# INFLUENCE OF CELEBRITY ENDORSEMENT OF SMARTPHONES IN CREATING CUSTOMER LOYALTY AMONG UNIVERSITY YOUTH IN NAIROBI

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A RESEARCH PROJECT REPORT SUBMITTED TO THE SCHOOL OF JOURNALISM, IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF A MASTER OF ARTS DEGREE IN COMMUNICATION STUDIES, UNIVERSITY OF NAIROBI.

# **DECLARATION**

I declare that this research project report is my original work and has not been presented in any other university/institution for consideration of any certification. It has been complemented by referenced sources duly acknowledged. Where text, data, graphics, pictures or tables have been borrowed from other sources, including the internet, these are specifically accredited and references cited using the current APA system and in accordance with the University of Nairobi regulations.

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# **DEDICATION**

This research is dedicated to my daughter - Ruby Gesare; my Dad - Victor Monyenye and all communications and marketing professionals who struggle with rapid changing technology and stiff competition to ensure their brands flourish in developing countries.

## ACKNOWLEDGEMENT

I am grateful to God for His grace and favour that has enabled me to come this far.

I would like to thank and acknowledge my supervisor Dr. Tom Odhiambo for his tireless effort, dedication and attention to detail, the reason this work was possible.

I am humbled by the support and encouragement of my wife, Winnie Auma; my parents, Victor Monyenye and Florence Gesare; and my siblings, Kevin and Ayub, for helping me pull through difficult times.

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I finally thank all my lecturers and classmates in the MA class of 2014 for their support.

May God eternally remember your efforts and contributions in my life.

#### **ABSTRACT**

The main focus of this study is Celebrity endorsement. The subject of the study is local and international celebrities whose attributes are used for their endorsement effect on customer loyalty for smart-phone brands. Growing business competition globally has forced marketers to adopt different strategies to beat competitors. In the last two decades, advertisement using celebrities has become common in modern competitive marketing environment for high recognition and creation of strong product perception. The study sought to find out the effect of celebrity credibility and physical attractiveness on customer loyalty to the brand endorsed. A mixed method approach was adopted where a survey involving 250 youth respondents, interviews with key informants from at least four mobile phone companies and three focus group discussion were conducted. Quantitative data collected analyzed using the SPSS software while the qualitative data was analyzed thematically. Conclusion drawn from the analysis is that celebrity endorsement is effective in influencing sales but customer loyalty is majorly influenced by consumer experience. This, therefore, was in agreement with the meaning transfer theory and contradicted the source credibility and physical attractiveness theories. The study recommends that Smartphone companies should invest more in their technology to better customer experience as opposed to celebrity endorsement.

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#### **CHAPTER ONE**

#### INTRODUCTION

#### 1.1 Overview

Chapter one presents the background to the study, statement of the problem, purpose and specific objectives of the research study, justification for the study, basic assumptions, limitations and delimitations. The chapter also presents the theoretical and conceptual frameworks of the study as well as the definition of operational terms as used in the study.

# 1.2 Background to the Study

The youth market in the world currently is a highly technology savvy. This section of the society has been actively transforming the application of digital technology in ways that nobody ever thought of. This market segment, which is made up of people ranging between ages 15-29 is keen on using internet, building websites, playing games and sharing multimedia messages via social media (Selian, 2004).

The appetite of the young generation for technology is portrayed through the many ways that Smartphones have become essential communication tools among the youth in Kenya and worldwide. Studies have discovered that young consumers have a fast adoption curve and that their desire to stay connected in communication to friends is great. However, they tend to be prone to handset fads, and long-term prospects for innovative.

The fast growth of the industry is believed to be as a result of mobile phones becoming a necessity for every Kenyan. Mobile phones, more so smartphones, have made work easier in every sector, right from business, education, and governance among others. According to Sultan & Rohm (2005), these digital gadgets are currently used as fashion items and are also used by the young generation as status symbol to express themselves.

Being part of the digital generation, Kenyan youth have a unique attitude towards brands and are more at home with brands than other groups/generations. Evelyn, Eva & Robin, (2011) add that this segment is comfortable with brands more than other groups. Lazarevic (2007) opined that it is not easy holding this segment of the population as loyal consumers since they rationalize issues and normally tend to have low repeat purchases. Furthermore, as opposed to older generations, this group has been brought up when branding and globalization have become the order of the day.

With increased competition, as new players join the market, mobile phone companies are forced to develop aggressive marketing strategies that are relevant to the dynamics of the day. Apart from technological advancement, social dynamics and external factors like price, warrant, and experience play part in building loyalty. The strategies employed focus not only on better service quality and functionality but also on the perceived image that ensures consumers stick to their products or brands, an art that is commonly known as branding.

Branding influences a customer's purchase intentions, especially for the young markets and therefore companies are determined to build strong brands (Lazarevic, 2011). Through branding, organizations are in a position to create value and meaning for their products as they wish to make consumers stick and choose their brands anytime (Frow, 2002).

One of the main ways of branding, especially in the telecommunication industry, is the use of celebrity endorsement. Endorsement can be said to be a form of communication where the endorser, who is a celebrity in this case, acts as a spokesman of the brand and uses his/her popularity, personality and stature in the society to certify the claim made by the brand. According to Roll, "In a market with a very high proliferation of local, regional and international brands, celebrity endorsement was thought to provide a distinct differentiation" (2006).

Celebrity endorser, according to McMracken (1989) is "any individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement. When celebrities are depicted in marcoms, they bring their own culturally related meanings, thereto, irrespective of the required promotional role." This argument is supported by Ohanian who adds that for celebrity endorsement to be successful, individuals selected as brand ambassadors ought to be knowledgeable, qualified and experienced so as be seen as gurus in that field. This endorser, should achieve all the FRED goals according to Lalwani, (2006). FRED stands for, Familiarity (where target market knows her/ him, likes and trusts her/him); Relevance (a link

between the product and endorser as well as the endorser and the audience); Esteem (credibility to the audience); Differentiation (he/she is seen by the audience to be one of them but towers above them in all projections).

There are hundreds of endorsements done by celebrities in Kenya, many of which are highly successful while some fail to achieve their goals depending on the strategy used. French orange telecom is currently using the comedian, Otonglo, to endorse its Kaduda Smartphone. Sauti Sol was last year (2015) hired to patronize Tecno, while the musician, Wyre, and journalist, Julie Gichuru, were used to endorse Samsung and Nokia respectively. Senegalese footballer, Yaya Toure, is the Africa Airtel mobile ambassador, while the politician, Raila Odinga, was used to endorse the beer, Summit Lager, a Keroche Breweries main product, among many more.

In celebrity endorsement, the consumer assumes that the product is of high quality given that it is recommended by his/her idol. This further gives the customer a good feeling of security and association (M. Hoekman, 2008). Given that celebrities act as role models to their fans who are also consumers of the brands endorsed, they (consumers) purchase the goods because they wish to be like them. It is therefore easy for endorsements by celebrities to create instant awareness of a brand. Unfortunately, in the event that the celebrity's image is damaged, the brand's image can follow the celebrity downhill. But credibility can be affected negatively if the celebrity is endorsing many brands.

With the competition becoming stronger daily, it is a worthy research undertaking to examine the influence celebrity endorsement has on young consumer when deciding on Smartphone brands. This study therefore aimed to analyze customer loyalty, particularly of Smartphone brands and factors that affect it. A Furthermore, analysis of the relationship between celebrity endorsement and loyalty among the youth in Kenya was done. The scope of this study, which basically focused on the youth consumers and marketers' perspectives, provided better insight into the relationship between the variables investigated.

#### 1.3 Statement of the Problem

The obsession with electronic gadgets among the young generation globally, Smartphones in particular, has provided an opportunity for telecommunication marketers to target generation Y (Tariq M. Khizindar, *et al*, 2015). This has provoked scholars to research this topic in depth. Quite a number of scientific studies have been done on the subject celebrity endorsement (Amos, Holmes &Strutton, 2008; Erdogan, 1999; Mc Cracken, 1989). However, there is still some debate about the exact role that celebrity endorsements play on the loyalty of consumers especially the youth, as far as brands are concerned. Cabellero (1989) is for the opinion that the relationship between the celebrity and the consumer's attitude towards the brand is weak while some papers indicate that the relation between the two variables is strong (Kahle& Homer, 1985).

Competition in the telecommunication industry has been on the rise in the recent past as more players join the market. This has made companies to invest a lot of resources in order to earn a competitive advantage over their competitors or maintain it if they are at the top. Kenya is not left out in this as even the big and established mobile companies that have been in existence for decades and some even enjoying monopoly are seen to brand and rebrand using celebrity endorsement in order to win the hearts of their target audiences.

This study sought to find out whether and how celebrity endorsement of Smartphone brands by local and multinational companies influence loyalty among the youth customers in Kenya.

## 1.4 Justification for the study

Apart from the iPhones that use the IOS and Nokia that uses the Windows operating system, the rest use Android operating systems. This means that their functionality is almost the same as they run on downloaded applications. Most of them also are of the same size, design and durability. Despite all the above, some brands are believed to be superior to the rest. For instance, a customer can go for a Samsung S6 that goes for Kshs. 60,000.00 and not Tecno Phantom 5 that costs ksh.35, 000 despite having the same functionality. Therefore, a need for a model representing brand loyalty is essential (Nawaz and Usman, 2010). My study thus provides empirical data on the influence of celebrity endorsement on customer loyalty towards smart-phone brands. Information generated from this research presents recommendations and guidelines for mobile phone

companies to, hopefully, help them develop appropriate strategies for marketing in order to keep current customers loyal and attract new ones.

# 1.5 Objectives

- 1. To find out how a celebrity's physical attractiveness affects consumer's perceived performance of a smart phone brand;
- 2. To find out how the credibility of the endorser influences customer trust in the brand.

# 1.6 Research Questions

- 1. How does physical attractiveness of a celebrity used to endorse a smart-phone brand affect its perceived performance?
- 2. How does the endorser's credibility enhance customer's trust for the brand?

