

THE EFFECT OF CELEBRITY ENDORSEMENT ON BUYING BEHAVIOUR OF Z-GENERATION: SPECIAL REFERENCE TO MOBILE PHONE USERS IN KURUNEGALA DISTRICT

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INTRODUCTION

Consumers are now exposed to thousands of products and services as the world has become increasingly competitive. Advertisers seek to catch a little piece of an individual's time to inform them of the significant and distinctive aspects of the product or brand they give to the market in this manner (Gayathri & Anwar, 2019). Celebrity endorsement is a publication tool in which well-known people attach their public image with brands to assist in creating or developing the brand's image. It has evolved into a successful instrument for businesses that generates a strong brand image in the minds of consumers over competing brands on the market.

However, according to Weerasiri and Wanninayake (2006), every influencer advertising campaign does not equally work. Some of them are very effective, and some are not at all. Moreover, Weerasiri and Wanninayake (2006) explained that advertisers agree that influencer endorsement does not guarantee sales. Although influencer endorsement globally resulted in a positive impact on buyer behavior, the two studies conducted by Kahawandala et al. (2020) and Weerasiri and Wanninayake (2006) in Sri Lanka indicate negative and neutral results. There is a significant knowledge gap in Sri Lanka regarding how the Z generation responds to influencer endorsement though marketers heavily use influencer endorsement. Through a comprehensive study, there must be a need to investigate further what factors of influencer endorsement would affect the Z generation buyer behavior in the Mobile phone industry.

Due to the competitive environment in which companies work, effective communication is undoubtedly one of the critical issues to grab the eye of consumers. There are a variety of communication strategies that enable advertisers to arrive at their objectives. According to Kahawandala et al. (2020), "Generation Z has emerged as one of the most mystifying consumers as they are tech-savvy, digitally connected, and educated users of technologies in the marketplace". Further, a recent study by Anish and Sengottuvelu (2020) found that Generation Z smartphones are the most used device, and they use these devices for varying purposes. Even though many countries have conducted studies in this field and used the results in their marketing and advertising strategies, as mentioned above, there are few realities or discoveries in the Sri Lankan context regarding the effect of influencer endorsement on consumer behavior. As a result, influencer endorsement in advertising is a common strategy of mobile phone marketers in Sri Lanka to entice customers to make a purchase. Therefore, the study's main objective is to identify the effects of social media influencers' celebrity

endorsement on the purchase decision of mobile phone Z-generation users in the Sri Lankan telecommunication sector with particular reference to Kurunegala District.

METHODOLOGY

The following conceptual framework and hypotheses were developed for the study based on a comprehensive literature review in the given context.

Independent Variables

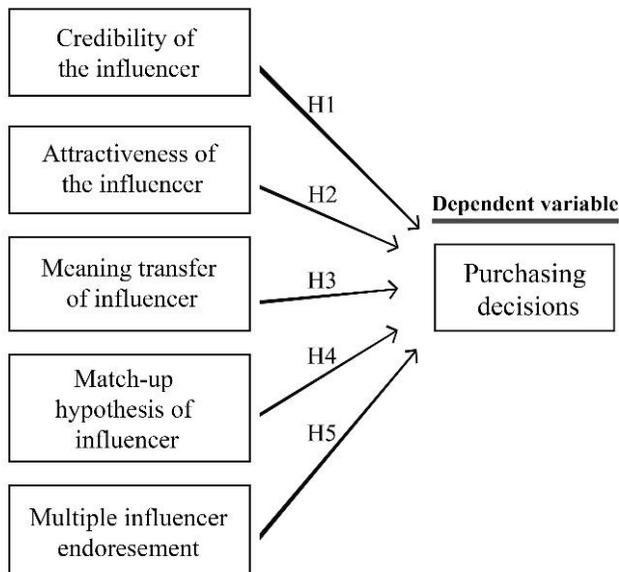


Figure 1 Conceptual framework

H1: Credibility of influencer has a positive effect on purchasing decisions of Z-generation's mobile phone users in Kurunegala district.

H2: Attractiveness of the influencer has a positive effect on purchasing decision of Z-generation's mobile phone users in Kurunegala district

H3: Meaning transfer of the influencer has a positive effect on purchasing decision of Z-generation's mobile phone users in Kurunegala district.

H4: Matchup hypothesis of the influencer has a positive effect on purchasing decision of Z-generation's mobile phone users in Kurunegala district.

H5: Multiple influencer endorsements have a positive effect on purchasing decision of Z-generation's mobile phone users in Kurunegala district.

