ESIC2024, Vol 8.2, S1 Posted: 15/07/2024

Evaluating the Impact of Celebrity Endorsement on Consumer Buying Behavior in the Nutraceutical Healthcare Products Market: An Empirical Study

Alok Kumar¹, P. Pinakapani²

¹Research Scholar, GITAM School of Business Hyderabad, GITAM (Deemed to be University), India, akumar3@gitam.in ²Professor & Supervisor, GITAM School of Business Hyderabad, GITAM (Deemed to be University), India

Abstract

With so many items and commercials bombarding customers in today's highly competitive market, the need of successful promotional methods has increased. Celebrity endorsement is one of the most well-liked and effective marketing strategies that businesses employ to draw attention, establish their legitimacy as a brand, and influence customer buying decisions. This pattern is also evident in the market for healthcare goods that contain nutraceuticals, which has grown significantly in recent years. The purpose of this study is to assess how customer purchasing behaviour in this particular business is impacted by celebrity endorsements (Patel, K. et al. 2023).

Keywords: Endorsement, consumer, healthcare products.

1. Introduction

With so many items and commercials bombarding customers in today's highly competitive market, the need of successful promotional methods has increased. Celebrity endorsement is one of the most well-liked and effective marketing strategies that businesses employ to draw attention, establish their legitimacy as a brand, and influence customer buying decisions. This pattern is also evident in the market for healthcare goods that contain nutraceuticals, which has grown significantly in recent years. The purpose of this study is to assess how customer purchasing behaviour in this particular business is impacted by celebrity endorsements (Patel, K. et al. 2023).

1.1 Nutraceutical Healthcare Products Market Overview:

Derived from the words "nutrition" and "pharmaceuticals," nutraceuticals are goods that have both medicinal and nutritional properties. These goods include herbal remedies, functional

meals, and dietary supplements that support good health and ward off illness. The ageing population, increased incidence of lifestyle-related disorders, and growing health consciousness have all contributed to the rapid growth of the worldwide nutraceutical industry. Customers are looking for items that not only meet their nutritional demands but also provide additional health advantages as they become more engaged about their health.

Due to the abundance of options, brands, and goods on the market, it is critical for businesses to stand out from the competition and have a distinctive brand identity. In this situation, customer judgements are greatly influenced by marketing methods, especially those that clearly convey the advantages and reliability of the items.

1.2 The Role of Celebrity Endorsement in Marketing:

The practice of using a well-known person's name, likeness, or character to advertise a good or service is known as celebrity endorsement. This marketing tactic makes use of the public's respect and faith in celebrities to enhance brand perceptions and build a positive brand image. Celebrities are viewed as trend-setters because of their fame, and their endorsements have a big influence on the attitudes and actions of consumers (Amadi, C. et al. 2023).

Celebrity endorsements may be especially powerful in the nutraceutical healthcare goods sector, where perceived efficacy, trustworthiness, and legitimacy are important variables influencing customer decisions. Celebrities may enhance a product's attractiveness and legitimacy in the eyes of prospective consumers by lending their reputation and dependability to it. Additionally, by making something stick out in a congested market, they may raise awareness of it and make it more visible.

1.3 The Influence of Celebrity Endorsement on Consumer Buying Behavior:

A multitude of elements, such as psychological, interpersonal, and cultural impacts, impact consumer purchasing behaviour. Among these, the reliability of the information's source is crucial. Customers may have a more favourable opinion of a product and come to believe in its efficacy and quality when an established and recognised celebrity supports it (Chavadi, C. A. et al., 2024).

The emotional links that fans have with celebrities may also be tapped upon via celebrity endorsements, because they want to be like the celebrity or because they think the product is actually helpful, fans who respect and believe in a certain celebrity might be more inclined to buy a product that the celebrity endorses. Impulsive purchasing decisions may result from this emotional bond taking precedence over logical reasoning.