## 1.7 Definition of Operational Terms

The following terms are defined for clarity on the topic for the reader and provide context to the remainder of the study.

**Brand:** An identifiable product, service, person or place augmented in such a way that the buyer or user perceives relevant, unique added values, which match their needs most closely.

Furthermore, its success results from being able to sustain these added values in the face of competition (Ross and Harridine 2007).

**Brand awareness:** The ability to identify a brand under different conditions, it consists of brand recognition and brand recall. Brand awareness is important as it can increase the likelihood of the brand being part of, and selected from, a consideration set and ultimately strengthens brand associations and the resultant brand image (Kwang-Ho, Minsung & Won-Moo, 2011).

**Brand Alliance:** the short-or-long term association of both tangible and intangible qualities associated with brand partners in order to increase visibility of one or both brands (Kahle & Kim, 2006).

**Brand Loyalty:** the increased profits or benefits of a branded product, corporation or person compared to those with no brand name attached (Kahle & Kim, 2006)

**Generation Y:** People born between 1987 and 1998 and characterized with the inclination towards online social networks, cell phone, Television and video games.

**Smartphone:** A mobile phone that performs many of the functions of a computer, typically having a touch-screen interface, internet access, and an operating system capable of running downloaded apps (Oxford dictionary)

**Celebrity:** A person who enjoys public recognition by a large number of a certain group of people and has certain key characteristics, such as attractiveness and trustworthiness.

**Brand identity:** A brand's overall look of its communications.

**IOS:** iPhone operating system.

**Endorsement:** The act of publicly saying that you approve of or support something or someone (Cambridge dictionary)

# 1.8 Assumptions

This study assumes that:

- 1. The different brands of smartphones cost similar amount of money;
- 2. The smartphones have identical features;
- 3. The smartphones are readily available in the stores;
- 4. The endorser is popular locally.

#### **CHAPTER TWO**

#### LITERATURE REVIEW

#### 2.1 Overview

This chapter presents the theories that were used to guide this study and also literature of previous studies related to this topic.

## 2.2 Brand Loyalty

According to Holt (2004), brand loyalty is the consumer's willingness to stick to a brand when competitors come knocking with offers that can be considered equally attractive had not the consumer and brand shared a history. Kabiraj and Shanmugan (2011), argue that, brand loyalty is the customer's conscious or unconscious decision, expressed through the intention or behavior to keep buying the same brand continually. Consumers loyal to a brand develop a mental connection to a certain brand and regardless of price or convenience, they will go out of their way to buy it (Emma Cale, 2015). Through brand loyalty, the consumer feels assured that the brand has what they need, hence that becomes a reason for repeat purchase making it a habit. Brand loyalty concept is better understood using brand loyalty pyramid designed in 19991 by Aaker. Aaker opined that brand loyalty should be viewed as one of the five elements of brand equity.

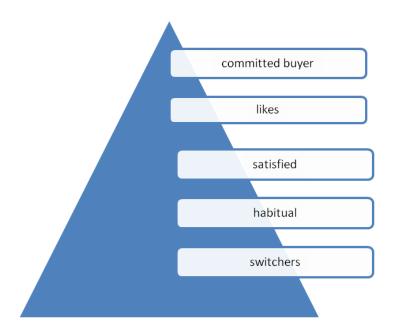


Figure 2.1 Brand Loyalty Pyramid (Aaker, 1991: 40)

Aaker (1991) was for the opinion that brand loyalty is a variable with different levels of strengths depending on a specific client. Switchers are the consumers at the lowest level, and they constantly change brands because of low switching costs. Habitual customers have the tendency to buy the same brand again and again but lack attachment, emotional or otherwise, to the brand or product. Satisfied consumers stick to the brand because it continuously meets and fulfills their needs and wants (Aaker, 1991). Likes are emotionally attached to the brand while committed customers emerge on top of the pyramid. Strong commitment and trust in the brand is what identifies these consumers.

There is a social connection between the product and customer (Oliver, 1999). This connection assists in building satisfaction hence loyalty of the customer towards a brand. A study done by Oliver in 1999, indicates that satisfaction is key in brand loyalty.

## 2.3 Celebrity Endorsement

A celebrity is a person who has gained fame or recognition in the society by virtue of their unique personality (Choi and Berger, 2010). "Celebrity endorsements are a popular form of advertising enhancement", Breen (2003). Erdogan *et al.*, (2001) argued that, celebrity endorsement can largely boost sales for firms that employ them in their advertising campaigns. Choi and Rifon, (2007), also opined that celebrities are generally seen to be more credible than other endorsers. Therefore, the endorsers appeal to customer's emotions, feelings, taste and choice about a particular product brand thereby highly influencing them (Severn, Belch & Belch, 1990).

Celebrities are featured in 15% of the prime-time television commercials, according to the findings of Friedman (1977). Nowadays, the use of celebrities in advertising appears to be on the increase across all media types (Sherman, 1985 and Levin, 1988). Clearly, the use of celebrity endorsement for companies has become a trend in brand building.

Aaker, (1991) and Dawes (2009) discovered that customers that are loyal to a brand will go on to purchase the product without minding or considering the prices and features of competitors when they are convinced by the status of a celebrity. Additionally, customers become less vulnerable to the company when they are loyal towards its brand which also gives the company a competitive advantage. Keller (1998) on the other hand contradicts this proposition by arguing that, the use of customer's habit of repeat purchase as a measure of brand loyalty may not be accurate. This is because effective promotions, availability of the brand or its prominence in stock can lead to repeat purchase of a brand by some clients. Organizations make use of the celebrity's unique characteristics and

stature in the society to draw a parallels with the product's qualities while aiming to position them in the minds of the target customer. Sadhu (2005) argues that brands need to convince customers that they carry a different image and value from other competing products for them to be successful. In other words, brands like Samsung that use Drogba (an internationally known soccer player) show that they are the best and unique just like the football skills of that celebrity.

"Brands can be symbols whose meaning is used to create and define a consumer's self-concept," argues Levy (1959). This point is supported by McCracken's (1986) meaning transfer model that asserts that such meaning originates in the culturally constituted world, moving into goods through the word of mouth, reference groups, fashion system, sub cultural groups, celebrities, and the media.

"The meaning and value of a brand is not just its ability to express the self, but also its role in helping consumers create and build their self-identities" (McCracken 1989). A study carried out by Dwane Hal Dean (1999) on the effects of three extrinsic advertisement cues that include: third party endorsement, brand popularity on brand evaluation and event sponsorship, found out that endorsement had a clear effect only on product variables (quality and uniqueness) and one image variable (esteem). Third party endorsement is thus used to signal product quality.

The youth's fascination with celebrities is here to stay. However, in what form these celebrities are used is an open question, according to D. Reader, (2005). To develop a

successful roadmap of brand endorsement that leads to customer brand loyalty, researchers suggest exploring the relationship between brands and the consumer psyche. Belk (1988) considers the concept of the extended self, which comprises self (me) and possessions (mine), suggesting that unknowingly, intentionally or unintentionally we regard our possessions as reflective and as part of ourselves. The same is echoed by O'Shaughnessy (2002), that customers look for positional products to signify group membership and to mark their position. Therefore, consumption of a brand has grown into an art of self-identity, self-reference and self-articulation.

When a consumer hears or watches an endorsement, he/she tries to make meaning of the endorsement and relate it to the endorser and finally move to the brand. This means that there is need for celebrities to be examined and picked in the context of the brand values and image.

# 2.4 Celebrity Physical Attractiveness

Patzer (1985) defines physical attractiveness as an informational cue which involves effects that are subtle, pervasive. Ohanian (1991) adds that, "Beauty is a greater recommendation than any letter of introduction". Physical attractiveness of a celebrity endorser has a great social appraisal and acceptability. It is a source to capture attention of audience both in print and electronic media; Physical attractiveness has positive effect on consumer behavior towards a product and service while making comparison of product with the person who is unattractive (Ohanian, 1991). A study finding about Razor shaving blades revealed that the attractiveness of a celebrity produces significant

results as people are themselves conscious about their own attractive looks (Kahle and Homer, 1985). Likewise, those entire products which are linked with a person's physical attractiveness, for instance, facial creams, beauty soaps, dresses, hair colors, among others, are much influenced by physical attractiveness of celebrity. Physically attractive celebrities are also useful for the principle of match up theory at the time of selecting a celebrity where attractiveness is more influential (Kamins, 1990). Physical attractiveness is a tool to change attitude (Menon *et al.*, 2001).

Physical attractiveness of the endorser may be central in line with change in attitude of the consumer (Kahle& Homer 1985). Celebrity endorsements based on the attractiveness of the endorser most of the time produce positive effects on consumers. In general attractive endorsers are more effective promoters than those seen as unattractive (Till & Busler, 1998). The target audience is then more familiar with the attractive celebrities and these celebrities are more likable (Miciak&Shanklin, 1994). There is also a strong effect of celebrity attractiveness as well as interaction of likeability, involvement, and sex on the recall of the product.

#### 2.5 Celebrity Credibility/Trustworthiness

Trustworthiness refers to the "honesty, integrity and believability of an endorser" (Erdogan, 2001). A customer generally has a consideration that celebrities are a trustworthy source of communicating information (Goldsmith *et al.*, 2000). It is a general principle that a person you trust can easily convince you to believe in something you do not see. Furthermore, if such a person is also an expert in the field for which he or she is

advocating, he/she becomes more persuasive, as in the case of a doctor convincing a patient to take a bitter pill to get healed more than a driver. It is supported to "the extent to which the recipient sees the source as having relevant knowledge, skills, or experience and the source to give unbiased, objective information" (Belch and Belch, 1994). In similar measures a celebrity in an advertisement becomes really effective if it is considered who the speaker is; how much is that person believable? A celebrity in an advertisement with expertise is more trustworthy or believable (Hung *et al.*, 2011). Erdogan (1999) argued that a celebrity endorser's credibility is not a single source but a valuable source having cognitive and positive effects on intent to purchase. It is trust upon a celebrity that also reduces the effects of propaganda against the product.

