

## **Investigating the Impact of Celebrity Endorsement by Banking Sector on Consumer's Attitude towards availing their Offered Services**

**Priyanka Chaddha,**

PhD Scholar,  
Amity College of Commerce and Finance,  
Amity University Campus, Noida, India.

**Dr. Bhawna Agarwal,**

Associate Professor,  
Amity College of Commerce and Finance,  
Amity University Campus, Noida, India.

**Dr. Arshi Zareen,**

Assistant Professor,  
Bharati College, Delhi University,  
New Delhi, India.

### **ABSTRACT**

*It is a challenging task for service marketer to design an advertisement for promoting the sale of financial services because of their unique features of intangibility, variability, perishability and inseparability. Service marketers are adopting Celebrity Endorsement as a marketing strategy in making services less abstract by presenting human models especially high profile celebrities as tangible representation of the advertised services in a highly cluttered and competitive environment. To measure the impact of celebrities on consumers' purchase intentions, past researches have used different number and types of independent dimensions of source credibility like trustworthiness, attractiveness, expertise, congruence, respect, similarity, race, gender of celebrity endorsements for different product categories. However such analyses have not been done much for Indian Banking service sector. Thus keeping in mind the growing usage of celebrity endorsement in banking sector, this study is focussed on evaluating the impact of celebrities on consumers' purchase intentions for services offered by banks in Delhi-NCR. A deductive approach has been followed in selecting variables measuring credibility of celebrities. The five dimensions of credibility as proposed by Shimp in his model TEARS (Trustworthiness, Expertise, Physical Attractiveness, Respect and Similarity) have been used as variables. Reliability was tested by Cronbach Alpha to verify the internal consistency of the variables. The survey of 234 respondents using banking services from Delhi-NCR was done by using convenience sampling method with the help of structured questionnaire. The SPSS statistical tests like Correlation, Regression and two tail t-test were used to evaluate the individual impact of all five dimensions of credibility of celebrities on consumers' purchase intention. It has been found that though 5 dimensions of TEARS models have their influence on consumers' purchase intention with high correlation coefficient. However consumers are not highly influenced by celebrity endorsement in taking their purchase decisions for banking services. They are more interested in getting more returns and security on their investment. This implied that marketers should limit their expenditure on celebrity endorsement only for creating awareness for banking services and more focus should be diverted towards providing better returns to investors with other value added services.*

**Keywords:** Celebrity Endorsement, Banking Sector, Consumer's Purchase Intentions, Banking Services.

## **INTRODUCTION:**

The financial services (hereafter FS) industry is a vital tool in promoting boost in economic growth and building sustainable economy. Since Globalisation has accelerated the growth of international investment flows and overseas business, the FS sector has been emerged as the fastest-growing sector of the service industry.

The FS as one of the major sector in service industry possess unique characteristics of service sector which make it different from product industry. These features are intangibility (non-existence in physical form), variability (can't be standardized), inseparability and perishability (cannot be produced or stored before actual consumption) (Lee, et al., 2011). Moreover FS decisions are considered to be more risky and demand high involvement from consumer (Aldlaigan & Buttle, 2001) as such decisions do have their impact on consumer's financial security, investment portfolio, and retirement plans.

These characteristics of FS impose burden on consumers for taking their buying decisions rationally keeping in mind the available information and their as well as others' past experiences with respect to the services offered by various financial institutions in an economy (Mangold, et al., 1999).

These highly abstract and intangible nature of the FS offerings makes it a complex task for the consumers to predict with certainty the future tangible benefits of such services. All these features make it a challenging task for marketer/advertiser to provide a tangible and differentiating element of the advertised FS to overcome its characteristics of intangibility, inseparability, variability, and perishability. Unlike the FMCG business, financial services such as deposits and credit services cannot be sold on impulse. Because of this limitation banks in India are always in search of appointing the high profile of brand ambassador who has a potential to create trust among consumers and help in selling financial services.

Moreover the FS industry in India is known as a highly competitive sector in the service industry with large number of public and private players offering their competitive services. They require effective marketing communication to build brand images that can actually differentiate their offered services from other players. It is also required by financial institutions and FS advertisers to discover effective ways of communication to educate and inform existing as well as potential consumers for building strong relationship with them to maintain strong customer base. The FS advertisers mostly use regular exposure of ads as the most preferred marketing strategy for providing tangibility cues in the benefits offered by the advertised services by associating such services with tangible person, event, and place, physical components of the service, documentation of facts or figures highlighting the characteristics of the service. It has also been stated in the past studies that the regular exposure of ads indicate a sign of corporate soundness which leads to strong building of consumer confidence.

