

\*. Correlation is significant at the 0.05 level (2-tailed).

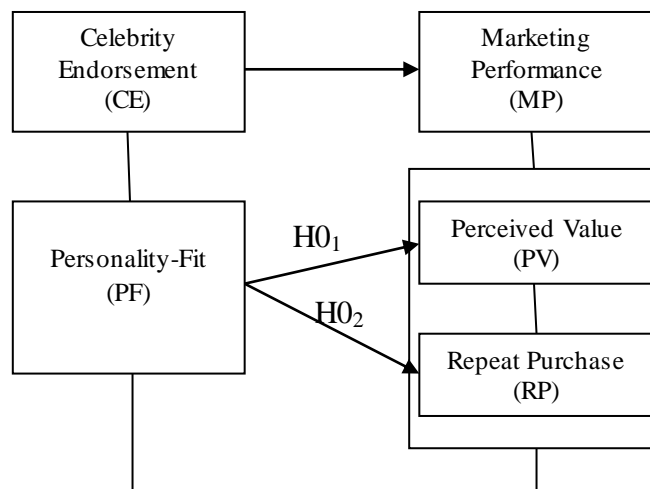
Source: Survey Data, 2019

### Discussion of Findings

Table 1 above reveals a spearman's rank correlation coefficient of 0.826 and 906 with significant value of 0.000 (Sig <0.05). This result indicates that personality-tie has a very strong positive significant relationship between the dimensions of marketing success.

Further findings revealed that there was more strong and positive relationship between personality-tie and perceived value. Therefore, we reject the null hypotheses 1 &2, and accept the alternate hypotheses 1 & 2 which state that personality-tie has a significant relationship with perceived value and repeat purchase of bottling companies in Port Harcourt. The results are consistent with other studies like Yermack (2011) who found that apparel companies experienced a very higher growth of over 1.7 percent in their stock market performance when Michelle Obama wore their products. The personality-fit between the product and the celebrity involved led to an increase in purchase. Similarly, the result also confirms that of Opuni, Asiedu, Acheampong (2014) which revealed that

after celebrity endorsement of a product, the repeat purchase significantly goes higher relative to before celebrity endorsement.



**Fig. 1** Operational Framework on celebrity Endorsement and Marketing Performance  
**Source: Data, 2019**

**Conclusion**

The study shows that celebrity endorsement is a good marketing strategy to improve firms’ performance in the marketing space. Findings of the study were consistent with lots of studies that agreed on same ideology. For example, the study conducted by Ahmed & Habiba (2013) confirms that celebrity endorsement has a positive effect on purchase of a product. Hence, the study concludes that celebrity endorsement has a very high positive relationship with marketing success of bottled drink companies in Port Harcourt.

**Recommendations**

- Firms that wish for a better performance especially the bottled drink should invest more resources on initiating endorsement deals.
- Bottled drink companies that wish to use endorsement marketing as a marketing strategy should ensure the celebrity fits the product in question to avoid low perceived value and low purchase

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