In a research carried out by Infilmarena, a brand and advertisement group, among 43 advertising agencies and companies, most experts believed that the most important dimensions of credibility are trustworthiness and prowess or expertise with regard to the recommended product or service (Miciak and Shanklin, 2002). Credibility is the most important criteria in selecting a celebrity endorser. Familiarity, likeability, gender, expertise, trustworthiness and attractiveness also have to factor according to Knott & James, (2004). The celebrities that were perceived as having constant media coverage are trusted more than the celebrities who are not in the limelight most of the time (Friedman, Santeramo & Traina, 1978).

#### 2.6 Theoretical Framework

## 2.6.1 Source Credibility Model

A person's perception of the truth of a piece of information is what is referred to as credibility. It is a concept where the audience is able to judge the source of a communication in relation to the information. This judgement correlates with the willingness of the receiver to attribute truth and substance to the information (Hovland *et al.*, 1953).

The concept of source credibility was created by Aristotle in a text of his works, called "The Rhetoric." According to Aristotle, the rhetorician ethos plays the most important role in influencing the audiences' thought and beliefs.

Hovland, Janis and Kelly (1963) advanced the source credibility theory in their argument that people or receivers are more likely to be convinced when the source presents itself as credible. Hovland (1963) and Weiss (1974) who later on studied the influence of sources in persuasion confirmed the assumption that credible sources tend to create the desired impact on the audience. McCroskey *et al.* (1974) also opined that communicators with high credibility in the eyes of the audience tend to have respect and their words are more readily accepted.

Middle Brook's findings (1974) showed that there are two most commonly visible elements which positively influence source credibility and they are: perceived expertise and trustworthiness of the source. This was supported by Cornan *et al.* (2006), who

advanced the three key dimensions of credibility: trustworthiness, competence, and goodwill. These three dimensions are not empirical realities but perceptions that can be created, manaaged, and cultivated. This needs a coordinated approach to message design, delivery, and most importantly adaptation to the given audience and current media situation.

According to the source credibility model, the effectiveness of a message depends on the perceived level of expertise and trustworthiness of an endorser (Hovland & Weiss, 1953). Consumers assume that celebrities are credible with regard to the information they give about the products or brand they endorse (Goldsmith *et al.*, 2000). Attitude towards advertisements is being defined as, a learned tendency to respond in a consistently desirable or undesirable approach towards advertising in general (Haghirian, 2004). In a nutshell, it can be stated that celebrity endorsement has a positive influence on attitude (Seno & Lukas, 2005).

An endorser who scores high on expertise and trustworthiness is able to change the consumer's attitude and purchase intentions (Liu & Teo, 2007). This is because consumers believe an endorser is credible, thus the information this celebrity gives is true. Furthermore, when an endorser is an expert in the field, customers will be more accepting of the brand or advert. A credible source can be particularly convincing when the consumer has not yet learned much about a product or formed an opinion on it. If the source is ranked highly on credibility, there will be more positive attitude changes and stronger behavioral changes towards the brand (Amos, Holmes, & Strutton, 2008). The

source credibility model is applicable when consumers are more involved since they tend to be influenced by arguments that are relevant for the message even when attitudes are changing.

#### 2.6.2 The Source Attractiveness Model

The meaning of this model derives from a quote by the famous philosopher Aristotle: "Beauty is a greater recommendation than any letter of introduction". Aristotle wanted to emphasize that the most important thing is beauty hence attractiveness. Consumers are believed to be eye centered hence attractiveness is an important factor. Aristotle's argument, would therefore be suggesting that the best way to market a brand is by using an attractive advert and a celebrity endorser who is easy on the eyes; the success will be much higher. Consumers like looking at advertisements with attractive person hence companies use these attractive celebrities to effectively sell their products. The beliefs and purchase intentions of consumers can best be changed through the use of physically attractive celebrity endorsers (Baker & Churchill, 1977). Furthermore this behavior can best be explained by the halo effect, where a person who performs well on a particular dimension, for example physical attractiveness, automatically scores high on other dimensions (Solomon, 2006). Several papers told us that attractiveness of endorsers create an attitude change (Cabalero & Price, 1989; Chaiken, 1979; Petty & Cacioppo, 1983).

Kahle and Homer (1985) conducted a study with a total of 200 men and women to grade celebrities on physical attractiveness, involvement and likeability. The participants got a

couple of brochures to read with advertisements of celebrities they received and got a questionnaire regarding to the attractiveness, likeability and involvement of the celebrities. The results of this study were that participants who saw an attractive endorser liked the product more than participants who saw an unattractive source. Also looking to the likeability, Kahle and Homer (1985) stated that participants had a more positive attitude to the liked celebrity than the disliked celebrity. The brand recall was also higher with attractive celebrities; the same was described for the liked celebrity. The recall of the product was higher when participants had a high involvement. When participants had a low involvement, also their recall of the product was lower (Kahle & Homer, 1985). In general it can be stated that when consumers are low involved, they will be more influenced by the source attractiveness model. When consumers are low involved they use heuristics, inertia and impulse behavior; so they use simple decision-making behavior to form attitudes (many arguments are provided, so the product must be good; or the endorser in the ad looks well, so the product must be good). Physical attractiveness of the source may be very influential.

# 2.6.3 Meaning Transfer

The meaning transfer model is based upon meanings and it proposes that the effect of the celebrity endorser is depended on the meaning the celebrity brings into the endorsement process and the product (McCracken, 1989). The model is created to illustrate the process of the celebrity endorser. Different brand ambassadors have different connotations and they differ in demographics, personalities and lifestyles. Celebrities can be very valuable in endearing a product or brand to the public because they give the consumer quite a few

characteristics when they think of the product or brand. Celebrity offers meaning of deepness and power from their character and lifestyle into the endorsement hence are more effective that non-popular endorsers (Schlecht, 2003). The feelings of consumers have towards the brand is positively influenced when companies create a suitable meaning transfer between the endorser and the product.

The meaning transfer model can be put in three stages. In the first stage the cultural meanings of the society are considered. Celebrities carry their own symbolic associations into their endorsement of a brand. Stage 1 is examines whether objects, persons and context fit to the celebrity. In the second stage, the meaning linked with the celebrity moves from the endorser to the product or brand. The meanings of the endorser become associated with the product, and then it is determined whether the symbolic characteristics of the celebrity are the ones sought for in the product and if a celebrity represents those symbolic properties. After the celebrity has been selected, the consumption process of the celebrity will start, and through the use of a promotional campaign the celebrity will be linked to the product. In the last stage, the consumers link the celebrity with the product and the product with themselves. Celebrities play a role in the last phase of this model while they have generated the self. Meaning transfer is especially useful when there is a good match-up between celebrity and brand. That is why it is important for companies to have the exclusive rights of a celebrity endorser. Because when a celebrity endorser is endorsing for more products and brands, the strength of the match-up and meaning transfer decreases. Furthermore, the meaning transfer is specifically valuable for low-involved consumers, since when they like the

celebrity, they will automatically like the brand; and this will positively influence the attitude towards the brand and product.

#### **CHAPTER THREE:**

#### **METHODOLOGY**

#### 3.1 Overview

This chapter represents a detailed description of the study site, research design, study population and unit analysis, sample size and sampling procedures, data analysis and presentation. The chapter finally presents the ethical consideration that will guide the study.

Prewit (1974) defines methodology as "the systematic research procedures and techniques which help the researcher to avoid self-deception." The assumption is that the researcher wants to describe accurately and explain the phenomena observed. The researcher uses procedure to minimize the probability of inaccuracy of the project. In this section I will discuss data collection method and data analysis.

## 3.2 Research Design

An appropriate research design is important in determining the type of data, data collection technique and sampling methodology (Hair *et al.*, 2007). This study adopted a mixed method explanatory research design, which entails the application and combination of both qualitative and quantitative data collection methods including reviewing secondary sources of data. Primary data collection was in three ways; first is by way of survey from youth customers (the University of Nairobi students) with experience in using smartphones. The Likert scale was used to measure response since it is widely used in market research and has been extensively tested in both marketing and

social sciences (Hair *et al.*, 2006). The second way was through interviewing marketing executives (key informants) from mobile phone companies within Nairobi, namely, Samsung, Tecno, Infinix and Nokia; while the third way was through focus group discussions.

#### 3.3 Variables

A variable is a concept that stands for variation within a class or group of objects (Fraenkel & Wallen, 2000). The study had two main categories of variables namely;

# 3.3.1 Independent variables

The independent variables were:

- 1) Celebrity's physical attractiveness,
- 2) Credibility of the endorser

# 3.3.2 Dependent variable

The dependent variable was the loyalty among the youth consumers.

# 3.3.3 Data Collection and Samples

A total of 250 self-administered questionnaires were randomly distributed, so that at least 90% of the total would be successfully answered and returned. The questionnaires were distributed to undergraduate students in the School of Journalism and School of Business at the University of Nairobi, Main campus. From my pilot study I realized that the majority of the undergraduate students own smartphones and are part of generation Y.

Therefore students from the two schools were conveniently selected since they are a good representation of the Y generation in Kenya.

Key informants from four mobile phone firms which were; Samsung, Nokia, Tecno and Infinix were purposively selected and interviews conducted. Voice recorders were used to record the interviews.

Two focus group discussions involving 9 discussants each were also purposively selected conducted and conclusions noted down.

#### 3.3.4 Research Site

The study was carried out in Nairobi City County, that is, the mobile phone firms within Nairobi and The University of Nairobi, school of journalism and school of business. This is because it was convenient and easy to find youths with smartphones, while most marketing executives that are key informants in this research are based in Nairobi. It therefore means that the site was convenient for sampling and according to Hair *et al.*, (2007) a convenience sample allows researchers to solve a large number of interviews quickly and cost effectively.

#### 3.3.5 Population

Cooper & Schindler (2003) describe a population as the total collection of elements upon which inferences are made. The target population for this study was undergraduate university students in Nairobi. This is because most of this population is aged between

18-28 years, and belongs to what has been described as the digital generation. The research also targeted marketing officials from mobile companies within Nairobi.