Service marketers are adopting Celebrity Endorsement as a widely used innovative approach in advertisements for making services less abstract by presenting celebrities as tangible representation of the advertised services. It also provides a base for differentiation for existing as well as new brands in service industry. Moreover they are appealing, highly persuasive, have mass appeal and create high level of brand recall in consumers' mind as compared to other traditional promotional methods.

The Indian consumers are generally highly associated with celebrities. This is the reason that the Celebrity Endorsements has been used as an omnipresent feature in modern day Indian service marketing for building corporate image. Their association and word-of-mouth recommendations can be used by advertisers in developing positive attitude and consumers' confidence in evaluating and taking purchase decision towards the services advertised by their celebrities. In a highly cluttered and competitive environment FS providers are using celebrity endorsement strategy as a perceived winning formula as celebrities have potential to make their brand image and services stand out in the crowd with high recalling power. Advertisements with celebrities attract viewers' attentiveness and make it more memorable, credible and desirable and has positive impact on consumer buying behaviour. This ultimately leads to enhancement in brand's competitive position, brand loyalty with increased sales revenue and profits.

The increasing use of celebrities and their perceived influencing power in endorsing various kind of products or services underscores the requirement to test the effectiveness of celebrity endorsement. Many academic researchers have already conducted sufficient empirical research to explore and test the benefits of celebrity endorsement especially in product sector, now the present study is aimed to do empirical examination of the benefits of celebrity endorsement in financial service sector as this sector has not been exhaustively taken up in the past studies.

As a spokesperson the celebrity endorsers have more potential to influence attitudes and consumers' buying behaviour positively as compared to the non-celebrity endorsers like actual consumers, company's employees and others. However, all celebrities cannot be a winner always for all types of products and services as an

effective endorser as they may have different level of impact on consumers on the basis of their physical and intellectual characteristics. It is the consumers' perception about the source credibility of celebrities that determines whether they are going to accept the proffered claims made by the celebrity or not.

Source credibility can be defined as the believability and positive characteristics of the endorser that affect receiver's attitude for accepting the message. Credibility is an important factor in designing effective advertisements for services as they cannot be examined by consumers prior to consumption.

Various researchers have measured credibility on the basis of different dimensions. Some of them measured it on the basis of expertise, trustworthiness and attractiveness (Ohanion, 1990), (Lafferty, et al., 2002). While other studies like (Arora, et al., 2006) (Clow, et al., 2006) used other dimensions, such as believability, likability and attractiveness to measure credibility. For the purpose of this paper, credibility is comprised of expertise, trustworthiness, attractiveness, similarity and respect. This paper contributes to the existing literature on the impact of celebrity endorsement by analysing the impact of various dimensions of source credibility of celebrity in services offered by banking sector.

In India, the financial institutions especially in banking sector have been using celebrity endorsement in their advertising and brand promotional events. They are spending huge amount of money to appoint celebrities as their brand ambassadors to hold their brands and its values in the mind of consumers and to influence their buying behaviour. In India, banks have cricketers and film actors as their first choice for their brand ambassadors. Like Canara Bank appointed cricketer Shikhar Dhawan since 2014, Punjab National Bank hired Virat Kohli since 2016 and Axis Bank hired Deepika Padukone since 2014 to connect with new generation. ICICI bank appointed Amitabh Bachhan since 2013 for retail banking, Sharukh Khan since 2006 for overseas business, Bank of Baroda hired Rahul Dravid in 2005. Foreign banks like Royal Bank of Scotland hired Sachin Tendulkar in 2008, Standard Chartered Bank appointed Kapil Dev in 2003 for 2 years, Sunil Gavaskar and Sania Mirza hired by Deutsche Bank in 2006 as their respective brand ambassadors for promoting their retail services. Such increasing use of celebrities and their perceived influencing power in endorsing various kinds of financial services underscores the requirement to test the effectiveness of celebrity endorsement in banking sector. As it has not been empirically found in Indian banking sector context that how these strategies of using celebrity endorsement have been perceived by consumers in making their buying decision for banking services. The present study is aimed to do empirical examination of the benefits of celebrity endorsement in banking sector as this sector has not been exhaustively taken up in the past studies. It will also analyse the relationship between celebrity endorsement and consumer buying behaviour for the services offered by banks in Delhi-NCR.

## **LITERATURE REVIEW:**

Early researchers' findings (Pornpitakpan, 2003) (Pringle & Binet, 2005) (Roy, 2006) observed that celebrity endorsement is strong and effective tool to magnify the effect of advertisement on purchase intention of the audience. It was also recommended in the recent study of (Koththagoda & Weerasiri, June 2017) that critical attention should be given by marketing manager while using celebrities for advertising in service sector as it is an effective advertising tool to influence purchasing decision of the consumers in service sector like telecommunication services and financial services.

