

Impact of Celebrity Endorsement, Technological Innovations and Product Quality on End User's Psyche in Karachi

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Abstract

This research is entitled to one of the best FMCG companies in the world with high brand value, 152 years old FMCG giant the Swiss international company Nestle. The purpose of this research is to highlight the link which the end user's psyche has with celebrity endorsement, technological innovation and of course product quality. Marketers are the ears and eyes of the company, they have their hand on the pulse of the market. Understanding end user's psyche is very important for the marketers because the designing of the product is as per the needs and wants of the consumers. How consumers think regarding a product, what are their expectations and the buying behavior reflects the psyche of the consumer. To comprehend the end user's psyche the marketers use three ways which are celebrity endorsement, technological innovation and product quality. To know the perceptions of the people of Karachi questionnaire were distributed among 400 people. To evaluate their responses SPSS software was used to check the reliability and the relationship between the variables. The T values were considered to pass a judgment regarding hypothesis. The T values were, celebrity endorsement showed the value of 7.083, technological innovation had a value of 9.380 and product quality was having a value of 15.783 with respect to the dependent variable which is end user's psyche. All the values of T are greater than 2.0 and the sig values are lesser than 5% which means that all of the hypothesis are acceptable, hence proved that this study has significance.

Key words: *Celebrity endorsement, Technological innovation, Product quality and End user's Psyche.*

Introduction

This research is about how celebrities and high-tech innovation are affecting shoppers in Karachi. Karachi is an urban Pakistani city with a population of 21 million people are not only local, but rather individuals come to this wide of different urban communities and towns of Pakistan that makes the diversity and diverse concentration of the mind of the buyer It becomes a test of the city. The state of the end user is the way in which a buyer sees or perceives a particular brand or an offer of branded product. Organizations must develop their components so that they can outperform their competitors where it is difficult to cope with brand wars, progress is a line is not a brand that is compatible with the weights placed on the discount organization. Advertisers or TVC designers should be aware of the market, any review from the top to the bottom of the customer's taste and raising pattern, so choose many techniques, one of them is to get the face of a famous with a positive image of the market as the superstar. Pushing famous people to brand promotion programs as a platform through which advanced media can be one of the strategies that big names can use to change the perspective of end users. Fast-moving consumer goods (FMCG) are sold regularly at different prices and can also be short-lived. The best case for well-known consumer goods is Nestlé, which ranks 54th in most of the brands of the importance that the B 11.2 \$ B brand has been appreciated as Nescafé extracted from the Nestlé site occupies 31 in the brands most important that they have estimate the \$ 16.1 mark. It is known that Nestlé is the corporate monster even though Unilever and P & G have no doubts about direct competition with Nestlé. Settle known for beverages, cereals, chilled, chocolate, candy and goods heater, food and benefits, frozen bones, food and medical services, infant feeding, and strength acting, pet care, refrigerated materials, spices, yogurt and of long conservation.

This research shows how a product quality and celebrity endorsement and mechanical innovation or technological innovation to help companies that have an impact on the psyche of the end user, which is constantly changing step by step, each of the output Sun is a test for advertisers who speak to associations, in light of the fact that the need to keep up with the latest in meeting needs and desires of potential customers, as well as consumers. In the huge financial plan, multinationals and FMCG actively participate in innovative research and development to ensure that they are not excluded from global competition. It has become high innovations and developments to be one of the key elements of the competition to maintain market share and give competitors a hard time as the truth is that there are many elements that can be easily accessed and is the same for meet the needs and needs of the consumer, and that is why the giants are Every minute of every day that considers and establishes the labeling procedures to keep the high in the buyers, they are separated from different organizations through one of the recommendations of type. In the wars of the brand we have seen that celebrities are hiring as part of television plugs, which drew many buyers and this is due to the top of the profession and the next fan. (Prinz, 1995).