## 3.3.6 Sample Frame

Sample frame is a broad list of the elements from which the sample is drawn (Hair *et al.*, 2007). It is an objective list of the population from which the researcher can make a selection. The sampling frame for this study were 250 respondents (undergraduate students) from The University of Nairobi, school of journalism and school of business and informants from smart phone firms in Nairobi. In this study, the sample size was two hundred and fifty respondents for the survey, four key informants for interviews and sixteen discussants (8 each) for two focus group discussions.

## **3.4 Sampling Techniques**

In this research, purposive and simple random sampling techniques were adopted. This study purposively selected the School of Business and School of Journalism as they were very convenient. The researcher then went to ongoing classes and issued questionnaires using simple random sampling. Four key informants for interviews and sixteen discussants (8 each) for two focus group discussions were also purposively selected.

## 3.4.1 Sample Size

For quantitative inquiry, Fisher's formula was employed to calculate the sample size. Using the formula, the number 250 (125 from each school) was reached as best representation respondents for the survey. According to Fisher (2007), "appropriate

sample size could result in correct and reliable research". Responses from the 250 respondents were used keeping in mind error margin.

Four key informants for interviews and sixteen discussants (8 each) for two focus group discussions were selected.

### 3.5 Research Instruments

In carrying out a research, a researcher should use methods that provide high accuracy, generalization and explanatory power with minimum management and administrative convenience. Primary data collection was undertaken by way of survey from youth consumers who have experience using smartphones, interviewing key informants (marketing experts) and focus group discussions.

The content of the questionnaire was divided into three different parts. The first part solicited relevant personal information, including the participants' occupation, gender, age and level of educational. The second part sought to measure participants' perceptions and expectations of the brand. It had ten attributes which reflected the dimensions of brand qualities and were described by the statements that reflect respondents' perceptions of the qualities. This was according to Likert scale a five-point scale range from 1 (strongly agree) to 5 (strongly disagree) selected as their responses. As for the last part, it had three questions which measure participants' behavioral intensions that express their loyalty.

Each purchase intension was measured by one item, from 1:"very likely" to 5: "very unlikely".

The researcher also used audio recorders and field notes to record interviews and focus group discussion.

Table 3.1: Showing the structure of the questionnaire

Question	Concept	Theory					
No							
(1-4)	Demographics	Demographic characteristics which relate to generation Y					
(5-8)	Brand experience	Customer's internal despondence					
(5-8)	Brand image	What the youth think about the brand abstractly					
(9-12)	Customer perception	Perceived quality of the brand as compared to the competitors					
(13-16)	Brand ambassador	Influence of celeb used to endorse the brand					
(17-22)	Brand loyalty	Repeat purchase behavior					

## 3.6 Data Collection Method

Data collection is a very important process in any research. This process provides the factual foundation for the findings derived from the research (Fisher, 2007). There are normally two ways of collecting proof in a research study; they include secondary data derived from secondary sources and primary data from primary sources (ibid).

## 3.6.1 Primary Data

Primary data collection was conducted in three faces:

- a. Survey using questionnaires;
- b. Interviewing key informants;
- c. Focus group discussion.

A questionnaire was used to collect data in order to get deeper knowledge of youth customer's attitude towards smart phone brands as well as the extent of their loyalty towards their favorite brands. This approach also helped to compare the opinions of a large number of people easily within the short time available.

Closed ended questions allow the respondents to answer the question in an easy and fast way, Fisher (2007). Fisher (2007) added that, for a quantitative study, it is better to use closed ended questionnaire approach. Interviews with key informants were also conducted in person to get the real feeling of the marketing executives as they are the main players in decision making.

I then organized and regulated three focus group discussions of 8-10 discussants. The aim of the focus group discussion was to dig the issue deeper and capture the feelings and emotions about the subject of research. I contextualized the group and ensured minimum biases in the discussions.

## 3.6.2 Secondary data

Secondary data was collected from different sources only for theoretical purposes. Studying previous research that was related to the research topic was also done. This data helped to get an insight into the field of the study and a general view about topic was established. In this research project, secondary data was taken from online sources such as different journals, articles and literature that were available in the Wiley online library and Google Scholar. The second part of theoretical data came from academic books, which were studied during our Master's program, or the books that were related to the research topic.

## 3.6 Data Reliability and Validity

The degree to which findings are consistent over time and an accurate representation of the total population under study is referred to as reliability. "The extent to which the results of a study can be reproduced under similar methodology is considered to be reliable" (Kirk and Miller,

1986). Validity and reliability test was done through piloting 25 consumers adjusted accordingly, a week before the actual data collection. The research instruments were thoroughly scrutinized by the University supervisors before the researcher went to the field.

## 3.7 Data Analysis

Coding responses, screening data, cleaning and selecting appropriate data analysis strategy is what is involved in data analysis (Churchill and Lacobucci, 2004; Sekaran,

2000). Data was analyzed quantitatively and qualitatively (mixed methods content analysis). The questionnaires given out were numbered. These numbers were used as codes and entered into the Statistical Package for Social Sciences (SPSS). Using the program, the data was then be analyzed in line with the objectives. The subsequent statistics including frequencies and percentages were calculated.

The data analyzed is presented below using graphs and pie charts. The qualitative data from key informants was classified into themes, analyzed and conclusions drawn. For the focus group discussions, Keywords-in-context method was used to analyze the data. This involved a contextualization of words that were considered central to the development of themes and theory by analyzing words that appear before and after each keyword, leading to an analysis of the culture of the use of the word (Fielding & Lee, 1998).

## 3.8 Legal and Ethical Considerations

Mugenda and Mugenda (1999) say that ethics is a branch of philosophy that deals with moral values which guide one's behavior. First, on approval of the research proposal, the researcher acquired the certificate of fieldwork (see appendix 4) which was duly signed by the supervisor, director and associate director of School of Journalism and Mass Communication. The researcher then proceeded to the field where confidentiality of information given was assured to all study respondents. No respondent was asked to write his or her personal identification on the questionnaires (see appendix 1). Any other researcher's work used in this research was properly cited and acknowledged. The data collected during the study was and will not be used to vindicate, victimize or stigmatize

anyone (see appendix 2 & 3). The researcher arranged and agreed with the respondents on the day to collect the data. After successfully defending the final thesis, the researcher acquired the Certificate of Correction (see appendix 5) which was signed by the supervisor, director and associate director to show that issues raised during the defence were dealt with. The researcher went ahead to acquire the plagiarism report (see appendix 6) to show that he was within the plagiarism limits set by the University and finally the Declaration of Originality form (see appendix 7) showing that this was his original work.

### **CHAPTER FOUR**

## DATA ANALYSIS, RESULTS AND DISCUSSION

### 4.1 Overview

This chapter presents the findings as obtained from the field and interpretation of the data. Further, the chapter has background information of the respondents, findings of the analysis based on the objectives of the research. In discussion of the findings of the study, descriptive and inferential statistics have been used.

The study targeted a sample size of 250 respondents who were handed questionnaires out of which 236 filled and returned them. The response rate out of this was 94% which was satisfactory to make conclusions for the study. In addition, the response rate was representative. According to Mugenda and Mugenda (1999), a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent. Based on this statement, the response rate was considered to be quite good.

## 4.2 Respondents

For the demographics, the study sought to find the respondent's age. The results are shown in figure 4.1 below.

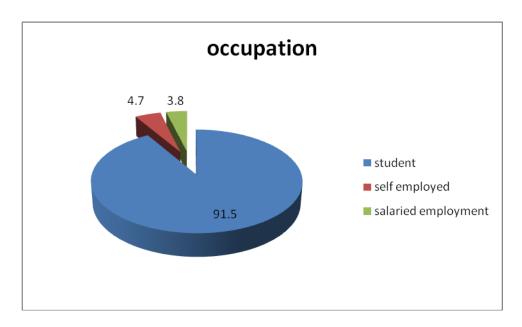
Table 4.1: Age of respondents in the study

Age	Frequency	Percent
16-19	15	6.4
20-23	192	81.4
24-27	22	9.3
28-31	6	2.5
above 31	1	.4
Total	236	100.0

Majority of the respondents (81%) are aged between 20-23 years. They are followed by those aged between 24 and 27 at 9%, while above 31 are the least with least than 1%. This means that a majority of this population is still in the transition from teenagers to adults. Psychologists believe that this segment of the population is very adventurous and likes trying new things. This is supported by Lazarevic (2007) who argue that this segment of the population has a tendency to low repeat purchase because it is difficult to hold it as loyal customers.

Figure 4.1 Respondent's Occupation

The study sought to determine the occupation of respondents. The results are shown in Table 4.1 bellow.



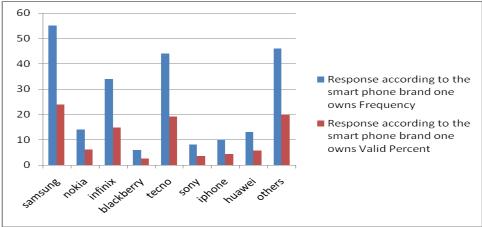
Source: Research data (2016)

The majority (86%) of the population is students. It is also evident that 9% of the respondents are students who are self-employed, while 5% are salaried employees.

This shows that the majority is not financially independent. This can be linked to their lack of power to choose or purchase what they love. Most of them are forced to own the smartphones they are bought for or those that they can afford.

Figure 4.2: Ownership of Smartphone brand

The study sought to determine the type of smartphone brands that respondents own. The results are shown in Table 4.2.



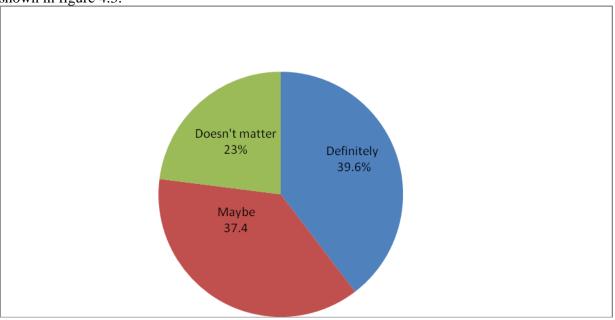
Source: Research data (2016)

Out of the population of 230 that responded to this question, Samsung was leading with 55 respondents (23.9%) owning the Smartphone. This was followed by Tecno, 19.1% (44 respondents) while Infinix came third with 34 (14.8%) of the respondents owning it. Nokia enjoys 6.1%, Huawei, 5.7% while iPhone, Sony and Blackberry come last with 4.3%, 3.5% and 2.6% respectively.