Sample selection had to be considered several factors for the study. Z generation is broadly defined as the 72 million people born between 1997 and 2012, but research has recently defined Gen Z as anyone born after 1997. However, mainly meaningful buying behaviour and exposure to media can be seen with the age of around 20, and therefore they are well conversant in answering questionnaires on the subject matter. Hence, this study considered individuals born after 1997 and those residing in the Kurunegala district as the study population. Using purposive sampling, a sample of 384 individuals was selected for the study, and the sample size was determined using Morgan's table. However, only 296 responses were received. A self-administered questionnaire was administered in the data collection.

Reliability and validity of the questionnaire were assured through the Cronbach alpha test and Pearson correlation coefficients, respectively. The data analysis was conducted using multiple regression analysis.

RESULTS AND DISCUSSION

A multiple regression analysis was carried out in order to test the hypotheses of the study, and its result is reproduced in table 1.

Table 1 Results of multiple regression analysis

Variable	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
Constant	.356	.163		2.183	.030
Credibility of influencer	.271	.096	.180	2.819	.005
Attractiveness of the influencer	-.092	.093	-.081	-.988	.324
Meaning transfer of the influencer	-.108	.125	-.079	-.868	.386
Matchup hypothesis of the influencer	.075	.112	.057	.666	.506
Multiple influencer endorsements	.698	.142	.474	4.917	.000
Adj. R Square: 0.310		F- Value: 27.088			

The findings depicted in the above table can be interpreted as follows. The adjusted R² value of 0.310 shows the degree to which the variance of the dependent variable is affected by the independent variables. Accordingly, 31% of the variance of purchasing decisions of Generation Z can be explained by the independent variables, the credibility of the influencer, the attractiveness of the influencer, the Meaning transfer of the influencer, the Match Up hypothesis of the influencer, and multiple influencer Endorsement. F statistics indicate whether the regression model provides a better fit to the data than a model with no independent variables. As the P value is 0.03, which is less than the significance level ($P < 0.05$), the regression model is statistically significant. Therefore, it can be concluded that this model fits the data better than the model with no predictor variable.

According to the above multiple regression analysis, the Beta value of credibility of the influencer is 0.180 and significant at 0.005 ($P < 0.05$). Accordingly, there is a significant and positive effect of the credibility of influencers on purchasing decisions of Z generation mobile phone buyers. The results indicate that the Beta value of Multiple Influencer Endorsement is 0.474 and significant at 0.05 ($P < 0.05$). So, Multiple Influencer Endorsement has a positive effect on purchasing decisions of Z generation mobile phone buyers. However, no significant effect can be identified from the other independent variables. Therefore, only H₁ and H₅ be accepted as having significant positive relationships between variables considered.

Gayathri and Anwar (2019) argued in their studies that there is a strong relationship between the credibility of influencers and buyer behavior. In this study, it is evident that, with the critical findings mentioned above, credibility has a positive effect on purchasing decisions. Belch and Belch (2010), source attractiveness and its effectiveness are more related to physical attributes, such as similarity, familiarity, and likeability, which are essential factors in an initial judgment rather than facial attractiveness. However, the present study does not support this literature. As for the relationship between influencer meaning transfer and purchasing decisions, the above results show that meaning transfer does not affect purchasing decisions.

Furthermore, based on the analysis, it can be noticed that there is an insignificant relationship between the meaning transfer of influencer and buyer behaviour in Mobile phone purchasing. Further, it can be noticed that there is a relationship, albeit an insignificant one, between the match-up hypothesis of influencer and buyer behaviour in Mobile phone purchasing. Hence it can be concluded that the match-up hypothesis is not one of the prominent factors of influencer endorsement considered by buyers when making their buying decision in the Mobile phone market, and these findings tend to agree with a previous study. When investigating the relationship between multiple influencer endorsements and purchasing decisions in the mobile phone purchasing market, it can be noticed that there is a positive relationship between multiple influencer endorsements and purchasing decisions in Mobile phone purchasing. Many other studies have identified a similar positive relationship between multiple influencer endorsements and buyer behavior in various countries.

CONCLUSIONS AND IMPLICATIONS

This study finds credibility of influence and multiple celebrity endorsements as critical factors influencing the buying decision of the Z-generation, particularly concerning the mobile phone industry. The main implication to marketers is that contrary to the belief attractiveness of an endorser affects a buying decision, in the context of the mobile market, it would have less importance. Hence, it can be noted that the Sri Lankan marketers must make sure the credible celebrities in numbers to be used as brand endorsers as the method described above will result in positive brand recall and, as a result, positive purchasing behavior toward the brand when they are targeting Z generation customers. Further, it is advisable not to consider the celebrity's attractiveness in making them brand ambassadors to represent mobile phone brands if they are to attract Z generation customers in a Sri Lankan context. The findings of this study also provide a guiding framework for practitioners who would like to use a celebrity endorsement strategy in promoting mobile phones to Sri Lankan Z-generation.

Keywords: Buying behaviour, celebrity influencers, mobile phone industry, Z-generation.

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