Review of Literature

Endorsement can occur when a well known celebrity lends his/her name to brand and appears on behalf of a product or service on which he or she may or may not be an expert (Spörrle, 2010). It's an advertising campaign where high status and fan followed celebrities are taken in ads for the promotion of a product or a brand as a whole. FMCG sector is in a cut throat competition as there are now many brands which are manufacturing alike products with same

quality and almost at same selling price. Media now a days is more like a shepherd leading lambs as they have enough power to make or break any person they want. Celebrities are the face used by the media to get more rating. Celebrities can uplift the brand as they have fan following for example Nestle has a product line in juices category called Nestle fruta vitals where they took very well known Pakistani singer Ali Zafar in an ad. This can generate psychological advantage for the company because Ali Zafar has a lot of fan following in few countries. When a fan sees his ideal personality using a certain brand he automatically gets used to of using it which can also turn him into a loyal customer that's how the positioning is done by the corporations and seek psychological advantage.

Neuro marketing is a term used by the marketers as in the first term to reference the integration of neuroscientific methods and economic decision marking models in 2002 (Ramsay, 2014). The word was first coined by Ale Schmidt. Neuro marketing is done to see the effect of marketing stimuli on human brain which is later on the cognitive effect the consumer buying behavior or end user's psyche and this is how marketers can see affective responses (Ramsay, 2014). By knowing the consumer behavior the investigation by illumination becomes easy for the marketers as they can distinguish the self interest and insights of human (Plassmann, 2012). Even the TVCs are also designed in such a way that they leave a mark on human brain that later when they make a purchase decision then the first think which will click their mind will be that product of which he saw the ad on television. Ufone once used to make funny ads which were discussed in the masses which means that their ad used to leave something inside in viewer. The marketer needs to know what they need to show to their consumer in order to make them buy their products again and again until they become brand loyal. Nestle shows the ads of powder milk NIDO in which they show happy mother and her one year old kid enjoying healthy milk which will help the kid to grow mentally and physically. Then they tell that NIDO has many things in it and if your child takes this milk then he/she can be fit and better than many kids in the surrounding. This is the way the company markets the product. The benefit of the product saves inside mother's brain who watches the ad and later she becomes the customer or maybe the loyal customer. (Hanlon, 2010) says neuroscience have started providing some insights that how we can understand human behavior by generating images the way brain functions. This method and the images are invaluable tools from which we need to understand ourselves, including how we interact with technology but that can also be the source of popular misunderstanding.

Technology can also have a negative impact on people specially youth. Due to a lot of use of internet in 1990s several studies were done which showed that greater internet use among teenagers lead to reduced social connectedness and wellbeing (Kraut, 1998). (Anderson, 2007),this absolutely doesn't means that social networking will always have a negative impact on the person, by interacting with someone from different culture and language can make a person learn a lot of things and that can also solve the cultural and political misunderstandings. Human behavior or human psyche changes according to the situation he has been in. The question still remains the same that will human be able to accept technological change in future just because the organizations want them to change? In the corporate world the technological changes will happen that for sure. It can be because of competition, going global or diversity. As

there are countless organizations manufacturing same things for examples in FMCG sector the corporation needs to stand on their toes and make decisions accordingly. Technology has helped the corporations in R&D department specially. Products like milk for kids and women or animal food requires a lot of research. Technology and machines (robots) also help in packaging and in other transformational process running. This has made things more efficient i.e. more production in less time. Due to more production the product is always ready to go into the market and this doesn't let the customer wait, even if Nestle introduces mobile apps for the customer who need to order something in bulk then the company will drop the order on the door steps, collect the cash and if all this happens then I am sure they will still be able to be at the top like they have been because it's not done by other FMCG corporations.