This study indicates clearly that there is no dominant player in this industry, especially when the youth are the target consumers. With new players joining the market and new products innovated at an alarming rate, this segment of the population prefer trying new things especially those they think can give the better services at a cheaper cost.

Figure 4.3: Effectiveness of celebrity endorsements

The study sought to find out whether celebrity endorsements are effective. The results are shown in figure 4.3.



Source: Research data (2016)

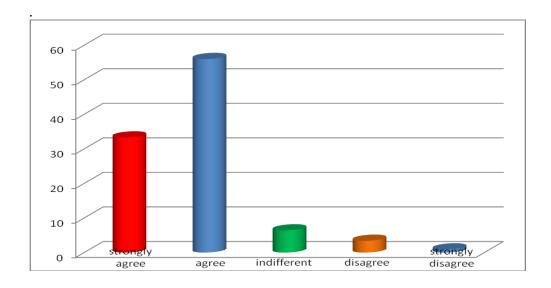
According to this research, 39.6% of the respondents were certain that celebrity endorsement is more effective as compared to other types of endorsements without celebrities. 37.4% had not formed opinion on the same since they were not very sure of the effectiveness of celebrity endorsements. The remaining 23% of the respondents think that celebrity endorsement is not important in marketing smartphones.

Just like the general advertisement, celebrity endorsement plays the role of informing potential customers of a new product or changes made on a product, reminding them of an existing product and call for action. When the right celebrity is used properly, at the right time, especially during promotions, an effect is felt in the sales. Discussants argued that celebrities easily appeal to the emotions and taste of customers. These sentiments

agree with Severn, Belch & Belch (1990) who opined that, celebrity endorsers play an influential role in appealing to customer's emotions, feelings, taste and preference about a particular product brand.

Figure 4.4: Response according to whether celebrity endorsement catches public attention and helps boost sales

The study sought to determine whether celebrity endorsement attracts public attention and helps boost sales. The results are shown in Table 4.4

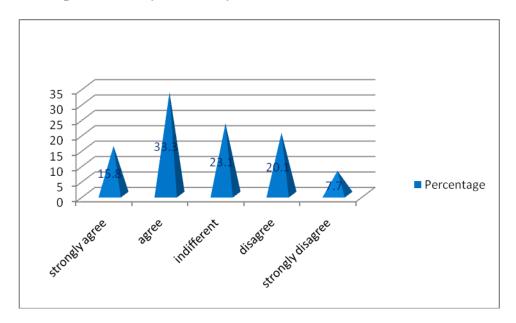


Source: Research data (2016)

Majority of the generation y consumers think that celebrity endorsement catches public attention and help boost sales. In fact, 54% agree that sales get boosted by celebrity endorsement while 32% strongly agree on the same. 6% were indifferent, 3% disagree while 1% strongly disagree with the statement.

Experts argue that celebrities act as gods to their fans, hence they can easily influence them. This research data echoes the findings of Farrell *et al* .(2000) and Erdogan *et al*. (2001) who argue that celebrity endorsement can largely boost sales for firms that employ them in their advertising campaigns. Since most fans follow keenly the lives of their favorite celebrities, they get attracted to the brands that are used or endorsed by the stars hence wanting to taste or experience them.

Figure 4.5: Response according to whether one's self image is boosted of buying a brand patronized by a celebrity



Source: Research data (2016)

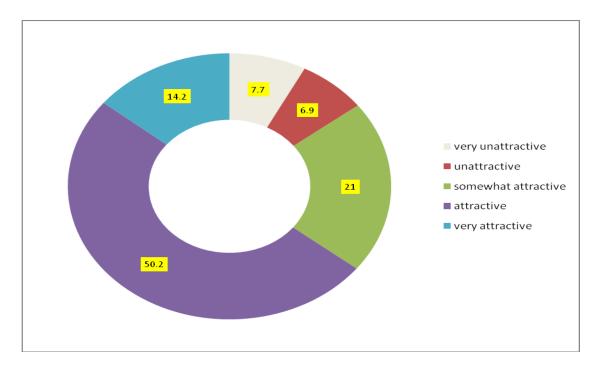
33.3% of the respondents agree and 15.8% strongly agree that by using smart phone devices patronized by celebrities, their-self image is boosted. 23.1% are indifferent while

20.1% and 7.7% disagree and strongly disagree respectively that their self-image can be boosted by celebrity endorsed products.

Celebrities, being that role models of the youth aged 18-24 years especially, technically set standards. They indirectly communicate what is in fashion or trending. Purchasing, owning or consuming same technology as popular personalities is viewed as being stylish and up to date according to majority of the respondents. O'Shaughnessy (2002), echoes that consumers seek positional products to signify group membership and to mark their position.

Figure 4.6: Feelings towards the celebrity's physical attractiveness

The study sought to determine youth customer's feelings towards celebrity's physical attractiveness. The results are shown in Table 4.6.



Source: Research data (2016)

Half of the respondents, (50.2%) sees the celebrity used to endorse their favorite smartphone to be attractive. 14.2% see them to very attractive, while 7.7 % feel the endorsers are not attractive at all. It is clear that consumers are conscious about the attractiveness of the starts that endorse smartphone products. Supporting Ohanian (1991), beauty is a greater recommendation than any letter of introduction. Therefore the beauty of a celebrity is key since that is what catches the attention of the target audience.

Table 4.2 Response according to the feelings towards the celebrity's physical attractiveness \* Response according to the likelihood of buying a smart phone endorsed by a celebrity Crosstabulation

		Response according to the likelihood of buying a				
		smart phone endorsed by a celebrity				
		High	Low	Average	Total	
Response according to	very unattractive	7	5	6	18	
the feelings towards the	unattractive	1	10	5	16	
celebrity's physical	somewhat attractive	11	10	28	49	
attractiveness	attractive	34	11	72	117	
	very attractive	8	6	19	33	
Total		61	42	130	233	

Source: Research data (2016)

Table 4.3: Response according to the feelings towards the celebrity's physical attractiveness \* Response according to willingness to move to a new brand Crosstabulation

Count

		Response					
		to m	to move to a new brand				
		yes	no	can't tell	Total		
Response according to	very unattractive	6	5	7	18		
the feelings towards the	unattractive	1	8	7	16		
celebrity's physical attractiveness	somewhat attractive	8	23	17	48		
	attractive	37	42	38	117		
	very attractive	11	14	8	33		
Total		63	92	77	232		

Source: Research data (2016)

The two crosstabulations above show celebrity attractiveness influencing the purchase of the endorsed product but does not guarantee stay in the same product. For instance, out of the 233 respondents, 117 felt that the celebrity used was attractive. 34 of 117 saw the likelihood of purchasing the product brand patronized by the celebrity. On the other hand,

37 of the 117 who thought that their smartphones were/are endorsed by physically attractive celebrities were willing to move to a new brand. 18 respondents felt that the celebrity used to endorse their favorite smartphones was very unattractive but 7 out of them were willing to purchase it. 5 out the 18 were not willing to move to a new brand.

Although the source attractiveness model is for the ideal that physical attractiveness of the endorser influences purchase habits among the youth especially, the findings of this study proves otherwise to a large extent when it comes to digital technology. Discussants and informants agreed with the discussions and critics about the Source Attractiveness Model (Friedman and Friedman, 1979; Baker and Churchill, 1977; McCracken, 1989) that suggest that, attractiveness does not guarantee the success of the endorsement.

My findings also indicate that physical attractiveness is very key in selecting a brand ambassador. However, just attractiveness alone is not enough to influence consumers. Celebrity-product match is very important. For some consumers, celebrities perform the functions of gods, or god-sent beings (O'Guinn, 1991). This is because of their extremely attractive images and the ideal lives they portray. There is no doubt that this has an effect on their fans; but, if after purchase of the smart phone the experience is not as beautiful as portrayed, chances of going back for the same brand are very slim.

Table 4.4 Response according to the celebrity's trustworthiness

Trustworthiness	Frequency	Percent
very untrustworthy	5	2.1
untrustworthy	33	14.0
somehow trustworthy	104	44.1
trustworthy	75	31.8
very trustworthy	14	5.9
Total	236	100.0

Averagely, the youth customers in Kenya are not sure whether to trust brand ambassadors or not. Only 5.9% of the respondents thought the celebrity used to endorse their popular smart phone was very trustworthy. 31.8 percent trusted the brand ambassadors while a significant proportion, 45%, were not sure whether to trust the endorsers. The remaining 16.5% felt that the stars should not to be trusted.

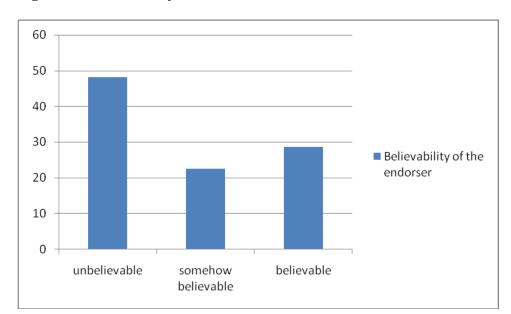


Figure 4.7 Believability of the endorser

From the findings, it shows that there is no total trust on Kenyan celebrities. Just a few of the young smartphone consumers (28%) believe in what the brand ambassadors say or claim. A large number, 48% do not do not believe the claims made by endorsers while 22% believe them to some extent.

When consumers do not fully trust the endorser or have doubts on his/her claims, it means that his/her credibility is questioned. This explains why most Kenyan celebrities are not influential. A person you believe like a medical doctor for instance can convince you to believe in something you do not see like taking a bitter herb to heal you. This is in line with Erdogan (1999) findings that celebrity endorser's credibility is not a single source but a valuable source having cognitive and positive effect on the intent to purchase.

