



Demographic Influences on Consumer Perceptions of Celebrity Endorsements in the Soft Drink Industry

Himalay Patel, Rahul Chauhan, Kush Kalariya, Parth Soni, Mohit Patel

Unitedworld Institute of Management, Karnavati University, Gandhinagar, India

*Correspondence: Rahul Chauhan
Email: rj88chauhan@gmail.com

Received: 03 May 2024
Accepted: 30 May 2024
Published: 1 June 2024



Copyright: © 2024 by the authors. Submitted for open access publication under the terms and conditions of the Creative Commons Attribution (CC BY) license (<http://creativecommons.org/licenses/by/4.0/>).

Abstract: The study investigates the influence of demographic factors on consumer perceptions of celebrity endorsements in the soft drink industry. Utilizing ANOVA analyses, the research examines the impact of age, gender, and occupation on consumption patterns, brand preferences, and attitudes towards celebrity endorsements. Findings indicate a significant association between age and soft drink consumption frequency, with younger demographics showing higher consumption rates. However, gender and occupation do not significantly affect brand selection or endorsement perceptions. Notably, consumers across diverse demographics exhibit similar levels of susceptibility to celebrity endorsements, suggesting a universal appeal transcending gender and occupation. Despite demographic variations in consumption habits, celebrity endorsements wield comparable influence across consumer segments. The abstract underscores the importance of celebrity endorsements in shaping consumer behaviour within the soft drink industry and highlights the need for tailored marketing strategies targeting

specific age groups.

Keywords: Celebrity Endorsements, Soft Drink Consumption, Demographic Factors, Consumer Behaviour.

Introduction

Celebrity endorsement has become a cornerstone of modern marketing, exerting significant influence on consumer attitudes and purchasing behaviours. With as much as 25% of all television commercials and 10% of advertising budgets allocated to celebrity endorsements, it's evident that this strategy is widespread and impactful. By leveraging the popularity and appeal of well-known figures, brands can reach broader audiences, enhance brand recognition, and carve out a distinct position in the market.

Research indicates that incorporating celebrities into advertising campaigns leads to favourable shifts in consumer perceptions of the endorsed brand, ultimately driving purchase intent and revenue growth. This phenomenon is particularly pronounced among millennials, a demographic known for their inclination to follow celebrities and emulate their consumption choices. The effectiveness of celebrity endorsements hinges on the alignment between the celebrity's image and the brand or product being promoted. Strong congruence enhances advertising evaluations and increases the likelihood of consumer engagement.

Moreover, the authenticity and advocacy of the celebrity play a pivotal role in the endorsement's effectiveness. When celebrities share personal experiences and genuine viewpoints, their endorsements resonate more deeply with their followers, fostering credibility and bolstering the endorsement's impact. Authenticity, coupled with social impact, renders endorsements more relatable and compelling to consumers.

Despite the potential benefits, celebrity endorsements also pose certain risks. Not all celebrities possess equal influence, and selecting the right endorser is critical for success. Additionally, public perceptions of a celebrity can shape consumers' perceptions of the endorsed brand, making transparency and careful vetting essential. Brands must ensure that the values and personality of the chosen celebrity align with those of the brand to mitigate potential backlash or reputational damage.

In summary, celebrity endorsement serves as a vital component of contemporary marketing strategies, empowering companies to expand their reach, build credibility, and stimulate consumer interest and sales. By harnessing the power of celebrity influence and selecting endorsers strategically, brands can fully capitalize on the potential of celebrity endorsements across traditional and social media platforms, shaping consumer attitudes and driving purchasing behaviour.

Literature Review

Celebrity endorsement has become a ubiquitous marketing practice globally, extending even into the realm of technology and online marketing. Research conducted in various regions highlights its significant impact on consumer behavior and purchasing decisions.

Studies such as Khan (2018), Zipporah & Mberia (2014), and Ahmed et al. (2015) emphasize the importance of carefully selecting the right celebrity endorser to effectively communicate brand messages and elicit positive responses from consumers. In regions like Karachi, Pakistan (Khan, 2018), and Ho Chi Minh City, Vietnam (Minh Ha & Hung Lam, 2016), researchers have found that factors such as celebrity-brand congruence, trustworthiness, and expertise play crucial roles in shaping consumer attitudes and purchase intentions.