Technological innovation helps in creating quality

Quality is known as the distinctive attribute possessed by a product or a service which can be compared or measured with its substitutes which tells its degree of excellence. Quality is something which can alter the consumer's psyche which can uplift or ruin the brand image. (Evan, 1997) sees the quality as the mark for using product or service that should meet the expectations of end user. Quality is considered as one of the main reason for which a consumer calls himself brand loyal (Heskett, 1997). There is a vital role of technology in quality and loyalty given that technology is likely to be the major force which can shape B2C interactions in future and to explain that we need to focus on the pyramid model which was proposed by (Parasuraman, 1996) in the article written by (Bitner, 2000) which is an extension of Kotler's triangle model. In which there's mentioned regarding a bond between company, technology, employees and customers. This can clear one thing i.e. in order to be successful the company needs to have all of those aspects. (Kotler, 1994) model had just three main factors which were company, employees and customer and this can be clearly seen that his focus was not on technology as Kotler was being an old school theorist as in modern age this can be invalid because without embracing science and technology things can create issues for the corporations moreover in modern era the industrial war is due to innovation and technology.

Nestle market segmentation of Karachi

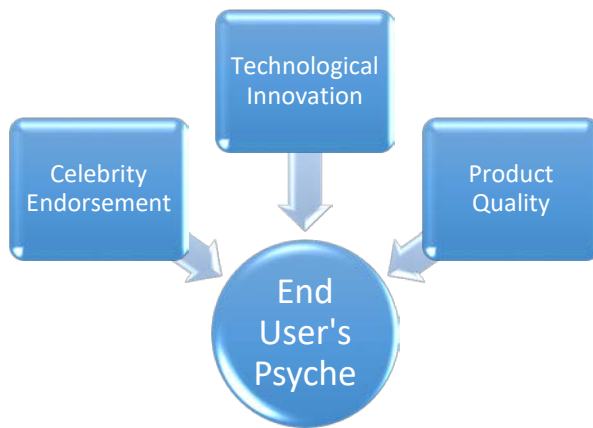
Market segmentation is a term coined by marketers which implies that when shopper or business showcase that comprises of potential clients and existing clients is separated in sub gatherings of customers in light of a few kinds of qualities. Those kinds of attributes are ordinarily known as geographic, statistic, social and psychographic. As the research contacts social and psychographic in this way these will be clarified in detail.

Settle have a decent dispersion framework in Pakistan as their workplaces are on urban areas for instance in southern locale the organization is working from Karachi and from northern district the organization has an office in Lahore. This makes things simple for them as the circulation is brisk and short-lived things can achieve their goal in lesser time. The valuing of the items are done such that their intended interest group (white collar class and upper) classes just expend the items.

Nestlé's socioeconomics are isolated into age, gender, occupation or social class. The characterization viewing age is according to the item like for instance Nestle Fruita Vitals targets youth for the most part who love to have juices amid sports or amid thinks about. In like manner

the item NIDO is for the babies where as KitKat is for young people, youth and notwithstanding for adults. Factors utilized as a part of mental originates from two foremost sorts of purchasers which are identity profiles and other is way of life profiles (Psychographic). Mental profiles are additionally used to dissect the geographic and socioeconomics when these two doesn't give enough perspective of shopper conduct. Land and demographical bases (sex, age, wage and so on) give the advertiser an entrance to purchaser fragments, the mental variable gives the data about these and improves the information of the conduct of existing and potential markets (Gunter, 1992).

Conceptual Framework



The above chart shows the three independent variables used which are Technological Innovation, Product Quality and Celebrity Endorsement and these variables will have an impact on the End User's Psyche which is dependent variable.

Research Objectives

- Evaluate the relationship of celebrities and technological innovation with the psyche of the end user Karachi.
- Evaluate the impact of celebrities and technological innovations on the psyche of the end user.
- Explore how technological innovation can improve things for FMCG in the future.
- Examine if a brand ambassador with a negative image of the market can also destroy the brand image.

Research Hypothesis

- Celebrity Endorsement have major impact on End User's Psyche of Karachi
- Technological Innovation have major impact on End User's Psyche on Karachi
- Product quality have major impact on End User's Psyche on Karachi.

Research Design

While clarifying the research plan of my topic the main thing which I need to feature is the epistemology, philosophy, paradigm and over all coherent methods for inquire about that will be logical. Paradigms of this paper is. post empiricism states that this investigation is thought to be quantitative. The accumulation of information for the exploration will absolutely be auxiliary which implies whichever true data I will get subsequent to leading examination that will be utilized as a part of this investigation. This research is an explanatory research since the majority of the independent variables and dependent variable are clarified with the assistance of speculations and with the assistance of statistical calculations.