Table 4.5 Response according to one's loyalty

		Frequency	Valid Percent
Valid	Yes, one or two specific brands	74	31.8
	Yes, I tend to stick to what I like	53	22.7
	Yes, there are loads of brands which I love	14	6.0
	Not really, I buy from different brands	36	15.5
	No, I buy depending on other variables	56	24.0
	Total	233	100.0

Many young customers interviewed are not loyal to specific smart phone brands. Out of the 60% who claim to be loyal, 31.8% are loyal to one or two specific brands while 6% love loads of brands. 24% out of the 40% that are not loyal buy phones depending on other variables while 15% can't rate themselves as loyal as they buy from different brands.

The findings are supported by Lazarevic (2007) who argue that, it is difficult to hold this segment of the population as loyal customers because they rationalize things and usually have the tendency to low repeat purchase.

Table 4.6 Response according to one's feelings towards the brand

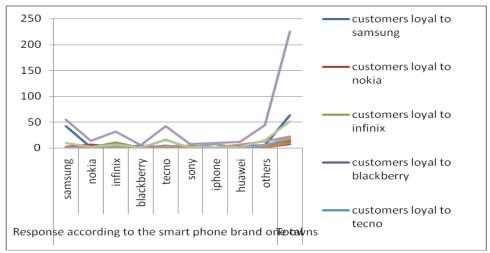
Response acco	ording to one's feelings towards the brand		
		Frequency	Percent
Valid	I trust them completely; they can do no wrong to my eyes	15	6.4
	They are amazing love them, i could not ask for more.	35	14.8
	I really like what the brand stands for and it makes me feel good buying from them	42	17.8
	I like the brand, have some issues, but they have managed to solve them so I keep going back	34	14.4
	They have good products that is why I buy again and again	68	28.8
	No idea	42	17.8
Total		236	100.0

Different consumers have different reasons to justify their loyalty. However, relatively a big number believes that their brand has a good products and that is why they always go

back to buy. What the brand stands for, right from its slogan to CSR, is another factor reason that makes the loyal customers love their brands.

Table 4.7: Response according to the brand one loves \* Response according to the smart phone brand one owns Cross tabulation

Response according to the smart phone brand one owns											
		samsung	nokia	infinix	blackberry	tecno	sony	iPhone	huawei	others	Total
Response	samsu	42	1	6	0	4	1	1	3	5	63
according	ng										
to the brand	nokia	2	6	2	0	0	1	0	1	1	13
one loves	infinix	0	1	11	0	2	0	0	0	2	16
	blackb	0		1	5	1		0	0	1	0
	erry	0	0	1	3	1	0	0	0	1	8
	tecno	0	0	3	0	16	0	0	0	2	21
	sony	0	0	1	0	3	4	0	1	1	10
	iPhone	1	2	2	0	2	1	7	0	5	20
	others	0	2	0	0	0	0	1	6	13	22
	none	10	2	6	1	15	1	1	1	15	52
Total		55	14	32	6	43	8	10	12	45	225

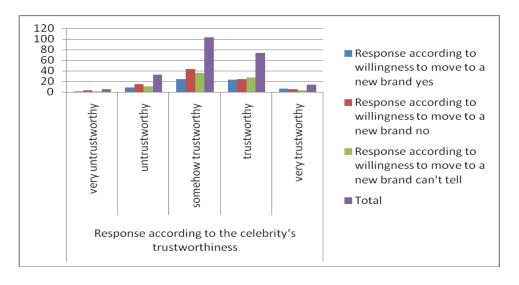


Source: Research data (2016)

From the data collected, there is a clear disconnect between the smartphones that consumers love and the ones that they own. For instance, out of the 225 who responded positively, 20 love iPhone. Among the 20, only 7 own the iPhones. Out of the 43 respondents who own Tecno, only 21 love it.

Discussants of this study argue that most youth love the already established brand but lack the financial power to purchase them. Therefore, they end up buying cheaper brands that give them the same or almost the same service. Using the Aaker (1991) brand loyalty pyramid, the youth consumers can be placed on the lower levels. They keep switching brands due to low switching costs, lack emotional attachment to the product or become loyal to a brand that continuously satisfy them.

Figure 4.8: Response according to the celebrity's trustworthiness \* Response according to willingness to move to a new brand Crosstabulation.



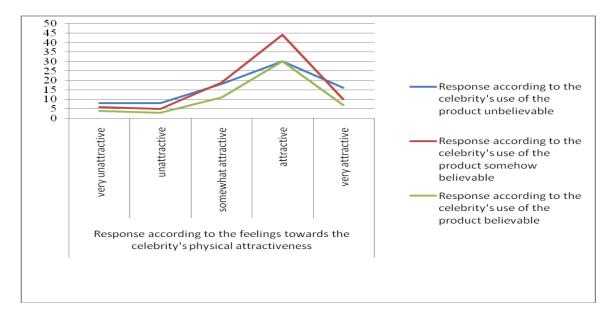
Source: Research data (2016)

The credibility of a celebrity is very key in any endorsement. However, in the telecommunications industry, as much as credibility can boost the influence of the endorser, it does not obviously influence loyalty of the generation y. The above findings indicate that even the 66 respondents out of 236 who feel that celebrities who endorse their products are trustworthy, 21 of them are willing to move to a new brand. 22 are willing to stay in the brand while 23 are not sure whether to stay or move.

Agreeing with some of the related studies, the use of credible celebrity in endorsements is a significant factor in the effective marketing. Results of this study add to literature in many aspects. First, Celebrity Endorsement is important for the companies to capture the attention of their consumers because the audiences are influenced by the celebrities in willingness to buy. From the research findings, I agree that the credibility of the endorser matters to consumer who buy a particular product. This credibility not only influences the mind of consumers to purchase the product but also to develop a positive word of mouth regarding the brand being endorsed by the high credibility celebrity. Our results show that if the credibility of celebrity is high then it influences more to buy and be loyal to a product than a celebrity with relatively low credibility. These results echo Goldsmith Lafferty *et al.* (2000) who argue that the credibility of a commercial and endorser increases willingness to buy.

Table 4.8: Response according to the feelings towards the celebrity's physical attractiveness \* Response according to the celebrity's use of the product Crosstabulation

		Response according to the celebrity's use of the product					
		unbelievabl	somehow				
		e	believable	believable	total		
Response according	very unattractive	8	6	4	18		
to the feelings	unattractive	8	5	3	16		
towards the celebrity's physical	somewhat attractive	18	19	11	48		
attractiveness	attractive	30	44	30	115		
	very attractive	16	10	7	33		
Total		65	53	53	230		



From the cross tabulation of brand ambassadors' physical attractiveness and whether consumers of the products (smartphones) they endorse, one thing is clear; the clients are generally not sure whether the celebs use the products they promote. For instance, out of the 115 respondents that feel that the celebs are physically attractive, 30 believe that they actually use the products, another 30 do not believe that they use the products they promote, while 44 are indifferent.

Table 4.9 Response according to factors one considers during the purchase of a Smartphone verses age of the customer

		Response according to factors one considers during the purchase of a Smartphone					
		advertisemen ts	brand	quality	price		
Response according	16-19	0	3	11	1	15	
to age	20-23	7	25	127	32	192	
	24-27	0	4	16	2	22	
	28-31	0	0	3	3	6	
	above	0	0	1	0	1	
	31		Ŭ				
Total		7	32	158	38	236	

Source: Research data (2016)

On factors that affect purchase decision, it came out that celebrity endorsement which in most cases takes place through adverts, contributes little during smart phone product purchase. Most of the generation y customers consider quality and price of the product most as opposed to adverts. Brand image and advertisements affect most those between 20-23 years of age.

Marketing experts in the telecommunication industry believe that most of their customers in these age bracket go for a specific phone through referrals from friends and relatives who have experienced the product. It is however true that for the first customers of a new device, they are mostly influenced by adverts but not repeat purchase clients.

Table 4.10: Response according to the brand one is loyal to \* Response according to one's feelings towards the brand Cross tabulation

		Response according to one's feelings towards the brand					
					I like the		]
				I really	brand,		
					have some		
		I trust			issues, but		
		them	They are		they have		
		completely	_		managed	good	
			love them,			*	
			I could not ask for	_	keep going	_	
		my eyes	more.	from them	back	and again	Total
Response	Samsung	4	7	12	11	29	63
according to the	Nokia	1	3	4	2	4	14
brand one is	Infinix	0	5	3	5	4	17
loyal to	Blackberry	1	1	2	1	3	8
	Tecno	1	6	3	5	7	22
	Sony	1	2	4	0	4	11
	iPhone	6	5	4	1	3	19
	others	1	3	5	7	6	22
	none	0	2	5	1	8	16
Total		15	34	42	33	68	192

From the cross tabulation, it is clear that very few customers have an absolute trust on a product brand. Other factors like functionality, price, design remaining constant, majority will consider corporate image/brand as opposed to product brand. For instance, the above table shows 68 out of 192 being loyal to a brand simply because they believe the company has good product.

Table 4.11: Correlation between physical attractiveness and brand loyalty.

The researcher sought to find out the correlation between the physical attractiveness of a celebrity endorser and brand loyalty. The table 4.11 shows the outcome.

### Correlations

		Response according	Response to whether
		to the feelings	one would change to
		towards the celebrity's	another brand given
		physical attractiveness	chance
Response according to the feelings	Pearson Correlation	1	049
towards the celebrity's physical	Sig. (2-tailed)		.476
attractiveness	N	233	216

## **Source: Researcher**

From the findings above, the researcher found that the correlation is positive but weak (0.476).

Table 4.12: Correlation between celebrity credibility and brand loyalty

### **Correlations**

Correlations			
			Response to whether
		Response according	one would change to
		to the celebrity's	another brand given
		trustworthiness	chance
Response according to the celebrity's	Pearson Correlation	1	012
trustworthiness	Sig. (2-tailed)		.858
	N	231	215

## Source: Research data (2016)

The correlation on credibility of a celebrity endorser and brand loyalty is also positive but very weak (0.102). This means that when a smartphone is endorsed by a celebrity that consumers highly trust due to his qualifications, skills or knowledge the student consumer can still move to another brand.