Since the present study is investigating the impact of celebrity endorsement particularly on banks which provide utilitarian financial services such as accepting deposits, withdrawing money, providing credit card facilities and e payment facilities, saving plans and many more which possess functional or performance features. As per the study of (Stafford, et al., 2002) for such kind of utilitarian services, the impact of celebrity endorsement is high as it seems to create positive effect for purchase intentions on consumers by creating potential tangible cues for the advertised services. Celebrities are treated as a superior endorser in comparison to the other alternate human endorsers like service employee or customer on the basis of their effect on bringing attitudinal changes and attractiveness-related credibility perceptions of consumers for them.

Financial Services advertisers are required to understand the perception of different consumers about Financial Services (FS) as it can be used as the important factor in the effective ad execution because the perceived images or expected symbolic function of the service category in target consumers' mind may influence the consumer's expectation from the ads and the way in which the consumers perceive the ads (Song, et al., 2014). Thus Human models and celebrities who act like a symbol can be used by the financial advertisers as the efficient tools in delivering the ad messages with lesser amount of extensive and explicit information.

Moreover it has also been observed that all celebrities cannot be a winner always for all types of products and services as an effective endorser as they may have different level of impact on consumers on the basis of their

physical and intellectual characteristics. Like it has been observed in the findings of (Jain, et al., 2010), that national celebrities were more effective for urban consumers than regional and non-celebrities for all type of product and services. However in the study of (Muralidharan, May 2012) it has been suggested to use national and regional celebrity endorsers having source credibility attributes of trustworthiness and expertise for the promotion of especially high involvement products as they have more influence on consumers for such products as compared to low involvement products in building consumer's brand attitude and positive purchase intention. It is in fact the consumers' perception about the source credibility of celebrities that determines whether they are going to accept the proffered claims made by the celebrity or not. The source credibility research provides the list of factors which determines the effectiveness of celebrity endorsement on consumers buying behaviour depending on their personal characteristics and association to the endorsed product and the targeted audience. However it has been proved in the past study of (O'Mahony & Meenaghan, 1997/98) that the source characteristics like trustworthiness, likeability, attractiveness, personality of celebrity may play an important role in attracting attention of consumers towards both the endorsement and the brand. However once attention have been gained the source characteristics such as credibility and expertise have the greatest impact in generating consumer's intention to purchase goods and services. Thus the advertisers must choose the celebrities having the attribute of source credibility for the target audience and perceived to have an expert opinion regarding the product they are endorsing. In simple words, source credibility is defined as positive characteristics of a communicator that creates its impact on the receiver's acceptance of message (Ohanion, 1990)

There are other factors also which can influence the effectiveness of celebrity endorsement. It has been observed in the study of (E.Clw, et al., 2011) that the credibility of a celebrity is important in creating effective advertisements, especially for services because of the inability of consumers to examine the service prior to consumption. Thus the advertisers must choose the celebrities having the attribute of source credibility for the target audience and perceived to have an expert opinion regarding the product they are endorsing.

The ethnicity and gender of the model also impact the perception of the five dimensions of credibility such as expertise, trustworthiness, attractiveness, similarity, and liking as these factors usually make a difference on how the audience especially the youngsters view an advertisement with respect to perceived credibility of the model.

Various researchers have measured credibility on the basis of different dimensions. Some of them measured it on the basis of expertise, trustworthiness and attractiveness (Ohanion, 1990), (Lafferty, et al., 2002). While other studies like (Arora, et al., 2006) (Clw, et al., 2006) used other dimensions, such as believability, likability and attractiveness to measure credibility.

However the study of Shimp (Shimp, 2003) suggested that the effectiveness of the celebrity endorser can be measured on the basis of two significant attributes i.e. credibility and attractiveness with their sub attributes sub attributes. The term TEARS can be used to define sub attributes of the main two factors such as two dimensions of credibility are Trustworthiness and Expertise whereas attributes for the attractiveness are Physical Attractiveness, Respect and Similarity to the target audience.

The study of Koththagoda (Koththagoda & Weerasiri, June 2017) also supported the model of Shimp by establishing the relationship between construct of TEARS model and the purchase intention as the result of celebrity endorsement effectiveness in telecommunication service industry in Sri Lanka. It is recommended in his study that it is profitable for the companies to use right choice of celebrity i.e. national, regional or non-celebrities for the right product advertisement as consumers wish and show their willingness to buy the services advertised by the celebrity most preferred by them. The present paper will also measure credibility of celebrities on the dimensions of TEARS (Trustworthiness, Expertise, Physical Attractiveness, Respect and Similarity) as given by Shimp to analyse the impact of celebrity endorsement on consumer's purchase intentions for services offered by banks in Delhi-NCR.