Furthermore, celebrities have the power to affect the so-called social proof effect, which describes how people are more likely to imitate the decisions and behaviours of people they look up to. Within the realm of nutraceutical healthcare goods, endorsements from famous people can function as a means of social validation, providing customers with the assurance that they are making the correct decision by emulating a reliable individual.

1.4 Challenges and Ethical Considerations:

Even while celebrity endorsements may be quite effective in marketing, there are drawbacks and moral dilemmas with using them. The perceived genuineness and relation of someone famous to the product can have an impact on how effective an endorsement is. Customers may become sceptical and form unfavourable opinions if they believe the celebrity is just endorsing the goods for commercial purposes or doesn't really know or believe in it (Macheka, T. et al 2024).

In addition, endorsing medical items comes with extra ethical obligations. It is imperative that celebrity endorsements are accurate and that the endorsers thoroughly comprehend and back the claims made, given the possible influence on customers' health. In addition to hurting customers, false endorsements may ruin a brand's and a celebrity's reputation.

On the other hand, celebrity endorsements are a popular and maybe useful marketing tactic in the market for nutraceutical healthcare goods. Its power to sway consumer purchasing decisions stems from the emotional bonds and trust that people have for celebrities. However, endorsements need to be genuine, pertinent, and in line with the expectations and values of the intended audience in order to be effective and moral. Understanding the intricacies of endorsements from celebrities and how it affects consumer behaviour is critical for businesses hoping to stand out from the competition and establish enduring connections with clients in the growing nutraceutical sector. This study will examine these processes in further depth in order to shed light on how customer perceptions and purchasing decisions are influenced in this rapidly changing industry by celebrity endorsement.

1.5 Objectives of the study:

- a. To evaluate how well celebrity endorsements affect customer perceptions and decisions to buy in the market for healthcare items that contain nutraceuticals.
- b. To comprehend the elements that mitigate the influence of endorsements from celebrities on the purchasing decisions of consumers in the market for nutraceutical healthcare goods.

2. Literature Review:

The endorsement of celebrities has long been acknowledged as a powerful marketing strategy that may influence customer behaviour across a variety of product categories, as stated by Kumar, A. et al. (2024). Nonetheless, its impact on healthcare nutraceutical product purchasing behaviour is still little understood, especially when considering deep learning analysis. By using modern deep learning methods to examine the complex interaction between customer buying choices in the healthcare and nutraceutical market and celebrity endorsement, this article seeks to close this gap. In order to extract insights from a large body of online speech, the study uses a mixed-methods approach that combines sentiment analysis of social celebrity endorsement data from the media, convolutional neural networks (CNNs), and recurrent neural networks (RNNs). Our goal is to identify trends, attitudes, and preferences related to popular endorsements of healthcare nutraceuticals using textual and visual data mining. Additionally, we look into the

ESIC | Vol. 8.2 | No. 51 | 2024 555

differences in the effects of different kinds of celebrity endorsements on consumer purchasing behaviour, such as those from mainstream celebrities, industry experts, and social media influencers.

According to Yue, X. et al. (2023), while the topic of endorsements from famous people has been debated for a while, the impulsive buying habits of fans of celebrities have received less attention. This study examined the effect of parasocial connections among celebrities and their fans on impulsive buying from the standpoint of relationship marketing. The parasocial ties, followers' emotional reactions to celebrity-based advertisements, impulsive purchasing inclinations, and financial accessibility were all incorporated in the suggested model. Information was gathered from fans of celebrities who have previously promoted a product. To test the suggested model, we collected 323 valid samples and used the Statistical Package for Social Sciences for data analysis. The study demonstrated how contextual, sentimental, and personal aspects might impact the impulsive purchase of items promoted by celebrities. It also shown that an audience's enjoyment and arousal during the celebrity endorsement was correlated with a greater para-relationship with the celebrity. The impulsive buying of celebrity-endorsed goods and the purchasing behaviour that was constrained by the financial resources and impulse buying propensities of the audience were both positively correlated with these two emotions. The impact of celebrity endorsement on the impulsive buying behaviour of the audience was examined in this study, which also offered guidelines for future celebrity endorsement research.