Celebrity endorsement is very good especially for new brands or little known products. This Research shows that, celebs work best in sales campaigns to boost sales. In terms of loyalty however, they play a very minor role. Most marketing experts do not recommend celebrity endorsement of smartphones in Kenya due to the following reasons: First, Kenya does not have 'real' celebrities. It lacks celebs who appeal to a large population, this is because unlike other countries where celebs live ideal lives, are seen to be very successful and are rare, in Kenya, most celebs are all over town and maybe miserable that their fans. Most of them do not make fans want to be like them past their talents.

Secondly, Kenyan celebrities generally do not stand the taste of time. Many of them are popular for a short time before rendered irrelevant. For instance, Kenya has no known music genre of its own like Tanzania's Bongo, Jamaica's reggae, American Hip Hop, Lingala for Congo, among others. Therefore most musicians hit for a short time before people getting tired of them and moving to new ones. Sportsmen and politicians rise and fall overnight to hop from one party to the other. If such celebrities are used to patronize a product brand, the endorsement won't last for long effectively.

Finally, most celebs are not loyal themselves. Apart from the products they use, it is common to find them endorsing more than one product at the same time. This makes it difficult to identify them with the products. Maina Kageni is a classic example. The celebrity can endorse more than five different products in one radio show.

Due to the above reasons, the Kenyan celebrities fail to act as gods to their fans who are the youth customers in this context. It is therefore difficult to influence the consumers who separate the products from endorsers.

#### **CHAPTER FIVE**

## SUMMARY, CONCLUSION AND RECOMMENDATIONS

#### 5.1 Overview

This chapter presents a summary of findings of the study, conclusion and recommended areas of further research. Section 5.2 provides a summary of the study, section 5.3 provides the conclusion. Section 5.4 provides the limitations to the study and section 5.5 provides recommendations for further research.

## **5.2 Summary of the Study**

The objective of this study was to establish the level of celebrity influence on youth loyalty towards smartphones in Kenya. In addition the study sought to determine the influence of celebrity's credibility and physical attractiveness on effective celebrity endorsement. To achieve these objectives, questionnaires were distributed among the youth customers, interviews conducted with marketing executives and focus group discussions held.

These participants felt that celebrity endorsement plays a key role in influencing purchase decisions of smartphones among the youth. This can be supported by source attractiveness model and source credibility theory by Hovland, Janis and Kelly (1963) who argued that people or receivers are more likely to be persuaded when the source presents itself as credible. However, when it comes to loyalty, functionality and price of the product come. The findings therefore support the meaning transfer model where

consumers first link a celebrity endorser with the product, and then the consumers link the product with themselves.

### 5.3 Conclusion

This research is in agreement with previous studies that Celebrity endorsement is among the most successful marketing communication practices used by marketers in Kenya and globally. This is true as it is very effective, especially in breaking message clutter, increasing the credibility and effectiveness of advertisements (Bailey, 2007), enhancing brand recognition (Petty *et al.*, 1983), stimulating positive attitudes towards brands (Kamins, 1989), and finally, increasing sales and profits (Erdoğan, 1999; Choi *et al.*, 2005; Pringle and Binet, 2005).

Experts believe that celebrity endorsements help to push the product especially to the audiences that consider the celebrity a role model. Being role models, their fans want to live and be like them, hence a big appeal to their choices. The fear of appeal is then used, in that, 'you do not have it, and then you are not with it. In other words you do not belong. Celebrity endorsements work best when the audience identifies with the celeb. For instance, when Sony Erickson was launched in Kenya, it was nick-named 'the James bond 'phone because many people identified themselves with the actor. In the case of smart phone brands, a successful young attractive celebrity will be ideal. This is because; the youth customers who are the largest consumers of smartphones want to identify with the celebs in sports and entertainment industry most. Most of these celebrities are physically attractive and portray ideal lives which most youth dream of. However, if a

celebrity is just attractive and not credible, he/she might not be trusted enough to influence buyers.

If the celeb is properly chosen factoring the above and his congruence with the product, sales are boosted. This is because the celebrities breaks the clutter of advertisements and make the advert more noticeable. Marketers also believe that the psychographic connection between the celebrity and the consumers will help them sway the potential customers easily.

In Kenya for instance, Sauti Sol that is the leading music group was used to endorse the Tecno Phantom Z. The managers of the brand were banking on Sauti Sol's mass appeal to show their audiences that they can offer what bigger and older companies like Samsung can offer at a lower price. After the launch of their music video, 'Surayako', which promoted the Tecno phone showing different features like the camera, the sales went up by 23%.

This research further reveals that marketing smartphone devices is different from other lifestyle products in the Kenyan market. As much as a smart phone can be argued as a fashion product, being loyal to specific brand has become challenging due to increasing competition amongst the mobile phone companies and new and cheap players coming on board.

## **5.3.1** Credibility of a Celebrity

Consumers believe that if celebrity uses the endorsed product then it increases intentions to buy the endorsed product. This contradicts with the finding Zahf and Anderson (2008) and agrees with the finding of Kahle and Homer (1995) in terms of experience which matters consumers.

This study also supports the findings of the Zahf and Anderson (2008) in terms of their determinants influencing the buying intentions of the consumers that are attractiveness, trustworthy, and experience. Experience of the celebrity does not really matters to the consumers because trustworthy and attractive celebrity can influence more the audiences. When the entertainment or sports celebrity is selected then their attractiveness and the trustworthiness are the first priorities of the companies.

Companies use the celebrities on the basis of the popularity in the public but the guarantee of success is not necessary in this type of endorsement hence the selection of celebrity is such phenomena in which the companies have to care about the credibility of celebrity because it is positively correlated with the consumer willingness to buy. So it's proved that if the celebrity is well known but not credible then he will not so much influence the consumer willingness to buy.

### **5.3.2** Physical Attractiveness of the Celebrity

In Kenya, smartphones are largely judged according to the service they give the user as opposed to being a mere fashion item. As much as the social pressure on the youth and women in particular to conform to the idealized images of beauty communicated through

celebrities cause their decisions regarding their consumption preferences to be bound up with the 'preferences' of the celebrities (Bordo, 1993; Nichter and Nichter, 1991), the narrative is not the same when it comes to loyalty of smartphones. Discussants argue that, Kenyan consumers easily separate the celebrities from the product or brand.

From this research, it is clear that the correct choice of a celebrity that matches the product and the target audience boosts sales of smartphone brands among the youth. Most of the celebrities act as role models to youth thus using their public appeal; they can easily influence especially the first time consumers to buy a product. However, for the University youth customers in Nairobi to repurchase the same product brand again and again, to a large extent depends on the experience one has with the product. These findings are supported by Oliver (1999) who argues that satisfaction plays an important role in brand loyalty. In other words, if a customer does not see himself getting value from his purchase, he will automatically switch to another brand even if the product was or is endorsed by his favorite celebrity. It then means the technology adoption theory is the most ideal in this context. In conclusion, this study is in agreement with Cabellero (1989) that there is a weak relationship between the celebrity and consumer loyalty towards a brand.

#### **5.4 Limitations**

I faced constraints while conducting the study. First, the sample size is relatively small to represent the larger population of Kenya. Hence the results of this study may not be sufficient enough to make concrete recommendations.

This thesis is also generally written from a communications perspective and thus all conclusions are applicable in a communications context. Therefore, this study is not focused on the sociological or experimental research, for instance. The main objective was to examine how celebrity endorsement affects customer loyalty of smartphones among the youth in Kenya, meaning that there are limitations with respect to the dependent variables. This is because there are other factors that affect customer loyalty of smartphones like price and customer experience apart from celebrity endorsement. This study is also limited in that issues like negative publicity of an endorser were not well captured. Due to that, issues like potential negative influence of celebrities were omitted.

#### **5.5 Recommendations of the Study**

Given the findings and deep analysis of this study, the researcher recommends the following:

First, Marketers of smartphones should use celebrity endorsements for publicly especially for new products. This is because it has been proven to influence first time customers;

They should also seriously factor the credibility, product-match and physical attractiveness of a celebrity before hiring him/her to patronize a product or brand;

Mobile phone companies should invest in their technology if they want to gain loyalty of their customers. This is because loyalty is basically influenced by the experience a customer gets from using a smart phone; and finally,

If mobile phone companies are targeting the youth, they should work on their prices and also try to influence the aged and mid-aged population. This is because most youth are

not independent hence they rely on their parents, guardians or sponsors to purchase the devices.

#### 5.6 Recommendations for Future Research

This research focused on celebrity endorsement as a factor that influences consumer loyalty. It targeted the youth and informants around Nairobi. Therefore it leaves the following gaps that should be studied:

To carry out this kind of research but from the advertiser' perspective and comparing that with the customers' perspective; To carry out study on other possible aspect of endorsements; To carry out studies in other geographic areas i.e., in other regions and nations and include all possible industries to find out whether there is any significant difference in the impact on the customers who are geographically separated.

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#### **APPENDICES**

## **Appendix 1: Questionnaire (English)**

Dear Madam / Sir, I am a student of communication master program in The University of Nairobi, and I am writing my project on the influence of celebrity endorsement of smart-phones on customer loyalty among the youth in Kenya. Please take a few minutes of your time to fill in this questionnaire about your buying behavior of smart-phone brands. Your responses will be confidential.

## Part 1. Demographics

1.	Please select	your	age

- a. 16-19
- b. 20-23
- c. 24-27
- d. 28-31
- e. Above 31

## 2. What is your gender

- a. Male
- b. Female

## 3. What is your highest level of education completed?

- a. Secondary School
- b. Professional Education
- c. Bachelor's Degree
- d. Master's Degree
- e. Other, please specify.....