My research is based on what Karachi is and this city is well known as the business center of the country, creating 70% of the city's national income depending on the total ethnicity of Pakistan and of 21.2 million inhabitants, the statistics in this study estimate that the respondents are 400 people from different areas and areas of the big city. The questionnaire is the main source of data collection that remains simple and reasonable. These surveys can also be created online on Google. For this situation, the voting will take place mainly in the commercial sectors and the commercial areas where I will have the opportunity to obtain reactions from the masses that can definitely help me analyze their opinion and obtain the product created. Independent variables in this research are celebrity endorsement, technological innovation and product quality, the dependent variable being the psyche of the end user.

This study has three independent variables which are celebrity endorsement, technological innovation and product quality whereas the end user's psyche dependent upon those three independent variables. To check the psyche of the respondents a questionnaire was designed and distributed in such a way that all variables were covered. Respondents were of different ages with different income background with distinguishable academic background. The sample size was 400 and as per their responses few tests were conducted on software known as Statistical Package for the Social Sciences (SPSS). Tests include the reliability test, regression and correlation test to prove the hypothesis of this study.

Reliability Testing and Analysis

Table 1: Reliability Test

Variables	Items	Cronbach's Alpha
Celebrity Endorsement	5	0.908
Technological Innovation	5	0.780
Product Quality	5	0.733

End user's Psyche	5	0.833
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The reliability test states the reliability of the questionnaires which were distributed and the questionnaire covered all four variables. Celebrity endorsement, Technological innovation and Product quality were the independent variable whereas the End user's psyche was dependent upon those independent variables. The standard value of Cronbach's Alpha is considered more than 60% or 0.60.

By using SPSS reliability test, Celebrity endorsement has 90.8% of reliability. Technological innovation has 78.0% reliability, Product quality has 73.3% reliability and the End user's psyche has 83.3% reliability.

Significance of Variable through Correlation Matrix

Table 2: Correlation

		Correlations			
		Enduser Psyche	Product Quality	Technological Innovation	Celebrity Endorsement
Enduser Psyche	Pearson Correlation	1	.785**	.725**	.170**
	Sig. (2-tailed)		.000	.000	.001
	N	399	399	399	399
Product Quality	Pearson Correlation	.785**	1	.698**	.408**
	Sig. (2-tailed)	.000		.000	.000
	N	399	399	399	399
Technological Innovation	Pearson Correlation	.725**	.698**	1	.351**
	Sig. (2-tailed)	.000	.000		.000
	N	399	399	399	399
Celebrity Endorsement	Pearson Correlation	.170**	.408**	.351**	1
	Sig. (2-tailed)	.001	.000	.000	
	N	399	399	399	399

** . Correlation is significant at the 0.01 level (2-tailed).

In correlation analysis test we see the relation of one variable with all other variables and most of all, the important thing to focus in this test is the sig values. The significance should be 0.05 or less than this value. The end user's psyche which is the dependent variable in this study has a significant relation with product quality and technologically innovation as the sig value is 0.000 but with celebrity endorsement its 0.001 which is also favorable because 0.001 is lesser than 5%.

Product quality which is the independent variable in this study has a significant relation with all the other variables as the sig value is 0.000 in all the cases. Technological innovation is also an independent variable which has perfect relation with all other variables as the sig values are 0.000 in all the cases. Celebrity endorsement is the independent variable in this study which has a significant relation with all the variables as all the sig values are lesser than 5%.

Regression test is run to see the relationship of the independent variables with the dependent variable. Three types of tests are run which are analyzed in this part are ANOVA, Model summary and coefficients.