3. Methodology:

To assess the effect of famous endorsements on consumer purchasing behaviour in the market for nutraceutical healthcare goods, the study used a descriptive research approach. A structured questionnaire was used to gather primary data from a sample of one hundred frequent customers of nutraceutical goods. The survey included a combination of closed-ended questions and Likert scale questions to encompass a range of customer attitudes and purchasing patterns. Using a non-probability convenience sampling approach, respondents were chosen from a sample frame of urban consumers who had access to well-known nutraceutical products. To find patterns and connections among celebrity endorsements and customer purchasing decisions, the gathered data were statistically analysed.

4. Data Analysis:

In the market for nutraceutical healthcare goods, the impact of celebrity endorsements on customer perceptions and purchase decisions is noteworthy. Celebrities have the ability to influence customer perceptions regarding the quality, legitimacy, and health advantages of products due to their broad familiarity and perceived reliability. Customers are more likely to view a nutraceutical product as dependable and efficient when it is endorsed by a well-known person, which can increase brand loyalty and influence purchase decisions. Customers who relate to or like the celebrity supporting the goods are more susceptible to this impact because they tend to project their goodwill towards the star onto the product. In addition, the use of celebrity

endorsements in products may make them stand out in an increasingly competitive marketplace by boosting their visibility and appeal. This can eventually result in more sales and a greater reputation for the endorsed company.

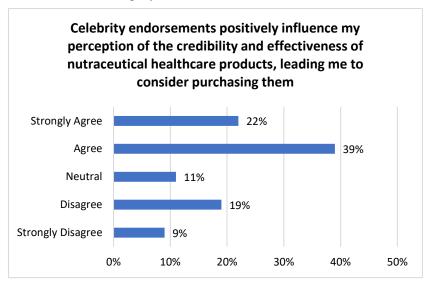


Fig. 1 Influence of Celebrity endorsement

According to the statistics, the majority of respondents believe that celebrity endorsements have a good impact on the legitimacy and efficacy of nutraceutical medicines, and that in turn influences their choice to buy. In particular, 61% of respondents (39% Agree, 22% Strongly Agree) admit that they are more inclined to see these items favourably and think about purchasing them when they are endorsed by celebrities. On the other hand, a lesser percentage of those surveyed (19% Disagree, 9% Strongly Disagree) in the sample do not believe that celebrity endorsements have a substantial effect on their impressions or inclinations to purchase. While the majority of respondents are influenced by endorsements from celebrities, a significant minority are either unaffected or doubtful of their impact, as seen by the 11% of respondents who are neutral.

ESIC | Vol. 8.2 | No. S1 | 2024 557

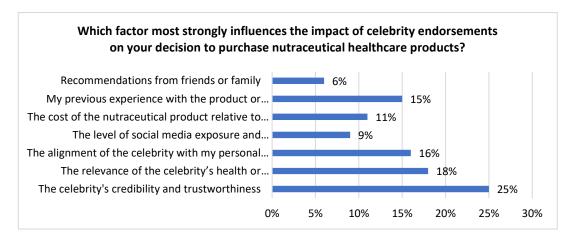


Fig. 2 Factors influencing the impact of celebrity endorsement

According to the statistics, the most important element impacting how much celebrity endorsements influence consumers' decisions to buy nutraceutical healthcare goods is the celebrity's reputation and trustworthiness, as noted by 25% of respondents. After that, two other noteworthy factors—which accounted for 18% and 16% of replies, respectively—are the celebrity's lifestyle or health connection to the item in question and the celebrity's congruence with personal health objectives. The celebrity's degree of social media advertising and exposure as well as the product's price in relation to the responding company's budget had less of an impact 9% and 11%, respectively. 15% of respondents rated prior brand or product experience as a significant factor, which has a considerable influence. The least significant component, according to just 6% of respondents, is advice from friends or relatives. Overall, the celebrity's relevance and trustworthiness are important elements that influence customer decisions; other factors are comparatively less significant.