Furthermore, the authenticity and credibility of celebrity endorsements are highlighted in studies like Mukherjee (2009) and Adinda & Eristia (2021), where researchers emphasize the need for celebrities to have genuine knowledge about the endorsed product to foster consumer trust and influence buying decisions.

However, celebrity endorsements also come with risks, as discussed by Prasad (2012), who points out potential pitfalls such as mismatched endorsements leading to consumer confusion or negative associations. Additionally, Abbas et al. (2018) found differences in how male and female consumers perceive celebrity endorsements, with factors like likeability, attractiveness, and credibility influencing purchase intentions differently among genders.

Research on celebrity endorsement spans various regions and industries, shedding light on its impacts on consumer behavior and brand perception. Studies conducted in

India, Nigeria, the United States, Malaysia, Indonesia, and Pakistan explore different facets of this marketing strategy.

In India, researchers like Danish Hussian (2019) advocate for content analysis of TV advertisements to understand celebrity endorsement strategies. Surbhi Malhotra (2013) focuses on the FMCG market in Delhi, highlighting the strong influence of Bollywood celebrities on consumer attitudes and FMCG sales growth. Kritika Nagdev and Raman Preet Singh (2016) delve into the impact of celebrity endorsements on students' purchase intentions, identifying factors like value for money and celebrity influence as key drivers.

In Nigeria, Ikegwuru Mac-Kingsley and Kalu S.E (2016) investigate the link between celebrity attributes and brand loyalty among soft drink consumers, emphasizing the importance of attractiveness, expertise, and trustworthiness. In the United States, Zhou et al. (2019) examine celebrity endorsements of food and beverage products, revealing the prevalence of endorsements by famous individuals and their potential impact on dietary habits.

In Indonesia, researchers like Atirah Sufian et al. (2021) analyze the relationship between celebrity endorsements, online promotions, brand image, and consumer purchase decisions, highlighting the significance of product fit and expertise. In Malaysia, Arman Ahmad et al. (2019) explore how endorsements by young celebrities on social media affect brand perception and purchase intentions among young consumers.

Across these studies, common themes emerge regarding the importance of factors such as celebrity credibility, expertise, and product fit in influencing consumer behavior and purchase intentions. Additionally, the role of brand image, online promotions, and cultural factors are highlighted as significant influencers of the effectiveness of celebrity endorsements. These studies collectively contribute to a deeper understanding of the complexities and nuances of celebrity endorsement strategies in diverse cultural and market contexts.

Research Method

The research methodology employs a quantitative approach, utilizing a cross-sectional survey design to gather data from 160 respondents in Ahmedabad. A structured questionnaire will be administered, covering demographic information, perceptions of celebrity endorsements, factors influencing purchase intentions, trustworthiness, and recommendations. Stratified random sampling ensures representation across diverse demographic groups. Ethical considerations include voluntary participation, informed consent, and confidentiality. Quantitative data analysis techniques, such as descriptive and inferential statistics using SPSS or R software, will be applied to analyse the collected data. The study aims to provide insights into the impact of age, gender, and occupation on soft drink consumption, brand selection, and preferences, as well as attitudes towards celebrity endorsements. Overall, the research methodology aims to contribute to a deeper

understanding of consumer behaviour and marketing strategies in the soft drink industry within the Ahmedabad region.

Objectives

- To investigate whether there is a significant difference in the selection of soft drink brands based on gender, particularly focusing on the influence of celebrity endorsements.
- To examine the relationship between age groups of consumers and their consumption of soft drinks, aiming to determine if there is a significant difference in consumption patterns across different age demographics.
- To explore the potential impact of consumer occupation on their preference for specific soft drink brands, with a focus on identifying any significant differences in brand preference among various occupational groups.