## **GAP ANALYSIS:**

Many past research studies for instance (Karasiewicz & Kowalczyk, 2014), (Low & Lim, 2012) & (Albert & Merunka, 2013) have concluded that the celebrity endorsement has positive impact on consumers' purchase intentions. But they have observed this fact in sectors like FMCG, Consumer durables and High involvement Vs Low involvement product cases. There are evidences found such as the studies done by (Sheu, 2010), (Ibok, 2013), (Spry, et al., 2011) and (Roy & Rishav, 2014) have mentioned the facts highlighting the knowledge gap exists in context to the service sector with reference to Celebrity Endorsement and its impact on consumer behaviors.

Moreover, the earlier studies have been conducted in different countries and consumer groups to test this impact especially for different product categories. It has not been verified empirically in Indian financial service sector context that how such celebrity endorsement strategies have been used by consumers in evaluating the

effectiveness of such strategies in building endorsed bank image with distinguished services. This is the reason to initiate the present study to find out the impact of celebrity endorsement on purchase intentions of Indian consumers in banking service sector. It shall be interesting to test whether this study will provide the results in banking service sector similar to the results of past studies.

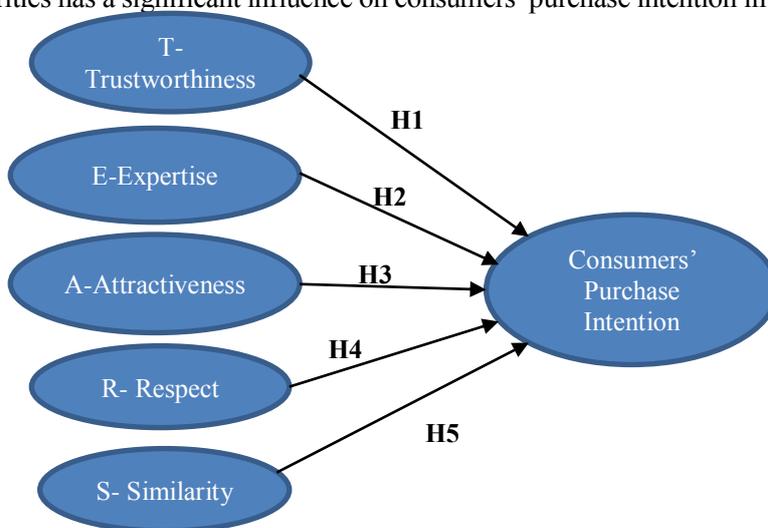
### OBJECTIVES OF THE PRESENT STUDY:

The aims of this present study are to:

- i. analyse the effectiveness of celebrity endorsements by banking sector on consumers' purchase intention for banking services;
- ii. evaluate the comparative importance and influence of different dimensions of source credibility (TEARS) of celebrity endorsers on consumers' purchase intention for endorsed banking services.

### HYPOTHESIS OF THE PRESENT STUDY:

- H1:** Trustworthiness of celebrities has a significant influence on consumers' purchase intention in availing banking services  
**H2:** Expertise of celebrities has a significant influence on consumers' purchase intention in availing banking services  
**H3:** Attractiveness of celebrities has a significant influence on consumers' purchase intention in availing banking services  
**H4:** Respect of celebrities has a significant influence on consumers' purchase intention in availing banking services  
**H5:** Similarity of celebrities has a significant influence on consumers' purchase intention in availing banking services



**Fig. 1: Theoretical Model for the proposed study**

### RESEARCH METHODOLOGY:

#### Research Problem:

In current scenario, the celebrity endorsements is being significantly used as an effective tool for advertising in service sector organization especially financial, insurance and telecommunication sectors in India as per the respective industry related cases observed in the local business context. There are many banking organizations in India which have been adopting the strategy of using celebrity endorsement via the advertising and brand promotional events. Such organizations who tend to focus on brand building through celebrity endorsement need to measure the effectiveness of celebrity endorsement in terms of its financial and non-financial perspectives. But, in the context of Indian banking sector, one can hardly found empirically verified studies which can be referred to evaluate the effectiveness of celebrity endorsement strategies in creating its impact on consumers' perception or purchase intention towards advertised banking services. This knowledge gap is not there only in banking service sector rather in other service brands as well. Thus it is imperative to have empirically verified knowledge to contribute as scholarly validated insights which can be used as the needful references to investigate the impact of celebrity endorsement on consumers' purchase intentions for their endorsed brands.