5. Findings, conclusion and suggestion:

The results show that, according to a significant quarter of respondents, the celebrity's reliability and dependability have the greatest influence on how successful endorsements by celebrities for nutraceutical healthcare goods are. With 18% and 16% of replies, respectively, the relevance of the celebrity's lifestyle or health to the product and the celebrity's congruence with their own wellness goals also substantially affect customer decisions. The impact of promotional activities and social media exposure is lower at 9%, although the overall price of the product and prior brand experience have a moderate influence at 11% and 15%, correspondingly. With only 6% of the total, recommendations from friends and family have the least impact. In summary, marketers should prioritise choosing reputable endorsers that closely correspond with consumer health goals, since the perceived credibility and usefulness of the celebrity heavily influences the impact of their endorsements. Companies should make sure that the celebrities they choose to advocate their products truly embody the lifestyle and advantages of those items in order to maximise the

impact of those endorsements. The efficiency of endorsements may also be further supported by resolving cost issues and using social media for focused advertising.

WORKS CITED

- Kumar, A., & Pinakapani, P. (2024). The Influence of Celebrity Endorsement on Consumer Purchase Behaviour for Healthcare Nutraceutical Products using Deep learning. Nanotechnology Perceptions, 423-428.
- Yue, X., Abdullah, N. H., Ali, M. H., & Yusof, R. N. R. (2023). The impact of celebrity endorsement on followers' impulse purchasing. Journal of Promotion Management, 29(3), 338-358.
- Amadi, C., & Rosemary, N. N. (2023). CELEBRITY ENDORSEMENT EFFECT ON CONSUMERS'BUYING BEHAVIOUR: A STUDY OF GLOBACOM'S SUBSCRIBERS IN PORT HARCOURT METROPOLIS. FULafia International Journal of Business and Allied Studies, 1(1), 399-415.
- Chavadi, C. A., Sirothiya, M., Vishwanatha, M. R., & Yatgiri, P. V. (2024). Analysing the moderating effects of product involvement and endorsement type on consumer buying behaviour: An empirical study on youth perspective. IIM Kozhikode Society & Management Review, 13(2), 184-209.
- Macheka, T., Quaye, E. S., & Ligaraba, N. (2024). The effect of online customer reviews and celebrity endorsement on young female consumers' purchase intentions. Young Consumers, 25(4), 462-482.
- Patel, K., Arroyo-Cañada, F. J., & Gil-Lafuente, J. (2023). Decision-making in Choosing an Effective Celebrity Endorsement Strategy Using Fuzzy Forgotten Effects: A Cross-cultural Study. Foreign Trade Review, 00157325231214046.
- Calvo-Porral, C., Rivaroli, S., & Orosa-González, J. (2023). The influence of social media celebrity endorsement on beer and wine purchase behaviour. International Journal of Wine Business Research, 35(3), 390-412.
- Oteh, O. U., Oloveze, A. O., Emeruem, O. L., & Ahaiwe, E. O. (2023). Celebrity endorsement in African context: TEARS model approach. Revista de Gestao, 30(4), 334-347.
- Kurniawan, R., Suhud, U., Kosasih, F. R., & Ramdani, Z. (2023). Relationship Model Analysis of Personal Factors, Celebrity Endorsement, Buying Behavior, and Word of Mouth on Tourists on Komodo Island. Jurnal Perspektif, 7(1), 9-22.
- Brahmbhatt, M., Makwana, R., & Butola, S. (2024). INVESTIGATING THE IMPACT OF CELEBRITY ENDORSEMENT ON CONSUMERS'PURCHASE INTENTION TOWARDS PERSONAL CARE & HYGIENE INDUSTRY IN AHMEDABAD. International Journal of Management, Economics and Commerce, 1(1), 59-68.

ESIC | Vol. 8.2 | No. S1 | 2024 559