Result and Discussion

The data provided offers a comprehensive glimpse into consumer perceptions and behaviours concerning celebrity endorsements within the soft drink industry. One notable trend is the dominance of the 21-30 age group among respondents. This demographic skew towards younger individuals is significant because younger consumers often exhibit higher receptivity to celebrity culture, suggesting they may be more influenced by celebrity endorsements compared to older demographics. This insight underscores the importance for soft drink companies to craft endorsement strategies that resonate with the preferences and sensibilities of this youthful demographic, leveraging celebrities who hold appeal within this age bracket to maximize the impact of their marketing efforts.

The balanced gender distribution among respondents highlights the relevance of gender differences in perception. Studies have consistently shown that males and females may respond differently to various marketing strategies, including celebrity endorsements. For instance, females may be more inclined to endorse products promoted by celebrities they admire or relate to, while males might prioritize factors like product quality or performance. Soft drink companies must therefore consider these gender-based variations in consumer behaviour when devising their endorsement strategies, ensuring they align with the preferences and motivations of both male and female consumers.

Income levels among respondents also provide valuable insights into consumer perceptions of celebrity endorsements. The data reveals a majority reporting lower incomes, suggesting that lower-income consumers may perceive celebrity endorsements differently than their higher-income counterparts. For instance, individuals with lower incomes might view celebrity endorsements as symbols of aspiration or status, potentially influencing their purchasing decisions. On the other hand, higher-income consumers may prioritize factors such as product quality and brand reputation over celebrity endorsements. Understanding

these income-based nuances in consumer perception is crucial for soft drink companies to tailor their marketing strategies effectively, ensuring they resonate with consumers across different income brackets.

Furthermore, the data highlights variations in occupation among respondents, with students forming the largest group followed by businesspersons and employees. Different occupational groups may prioritize distinct factors in their purchasing decisions, influencing their perceptions of celebrity endorsements. For example, students and homemakers may be more receptive to celebrity endorsements, as they may perceive them as aspirational or relatable. Conversely, businesspersons and employees may prioritize practical aspects of the product, such as price and quality. Soft drink companies need to recognize these occupational differences in consumer perception to construct targeted endorsement strategies that effectively engage consumers across various occupational groups.

Table 1: ANOVA Consumption of Soft Drink and Age of Consumers

		Sum of	df	Mean	F	Sig.
		Squares		Square		
How often do you consume Soft Drinks?	Between	34.130	4	8.533	5.212	<.001
	Within Groups	252.109	154	1.637		
	Total	286.239	158			
Which soft drink brand's product do you prefer to consume on regular basis: -	Between	9.154	4	2.289	1.338	.258
	Within Groups	263.336	154	1.710		
	Total	272.491	158			

Sources: SPSS Analysis by Authors

The ANOVA results for the consumption of soft drinks and age of consumers indicate a significant difference in consumption patterns across different age groups ($F = 5.212$, $p < .001$). This suggests that age plays a significant role in determining how often individuals consume soft drinks. Specifically, there is a notable variation in consumption frequency between different age demographics. In contrast, the ANOVA results for preferred soft drink brands do not show a significant difference based on age groups ($F = 1.338$, $p = .258$). This implies that age may not be a significant factor influencing brand preference among consumers.

The variability in brand preference appears to be consistent across different age demographics. Overall, these findings highlight the importance of considering age as a factor when analyzing consumption habits but suggest that other factors may play a more influential role in determining brand preference among consumers.

Table 2: ANOVA Selection of Brand by Gender and Endorsed by Celebrity

		Sum of Squares	df	Mean Square	F	Sig.
Do you think celebrity endorsed products impact your buying intentions of any particular brand.	Between Groups	.014	1	.014	.033	.857
	Within Groups	65.571	157	.418		
	Total	65.585	158			
If any brand chooses a endorser who is Not Popular does it affects your buying intention, will it give you trust to buy that product or not?	Between Groups	.002	1	.002	.003	.954
	Within Groups	74.388	157	.474		
	Total	74.390	158			

Sources: SPSS Analysis by Authors

The ANOVA results for the selection of brand by gender and endorsement by celebrity indicate that there is no significant difference in buying intentions based on whether products are endorsed by celebrities ($F = 0.033$, $p = .857$). This suggests that the endorsement of products by celebrities does not significantly influence consumers' buying intentions, regardless of gender. Similarly, the results show no significant difference in buying intentions based on whether brands choose a non-popular endorser ($F = 0.003$, $p = .954$).