Since the present study is focussed on banking service sector which is required to have formally verified knowledge to evaluate or understand the effectiveness of celebrity endorsement for their endorsed brands, the

research problem of this study was stated as:

“Analysing the impact of celebrity endorsement on consumers’ purchase intentions for endorsed banking services.”

### **Research Design:**

Descriptive and deductive approach was used to provide some value addition in the existing theoretical framework by analysing the impact of celebrity endorsements on consumers in banking sector with the help of previously established models. Existing literature was used in identifying and selecting various dimensions/variables of source credibility for measuring the construct i.e. the impact of celebrity endorsement, which were hypothesized subsequently. This paper has followed the five dimensions of credibility characteristics of celebrities as referred in the TEARS models discussed by Shimp (2008) to be used as variables. On the basis of such variables, a structured questionnaire was designed to collect data. It was followed by Pre-testing of the questionnaire by expert academicians and then the pilot testing of questionnaire with a small sample size of 50 respondents to establish content validity (i.e. a measure should represent all individual elements of a construct) and face validity (i.e. all desired variables or constructs can be measured with given items in questionnaire) of items in the questionnaire. After refinement and modification, the final questionnaire was prepared. The first part of the questionnaire included direct questions to measure consumers’ purchase intention in response to celebrity endorsements in banking sector. The second part of the questionnaire included 12 statements intended to measure consumers’ purchase intention in response to celebrity endorsements which were evaluated on a five-point scale ranging from 1: “Never” to 5: “Always”. The third part of the questionnaire included 26 items in the form of statements to measure the effectiveness of five constructs of source credibility of celebrity endorsers given by Shimp (namely, trustworthiness, expertise, attractiveness, respect and similarity). Statements based on believability, dependability, trust and perception on endorser’s self-interest were constructed to measure the variable perceived trustworthiness. Statements designed to measure perceived expertise included statements based on skill, knowledge and celebrity’s ability to endorse products. Statements measuring Intellectual skills, Personality, Life Style Characteristics & Physical Appearance were designed to measure the variable of perceived attractiveness. Statements containing items such as personal quality and accomplishments were used to measure the variable of perceived respect. The last but not the least variable of SHIMP model such as perceived similarity was measured by constructing statements on matching age and gender. Each of these statements were evaluated on a five-point Likert scale ranging from 1: “Strongly disagree” to 5: “Strongly agree”.

The questionnaire was used to collect primary data in the online survey from 234 respondents drawn from Delhi-NCR area of India: 101 men and 133 women. The uncomplete questionnaires were not taken into account. Convenience sampling was used with proper consideration to diversity in terms gender, levels of education, employment status and income level. The study was limited to the consumers who use financial services of banks which are endorsed by celebrities.

### **ANALYSIS AND RESULTS:**

Analysis of the collected data was done through a series of validated tools and procedures. Cronbach alpha was used to assess the reliability (internal consistency) of the resulting variables using Statistical Package for the Social Sciences (SPSS) version 21.

It was followed by testing the relationship between independent and dependent variables by using inferential statistics i.e. regression analysis to find out the impact of celebrity endorsements on consumers’ purchase intention for banking services.

The framed hypotheses were tested at 99% confidence level confirming the 2-tailed test. Analysed data was presented in tables with its interpretation notes.

### **Demographic Profile:**

The main variables used to study the demographic profile were age, education, income, gender and occupation. Given below is the detail of the variables:

#### **Age:**

Data for the study was collected from respondents belonging to various age groups. Table 1 shows the age distribution of respondents in the sample. It can be seen from the table that majority of respondents belonged to 18-29 years age group i.e. 66.7% of sample.

**Table 1: Age Distribution of Respondents**

S.No.	Age group	Frequency	Percentage in Sample
1	Less than 18 years	25	10.7
2	18-29 years	156	66.7
3	30-44 years	46	19.7
4	45-59 years	7	3.0
5	60 years & above	0	0
	<b>Total</b>	<b>234</b>	<b>100.0</b>

**Gender of the Respondents:**

Data for the study was collected both from males and females respondents. Table 2 displays the gender of the respondents. Male respondents composed the 43.2% of the sample whereas 56.8% of the sample was represented by female respondents.

**Table 2: Gender of Respondents**

S.No.	Age group	Frequency	Percentage in Sample
1	Male	101	43.2
2	Female	133	56.8
	<b>Total</b>	<b>234</b>	<b>100.0</b>

**Occupation:**

Data for the study was collected from respondents with different occupations. 60.7% of the sample was represented by student respondents in service sector. 21.4% of the sample was represented by the respondents in service sector whereas business & profession and home-maker represented the 13.3% and 4.7% of the sample respectively. Table 3 displays the “occupation” of respondents in the sample.