4.	What is your occupation?
	a. Student
	b. Self employed
	c. Salaried professional
	d. Housewife
Part 2	
5.	Do you own a smart phone?
	a. Yes
	b. No
6.	Which brand do you own?
7.	Which factors do you consider during purchase of a phone?
	a. Advertisements
	b. Brand image
	c. Quality
	d. Price
8.	In your view, how will you rate the importance of endorsement during product
	purchase?
	a. Very significant
	b. Significant
	c. Somewhat significant
	d. Not Significant at all

# Part 3. Customer perception

a. Doesn't matter

b. No

	c.	Yes							
10.	Do	you think ads endo	rsed	by co	elebrit	ies ar	e moi	re effecti	ve as compared to those
	whi	ich are not?							
	a.	Definitely							
	b.	Maybe							
	c.	Doesn't matter							
11.	Wh	at is the likelihood	of b	uying	a sma	ırt-ph	one er	ndorsed b	oy a celebrity?
	a.	High							
	b.	Low							
	c.	Average							
Part 4	: Ph	ysical Attractiven	ess,	Trust	wortł	niness	, and	Experti	se
12.	On	a scale of 1 to 5,	plea	ase ci	ircle t	he nu	ımber	that be	st reflects your feelings
	tow	vards the celebrity's	PHY	YSICA	AL A	ΓTRA	.CTIV	ENESS.	
	A	ttractive	1	2	3	4	5	U	nattractive
14.	On	a scale of 1 to 5, c	ircle	the n	umbe	r that	best r	reflects y	our feelings towards the
cele	brit	y's TRUSTWORTI	HINE	ESS.					
	T	rustworthy		1	2	3	4	5	Untrustworthy

9. Do you prefer seeing celebrities endorse a favorite brand on television?

15.	Circle	the	number	that	best	re	flects	you	ır :	feelings	towards	the	endorser's
EXPERTISE of the product they are promoting.													
	a. Exp	ert			1		2	3	4	5	Not	an E	xpert
	b. Exp	erien	ced		1		2	3	4	5	Not expe	ience	ed
16. Pl	ease cir	cle a	number	that	reflec	ts y	our t	ake (	on 1	the CON	NGRUEN(	CY E	BETWEEN
THE	CELEBI	RITY	AND TI	HE BI	RANI	Э.							
(	Congrue	nt		1	2	3	4	5		Inco	ngruent		
Part 4	1. Custo	mer	loyalty										
17. Will you be willing to move to a new smart-phone brand from regular brands if													
	endorsed by your favorite celebrity?												
	a. Ye	es											
	b. No	)											
	c. Ca	n't te	e11										
18	S. Are y	ou lo	yal to any	/ sma	rtphoi	ne b	rand?	If y	es,	which o	ne?		

19. With the above brand in mind, please rate the following:

	Strongly	Agree	Neither	Disagree	Strongly
	Agree		Agree		Disagree
			nor		
			Disagree		
My smartphone brand is my					
first choice.					
I would go for my current					
smart phone brand even if					
others function the same.					
I never look for alternative					
brands					
I would still purchase my					
current brand even if the					
price was raised					
I will change to another					
brand when I can.					
I am loyal to my current					
brand					

- 20. When purchasing a smartphone, which of these statements best reflect your thought process?
  - a. I like trying out a new brand, even if I know the one I buy from is already sufficient
  - b. If I like a brand, I rarely switch from it
  - c. I will buy from a brand that I know and love
  - d. If a brand delivers time and again, I will never switch
  - e. If there is a cheap brand, I will usually buy that brand

#### **Appendix 2: Interview questions**

Dear Madam / Sir, I am a student of communication master program in The University of Nairobi, and I am writing my project on the influence of celebrity endorsement of smart-phones on customer loyalty among the youth in Kenya. Please take a few minutes to respond to the following interview questions. Your responses will be confidential.

- a. What is your take on celebrity endorsement in marketing smart phones?
- **b.** How do you compare celebrity endorsement and other marketing strategies in promoting your product especially among the youth?
- **c.** In your view, what influences young customer loyalty on smart phone brands?
- **d.** Have you ever used a celebrity to endorse your product? If so, what was/is the effect on the purchase habits of your youth customers?
- **e.** If you have employed celebrity endorsement before, what criteria did you use to settle on the celebrity?
- **f.** Does physical attractiveness of a celebrity or his/her credibility influence customer loyalty among the youth in any way? If so, how (referring to smart phone brands)?
- **g.** How do you measure customer loyalty in your organization?

## **Appendix 3: Focus Group Questions**

Dear Madam / Sir, I am a student of communication master program in The University of Nairobi, and I am writing my project on the influence of celebrity endorsement of smart-phones on customer loyalty among the youth in Kenya. Please take a few minutes to contribute to the topic. Your contribution will be treated with confidentiality.

- a. How do you compare celebrity endorsement and other forms of marketing?
- b. What is your take on telecommunication firms using celebrities to endorse their products?
- c. In your view, what makes a youth loyal to a smart phone brand?
- d. What effect does the physical attractiveness of a celebrity has on the loyalty of young consumers to smart-phones brands he/she endorses?
- e. How does the credibility of the brand ambassador influence its brand loyalty especially among the youth?

# **Appendix 4: Certificate of Fieldwork**



# UNIVERSITY OF NAIROBI COLLEGE OF HUMANITIES & SOCIAL SCIENCES SCHOOL OF JOURNALISM & MASS COMMUNICATION

Telegram: Journalism Varsity Nairobi
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P.O. Box 30197-00100 Nairobi, GPO Kenya

#### REF: CERTIFICATE OF FIELDWORK

This is to certify that all corrections proposed at the Board of Examiners meeting held on \_3 \ O() | 2016 in respect of M.A/PhD. Project/Thesis Proposal defence have been effected to my/our satisfaction and the project can be allowed to proceed for fieldwork.

REG. NO: KS 76257 12014

Name: ONTANCHAT VICTOR WELDEN

Title: INFLUENCE OF (ELEGRITT ENPORTEMENT OF

SMARTPHANES ON CUSTOMER LOTALTY AMON OF UNIVERSITY

STORMES IN NAIPORT

SUPERVISOR

SIGNATURE

DATE

DATE

DATE

DIRECTOR

DATE

DATE

SIGNATURE

DATE

# **Appendix 5: Certificate of Correction**



#### UNIVERSITY OF NAIROBI COLLEGE OF HUMANITIES & SOCIAL SCIENCES SCHOOL OF JOURNALISM & MASS COMMUNICATION

Telegram: Journalism Varsity Nairobi Telephonis: 254-02-3318262, Ext. 28080, 28061 Director's Office: 254-02-2314201 (Direct Line) Teles: 2005 Fax: 254-02-25566 Email: <u>director-sol@sospbil.ac.ke</u> P.O. Box 30197-00100 Nairobi, GPO Kenya

#### REF: CERTIFICATE OF CORRECTIONS

Reg. No: K50 | 76359 | 2014

Name: ONTRAICHA VICTUR MELDEN

Title: INFLUENCE OF CECERATY ENDICIEMENT OF SWART PROMES

ON CUSTOMER LOTALIT AMONG UNIVERSITY TOUTH IN NAMED

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ASSOCIATEDIRECTOR

DY, NELOCA NELOCA

DIRECTOR

DIRECTOR

DIRECTOR

DATE

SIGNATURE DATE

SIGNATURE DATE

# **Appendix 6: Plagiarism Report**

INFLUENCE OF CELEBRITY ENDORSEMENT OF SMART PHONES IN CREATING CUSTOMER LOYALTY AMONG THE UNIVERSITY YOUTH IN NAIRO by Victor Bi Onyancha Weldenreg it K50/76359/2014 by Victor Bi Onyancha Weldenreg No: From Project Final & Corrections (MA Comminication theory) Processed on 05-Nov-2016 10:00 EAT ID: 732436290 · Word Count: 12200 Similarity Index Similarity by Source Internet Sources: 7% Publications: 1% Student Papers: 9% sources: 1% match (Internet from 14-May-2012) 1 http://arno.uvt.nl/show.cgi?fid=115680 1% match (Internet from 18-Feb-2012) 2 http://www.usdrinc.com/downloads/Celebrity-Endorsements.pdf 1% match (Internet from 02-Oct-2016) 3 https://www.surveymonkey.com/r/ZYMP928 1% match (Internet from 02-Aug-2012) 4 http://digitalcommons.calooly.edu/cgi/viewcontent.cgi?article=1047&context=joursp&sei-1% match (student papers from 01-Sep-2016) Submitted to Kenyatta University on 2016-09-01 1% match (Internet from 14-Sep-2015) http://jmi.readersinsight.net/index.php/jmi/article/download/18/pdf\_16 ERSITY OF HATE < 1% match (student papers from 24-Apr-2016) DIRECTOR Submitted to South Bank University on 2016-04-24 JOURNALISH & WASE file ///C./Users/Daizy/Downloads/Turntin%20Originality%20Report%20Onyacha.html

# **Appendix 7: Declaration of Originality Form**

UNIVERSITY OF NAIROBI
Declaration of Originality Form
This form must be completed and signed for all works submitted to the University for
examination.
Name of Student ON-TANCHA VICTOR WELDEN
Registration Number K50 / 76359 / 2014
College HUMANITIES AND SOCIAL SCIENCES
Faculty/School/Institute TUDRNALISM & MESIA STUDIES
Department So.T
Course Name MA COMMONICATION STUDIES
Title of the work INFLUENCE OF CELEBRITY ENDORSEMENT OF  L'MART PHONES ON CUSTOMER LOYACTY AMONG  DECLARATION UNIVERSITY YOUTH IN NAIRCE!
I understand what Plagiarism is and I am aware of the University's policy in this regard
2. I declare that this <u>DROTECT KERRY</u> (Thesis, project, essay, assignment, paper, report,
etc) is my original work and has not been submitted elsewhere for examination, award of a
degree or publication. Where other people's work, or my own work has been used, this has
properly been acknowledged and referenced in accordance with the University of Nairobi's
requirements.
3. I have not sought or used the services of any professional agencies to produce this work
4. I have not allowed, and shall not allow anyone to copy my work with the intention of passing
it off as his/her own work
5. I understand that any false claim in respect of this work shall result in disciplinary action, in
accordance with University Plagiarism Policy.
Date 09 111 2016  Date 18 NOV 2013
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