This implies that the popularity of the endorser does not significantly affect consumers' trust or buying intentions. Overall, these findings suggest that celebrity endorsements and the popularity of endorsers may not play a significant role in shaping consumers' buying decisions. Other factors such as product quality, brand reputation, and personal preferences may have a more substantial influence on consumer behaviour.

Table 3: ANOVA Consumer Occupation and Preference of Soft Drink Brands

		Sum of Squares	df	Mean Square	F	Sig.
I used to recommend celebrity endorsed products to friends, family and colleagues.	Between Groups	3.980	4	.995	.893	.470
	Within Groups	171.643	154	1.115		
	Total	175.623	158			
Which celebrity comes to your mind as soon as you listen the word Pepsi	Between Groups	3.425	4	.856	1.574	.184
	Within Groups	83.758	154	.544		
	Total	87.182	158			
Which endorser, in your opinion, has the biggest impact on consumers' decisions regarding soft drink products?	Between Groups	6.423	4	1.606	.735	.570
	Within Groups	336.533	154	2.185		
	Total	342.956	158			

Sources: SPSS Analysis by Authors

The ANOVA results for consumer occupation and preference of soft drink brands reveal that there is no significant difference in recommending celebrity-endorsed products based on occupation ($F = 0.893$, $p = .470$). This indicates that occupation does not significantly influence consumers' likelihood to recommend celebrity-endorsed products to their social circle. Additionally, there is no significant difference in the celebrity that comes to mind when hearing the word "Pepsi" based on occupation ($F = 1.574$, $p = .184$).

This suggests that occupation does not play a significant role in shaping the association between specific celebrities and soft drink brands like Pepsi. Furthermore, there is no significant difference in the perceived impact of endorsers on consumers' decisions regarding soft drink products based on occupation ($F = 0.735$, $p = .570$). Overall, these findings imply that occupation does not have a substantial influence on consumers' attitudes and perceptions related to celebrity endorsements and soft drink brands.

Conclusion

The analysis indicates that age significantly influences soft drink consumption, with younger age groups consuming these beverages more frequently. However, gender did not show a notable impact on brand selection influenced by celebrity endorsements. Similarly, no significant differences were observed in consumer preferences for various soft drink brands. These findings suggest that while age plays a crucial role in consumption patterns, factors beyond gender and brand preference may influence brand selection.

Soft drink companies can capitalize on these insights by targeting marketing campaigns towards younger consumers and considering diverse factors beyond celebrity endorsements to drive brand engagement. Overall, understanding these dynamics is essential for companies to tailor their strategies effectively, innovate their products, and stay competitive in the dynamic soft drink market.

The findings open avenues for further research into the nuanced factors influencing soft drink consumption and brand selection. Future studies could explore the role of cultural differences, social influences, and emerging trends in shaping consumer behavior in the soft drink industry. Additionally, longitudinal studies tracking changes in consumption patterns over time could provide valuable insights into evolving consumer preferences and market dynamics.

The insights gained from this research have implications beyond Ahmedabad, offering valuable lessons for soft drink companies worldwide. Understanding the interplay between age, gender, and celebrity endorsements can inform global marketing strategies, helping companies tailor their approaches to diverse consumer demographics. Moreover, the emphasis on consumer preferences underscores the importance of innovation and adaptability in the global soft drink market, where companies must continuously evolve to meet changing consumer demands and stay competitive on a global scale.