**Table 3: Occupation of the Respondents**

S.No.	Age group	Frequency	Percentage in Sample
1	Student	142	60.7
2	Profession	29	12.4
3	Business	2	.9
4	Service	50	21.4
5	House Maker	11	4.7
	<b>Total</b>	<b>234</b>	<b>100.0</b>

**Annual Household Income:**

Data was collected from the respondents belonging to various income groups. Table 4 shows the monthly household income distribution of respondents in the sample. Minimum monthly household income category was kept as below 10,000 which was represented by about 32.1% of the sample.

**Table 4: Annual Household Income of Respondents**

S.No.	Income	Frequency	Percentage in Sample
1	Below 10,000	75	32.1
2	10,000-30,000	26	11.1
3	30,000-50,000	39	16.7
4	50,000-1 Lac	62	26.5
5	1 lac above	32	13.7
	<b>Total</b>	<b>234</b>	<b>100.0</b>

**Education:**

Data for the study was collected from respondents with different educational background. Table 5 shows the educational background of respondents in the sample. 45.3% respondents in sample were undergraduate whereas 17.9% respondents possessed graduate degree and 33.3% said they were post graduate.

**Table 5: Educational Background of Respondents**

S.No.	Education	Frequency	Percentage in Sample
1	Undergraduate	106	45.3
2	Diploma	2	0.9
3	Graduate	42	17.9
4	Post Graduate	78	33.3
5	Other	6	2.6
	<b>Total</b>	<b>234</b>	<b>100.0</b>

**Assessment of Reliability:**

Owing to the multidimensionality of source credibility of ‘Celebrity Endorsements’, Cronbach alpha was computed separately for all the constructs identified as per TEARS model. It has shown a high level of internal consistency according to the results found on each component of TEARS Model and Consumers’ purchase intention. All the tested results of Cronbach’s Alphas have been given in the following Table 1.

**Table 6: Reliability Testing on Cronbach’s Alpha Values**

Variable	Number of Items	Cronbach Alpha Value
Trustworthiness	7	.943
Expertise	4	.846
Attractiveness	4	.913
Respect	5	.923
Similarity	6	.925
Consumers’ Purchase Intention	12	.945

**Source:** Analyzed Data, SPSS 20

According to the results received in Table 6, all the calculated alpha coefficients for five attributes of credibility of celebrity such as (trustworthiness, expertise, attractiveness, respect and similarity) were above 0.8, indicating that the reliability of the items was at the highly acceptable level as Cronbach alpha of a construct should be above 0.7 for accepting it as consistent in terms of internal consistency.

The Cronbach alpha calculated for the 12 statements of the impact variable ‘purchase intention’ was also high i.e. 0.945.

**Data Validation:**

The KMO (Keiser-Meyer-Olkin ) and Bartlett’s Test of Sphericity have been used to measure the sample adequacy. KMO and Bartlett Test have been computed separately for all the constructs identified as per TEARS model. It has shown a high level of sample adequacy according to the results found on each component of TEARS Model and Consumers’ purchase intention. All the tested results of KMO and Bartlett’s Test have been given in the following Table 7.

**Table 7: KMO & Bartlett’s Test Values**

	KMO	Bartlett Test of Sphericity
Consumers’ Purchase intention	0.921	0.000
Trustworthiness	0.936	0.000
Expertise	0.814	0.000
Attractiveness	0.850	0.000
Respect	0.890	0.000
Similarity	0.917	0.000

It can be seen in the table 7 that KMO values for all the constructs are more than 0.6 which is considered as good indication of sample adequacy. This indicates that the statements used to measure above mentioned constructs are adequate enough to measure TEARS elements and Consumers’ purchase intention. Also the significance level for all the constructs under the Bartlett’s test of sphericity is 0.000 i.e. less than 0.05, hence it indicates that sample is adequate to be used for further analysis.

**Regression Analysis Results:**

Data was analysed using inferential statistics since it was required to generalize the results within the population. Linear Regression Technique of the inferential statistics was used to test the hypothesis on the basis of establishing linear relationship between independent variable (TEARS Attributes) and dependent variable i.e. Consumers’ purchase intention.