References

- Abbas, Aamir & Afshan, Gul & Aslam, Iqra & Ewaz, Laila. (2018). The Effect of Celebrity Endorsement on Customer Purchase Intention: A Comparative Study.
- Ahmad, A. H., Idris, I., Mason, C., & Chow, S. K. (2019). The impact of young celebrity endorsements in social media advertisements and brand image towards the purchase intention of young consumers. *International Journal of Financial Research*, 10(5), 54-65.
- Ahmed, Rizwan & Seedani, Sumeet & Ahuja, Manoj & Paryani, Sagar. (2015). Impact of Celebrity Endorsement on Consumer Buying Behavior. *Journal of Marketing and Consumer Research*. 16. 12-20.
- Annissa, Adinda & Lidia Paramita, Eristia. (2021). Brand Promotion: The Effects of Celebrity Endorsement and Brand Image on Consumer Buying Decision. *Jurnal Bisnis dan Manajemen*. 8. 10.26905/jbm.v8i1.5413.
- Das, Saumendra and Padhy, Prasanta Kumar, Brand Perception by Celebrity Endorsement (2012). *International Journal of Advanced Research in Management and Social Sciences*, Volume1, No.2, August 2012, ISSN: 2278 -6236, pp.79-93, Available at SSRN: <https://ssrn.com/abstract=2592412>.
- Goutam, D. (2013). Influence of brand ambassadors on buying behavior of soft drinks: with reference to Belgaum City. *International journal of research in business Management*, 1(4), 9-18.
- Goyal, Anil. (2013). Role of Online Education in Modern Education System.
- Hussain, Danish & Khan, Kaleem. (2019). Understanding the Effectiveness of Celebrity Endorsements. 10.13140/RG.2.2.33995.64809.
- Ikegwuru Mac-Kingsley and Kalu S.E (2016) International Institute of Academic Research and Development.
- İpek, K. R. O. M. (2023). Celebrity Endorsement Strategy Uses And Popular Culture: 'A Fidgety Coca-Cola' Ad. *Erciyes İletişim Dergisi*, 10(2), 609-629.
- Khan, Marium. (2018). THE EFFECT OF CELEBRITY ENDORSEMENT ON CONSUMER PURCHASE INTENTION-EVIDENCE FROM Q MOBILE LINQ ADVERTISEMENT. *Pakistan Business Review (PBR)*. 19. 1065-1082.
- Lestari, M., & Wahyono, W. (2021). The influence of celebrity endorser and online promotion on purchase decision through brand image. *Management Analysis Journal*, 10(2), 198-211.
- Minh Ha, Nguyen. (2019). The Effects of Celebrity Endorsement on Customer's Attitude toward Brand and Purchase Intention.
- Mukherjee, Debiprasad. (2009). Impact of Celebrity Endorsements on Brand Image. *Indian J. Marketing*. 42. 10.2139/ssrn.1444814.
- Mwendwa, Mildred & Mberia, Hellen. (2014). The Effects OF Celebrity Endorsement in Advertisements. *International Journal of Academic Research in Economics and Management Sciences*. 3. 10.6007/IJAREMS/v3-i5/1250.
- Namitha.S.G & Prof. Jimmy Thankachan (2019). IMPACT OF CELEBRITY

ENDORSEMENT ON CONSUMER BUYING BEHAVIOR WITH REGARD TO AERATED DRINKS IN SOUTH BENGALURU. *Journal of Emerging Technologies and Innovative Research*. Volume 6 Issue 3 , March-2019

Prakash, S., & Kumar, M. (2012). An analysis of TV advertising and usage of celebrity endorsers: A content analysis approach.

Prasad, Jayanthi. (2013). Brand endorsement by celebrities impacts towards customer satisfaction. *African Journal of Business Management*. 7. 3630-3635. 10.5897/AJBM11.2571.

Rajesh, Anupama & Singh, Dr. Raman & Nagdev, Kritika & Arora, Mukul. (2018). Educing the referral power to tap potential customer segments - a study in Indian perspective. *International Journal of Public Sector Performance Management*. 4. 133. 10.1504/IJPSPM.2018.10010294.

Sufian, A., Sedek, M., Lim, H.T., Murad, M.B., Jabar, J., & Khalid, A. (2021). The Effectiveness of Celebrity Endorsement in Online Advertisement towards Consumer Purchase Intention. *Revista Gestão Inovação e Tecnologias*.

Zhou, Mi & Rajamohan, Srijiith & Hedrick, Valisa & Rincon Gallardo Patino, Sofia & Abidi, Faiz & Polys, Nicholas & Kraak, Vivica. (2019). Mapping the Celebrity Endorsement of Branded Food and Beverage Products and Marketing Campaigns in the United States, 1990–2017. *International Journal of Environmental Research and Public Health*. 16. 3743. 10.3390/ijerph16193743.