**Table 8: Regression Analysis**

Hypothesis	Independent Variable (X)	Dependent Variable (Y)	P- value	R- Value (Correlation Coefficient)	R <sup>2</sup> - Value (Coefficient of Determination)	Regression model
H1	Trustworthiness	Consumers’ purchase intention	.000<0.001 Significant Relationship	0.671	.450	$Y_{PI} = 1.134 + 0.614X_T$
H2	Expertise	Consumers’ purchase intention	.000<0.001 Significant Relationship	0.670	0.449	$Y_{PI} = 1.017 + 0.643X_E$
H3	Attractiveness	Consumers’ purchase intention	.000<0.001 Significant Relationship	0.669	0.448	$Y_{PI} = 1.266 + 0.569X_A$
H4	Respect	Consumers’ purchase intention	.000<0.001 Significant Relationship	0.651	0.423	$Y_{PI} = 1.272 + 0.580X_R$
H5	Similarity	Consumers’ purchase intention	.000<0.001 Significant Relationship	.680	0.463	$Y_{PI} = 1.161 + 0.623X_S$

Source: Analyzed Data, SPSS 20

**TESTING HYPOTHESES AND DISCUSSIONS OF FINDINGS:**

**H1:** Trustworthiness of celebrities has a significant influence on consumers’ purchase intention in availing banking services

The correlation coefficient between the perceived trustworthiness of celebrity endorsement and consumers’ purchase intention for banking services found as 0.671, it denotes that they are significantly correlated at 1% confident level. The H1 hypothesis has been accepted as its p-value (0.000) is less than 0.001 which proves that there is a significant relationship between perceived trustworthiness of celebrity endorsement and consumers’ purchase intentions for banking services (see Table 8). The coefficient of determination is pretty high i.e. 0.450. It indicates that perceived trustworthiness of celebrity endorsement can define 45% variations in consumers’ purchase intention in banking sector. Therefore, it concludes that trustworthiness of celebrity endorsement has significant influence on consumers’ purchase intention in availing banking services.

**H2:** Expertise of celebrities has a significant influence on consumers’ purchase intention in availing banking services

The correlation coefficient between the perceived expertise of celebrity endorsement and consumers’ purchase intention for banking services is calculated as 0.670, which denotes that they are significantly correlated at 1% confident level. The H2 hypothesis has been accepted as its p-value (0.000) is less than 0.001 which proves that there is a significant relationship between perceived expertise of celebrity endorsement and consumers’ purchase intentions for banking services (see Table 8). The coefficient of determination is high i.e. 0.449. It indicates that perceived expertise of celebrity endorsement can define around 45% variations in consumers’ purchase intention in banking sector. Therefore, it concludes that expertise of celebrity endorsement has significant influence on consumers’ purchase intention in availing banking services.

**H3:** Attractiveness of celebrities has a significant influence on consumers' purchase intention in availing banking services

The correlation coefficient of 0.669 is found between the perceived attractiveness of celebrity endorsement and consumers' purchase intention for banking services which denotes that they are significantly correlated at 1% confident level. The H3 hypothesis has been accepted as its p-value (0.000) is also less than 0.001 which proves that there is a significant relationship between perceived attractiveness of celebrity endorsement and consumers' purchase intentions for banking services (see Table 8). The coefficient of determination is 0.448 which indicates that perceived attractiveness of celebrity endorsement can define 44.8% variations in consumers' purchase intention in banking sector. Therefore, it concludes that attractiveness of celebrity endorsement has significant influence on consumers' purchase intention in availing banking services.

**H4:** Respect of celebrities has a significant influence on consumers' purchase intention in availing banking services

The correlation coefficient between the perceived respect of celebrity endorsement and consumers' purchase intention for banking services found as 0.651, it denotes that they are significantly correlated at 1% confident level. The H4 hypothesis has been accepted as its p-value (0.000) is less than 0.001 which proves that there is a significant relationship between perceived respect of celebrity endorsement and consumers' purchase intentions for banking services (see Table 8). The coefficient of determination is found to be 0.423. It indicates that perceived respect of celebrity endorsement can define 42.3% variations in consumers' purchase intention in banking sector which is comparatively less as compared to the other dimensions of source credibility. Therefore, it concludes that respect of celebrity endorsement has less though significant influence on consumers' purchase intention in availing banking services.

**H5:** Similarity of celebrities has a significant influence on consumers' purchase intention in availing banking services

The denoted correlation coefficient of 0.680 between the perceived similarity of celebrity endorsement and consumers' purchase intention for banking services indicates that they are significantly correlated at 1% confident level. The H5 hypothesis has been accepted as its p-value (0.000) is less than 0.001 indicating the significant relationship between perceived similarity of celebrity endorsement and consumers' purchase intentions for banking services (see Table 8). The coefficient of determination is found to be 0.463 indicating that perceived similarity of celebrity endorsement can define 46.3% variations in consumers' purchase intention in banking sector. Therefore, it concludes that similarity of celebrity endorsement has significant influence on consumers' purchase intention in availing banking services.

Thus overall results have shown that there is a strong positive linear relationship between all independent variables i.e. TEARS like trustworthiness, expertise, attractiveness, respect and similarity of celebrity endorsement and consumers' purchase intention in the 1% confident level as their coefficient values are more than 0.5. However strong correlation has been found between TEARS variables and purchase intention but very weak positive correlation has been found between the use of celebrity endorsement and consumers' purchase intention for banking services as the correlation coefficient defining the degree of relationship between the use of celebrity endorsement and consumers' purchase intention is only 0.147. All hypothesis establishing the relationship between TEARS variables and consumers' purchase intention (H1 to H5) were accepted at 1% confident level as their p-value is less than 0.001. Thus this study of investigating the relationships between source credibility attributes and consumers' purchase intention are consistent with previous studies. Like (Koththagoda & Weerasiri, June 2017) found that trustworthiness, expertise, attractiveness, respect of the celebrity has significant relationship with consumer purchase intention in service sector. Also (Gupta, et al., 2015) observed that attractiveness and trustworthiness have a significant impact on purchase intention.

However the surprising result was found in case of establishing the relationship between celebrity endorsement and consumers' purchase intention for banking services. The correlation coefficient ( $R=0.147$ ) reveals a low degree of correlation between celebrity endorsements and purchase intention. This indicated the fact that though the impact of celebrity endorsement is effective in product sector as proved in many past studies but it is insignificant in creating its impact for making banking services more attractive for consumers.

It has also been observed in the study of (Stafford, et al., 2002) that consumer may trust and respect the celebrity's choice for a fun service but these attributions has very low impact for utilitarian services such as banking services where other factors like better returns, security, online facilities have more significant impact on consumers' purchase intentions.

Thus this study investigating the impact of celebrity endorsement on consumers' purchase intention for banking services is in general agreement with past few studies of celebrity endorsement in concluding that high source credibility of celebrity with respect to its 5 dimensions tends to make favourable evaluation of advertisement but it does not necessarily creates its positive impact on consumers' purchase intentions, particularly in banking services sector.

### **CONCLUSION AND RECOMMENDATIONS:**

Finally the study have concluded that though there is a significant relationship between construct of TEARS model of celebrity endorsement and the purchase intention in term of its attractiveness but it is not necessary that the use of celebrity endorsement by banking sector influence consumers significantly to purchase its offered services. It has been observed through the questionnaire that celebrity endorsement may create the awareness among consumers about the bank but it is not the factor which persuades them to purchase banking services. The fact is that consumers are more concerned and attractive towards other driving factors like higher rate of return , more security, digital operational facilities provided by banks. Thus the study could demonstrate that celebrity endorsement has no significant favourable impact on purchase intention of consumers in banking sector in Delhi, NCR. This suggests that marketers of banking sector should not solely depend upon celebrity endorsement as strong marketing tool. Rather Marketers should be smart enough to choose celebrities on the basis of 5 dimensions of TEARS model only to create awareness about their offerings and it should be planned carefully along with the other factors in the marketing mix. This suggests that marketers of banking sector should focus more on designing such advertisement which can make consumers informed about their benefits and value added services as compared to their competitors. They should curtail down their huge expenditures in endorsing their brands or persuading investors through celebrity as it is not worthwhile of spending a lot on it. Rather such savings in their costs can be channelized to make their offerings more influencing by providing better returns to investors. This may create better market for them to survive in tough competition.

### **LIMITATIONS:**

The present study has presented the empirical findings which may help the researchers in future to find a niche to understand the impact of celebrity endorsement and their source credibility on consumers' purchase intention in financing sector. Also, propositions proposed in this paper could be used as a navigation for conducting the future studies in service sector branding.

While significant findings are obtained from the present study, their inherent certain limitations in it, which may provide a platform for future exploration. As per the scope of the present study, there are limitations which can be found in terms of the selection of the service category as only banking services have been studied in the paper. As it is reflected in Indian economic indexes that the contribution of service sector in economic GDP and growth is being increased continuously, it is essential to conduct more such studies in other growing service sectors such as Telecommunications, Hotel, Insurance and Entertainment services so that the findings of the study can be generalized. Also the study of celebrity endorsement in banking sector is yet to be explored more in different type of economies. Therefore, future studies should explore the impact of celebrity endorsement in banking sector across developed and developing countries so as to evaluate the effectiveness or ineffectiveness of celebrity in marketing communication programme in banking sector. Further much attention should be given to examine broader spectrum while expanding the study across different services provided by different type of banks (on the basis of their ownership) in the banking industry by taking sufficient larger sample size. As the present study was conducted to measure the impact of celebrity endorsement on consumers' purchase intention in banking sector, so it is also proposed to undertake studies with reference to the impact of celebrity endorsement on Brand Love, Brand Trust, Brand Attitude, and Brand Credibility in various service industries.

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