Table 3

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	52.693	3	17.564	327.228	.000 ^b
	Residual	21.202	395	.054		
	Total	73.895	398			

a. Dependent Variable: Enduser Psyche

b. Predictors: (Constant), Technological Innovation, Celebrity Endorsement, Product Quality

In ANOVA test we see two important things which are F and Sig value. Here in this case we have the dependent variable which is end user’s psyche and the predictors which are constant are technological innovation, celebrity endorsement and product quality. The F value is 327.228 and the significance of this test shows the value of 0.000 which means the relation is highly significant.

Table 4

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.844 ^a	.713	.711	.23168

a. Predictors: (Constant), Technology Innovation, Celebrity Endorsement, Product Quality

Model summary shows three most important things which are analyzed in this test. R, R square and Adjusted R square. Predictors in this test are constant, technological innovation, celebrity endorsement and product quality. The value of R which is 84.4% is highly considerable. The R square is 71.3% which is also a bigger figure to judge the relations and Adjusted R Square 71.1% which is also a significant percentage to analyze the relation and conclude that over all the relationship among the variables is quite significant.

Table 5

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.062	.075		.825	.410
	Celebrity Endorsement	.101	.014	.210	7.083	.000
	Product Quality	.659	.042	.611	15.738	.000

Technological Innovation	.539	.055	.372	9.830	.000
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a. Dependent Variable: Enduser's psyche

In coefficients we analyze the efficiencies of the constants and after that two important things are analyzed which are t and sig values. The Constants are celebrity endorsement, product quality and technological innovation whereas the dependent variable is end user's psyche. Celebrity endorsement has t value of 7.083 which is greater than 2.0 and the sig value of 0.000 which is lesser than 5%. Product quality has a t value of 15.738 and this value is certainly too greater than 2.0 and the sig value is 0.000 which is lesser than 5%. Technological innovation has a t value of 9.830 which is greater than 2.0 and the sig value is 0.000 which is greater than 5%. Over conclusion is that there is a significant relation between the constants and the dependent variable.

Hypothesis Testing

Table 10

Alternative Hypothesis	Accepted/Rejected	T Statistics	Significant Level
H ₁ : Celebrity Endorsement has a significant impact on End User's Psyche of Karachi	Accepted	7.083	0.000
H ₂ : Technological Innovation has a significant impact on End User's Psyche on Karachi	Accepted	9.380	0.000
H ₃ : Product quality has a significant impact on End User's Psyche on Karachi	Accepted	15.783	0.000

The hypothesis rest is run in a research to analyze whether our statements showing positive outcomes or negative outcomes. The statement is either rejected of accepted on the basis of T statistics from regression analysis. The statement H₁ got accepted because the T value (7.083) is greater than 2 and the sig value (0.000) is lesser than 5%.

The statement H₂ got accepted because the value (9.380) is greater than 2 and the sig value (0.000) is greater than 5%. The statement H₃ got accepted because the value (15.783) is greater than 2 and the sig value (0.000) is greater than 5%.

Summary of the Findings

Celebrity endorsement, technological innovation and product quality are those aspects which a marketer keeps in his mind before he decides which marketing tools he will use to promote the brand or the product line of the brand. End user's psyche is also something which a marketer needs to realize before the company designs the product. FMCG sector is one of the biggest profit making sectors in the world and Nestle is known as FMCG giant. Celebrity endorsement is the independent variable in this study and when the responses of the questionnaire were tested

in the reliability test of SPSS Cronbach's alpha the value came 0.908 which is way above then the minimum standards i.e 0.60. Technological innovation which is an independent variable was tested for its reliability of the questionnaire and the Cronbach's value came 0.780 which is also more than the standard value. Product quality is the third independent variable of this study and when it was test for its reliability the value came 0.733 which is also sufficient. End user's psyche is the dependent variable of this study and when it was tested for its reliability the value of Cronbach alpha came 0.833 this shows that its highly reliable.

To see the relationship among the variables the regression and correlation tests were run. The value of regression came 0.844, 0.713 R square and 0.711 adjusted R square. The F value has been 327.228 with the sig value of 0.000 which is lesser than the maximum standard sig value which is 5%. The values of coefficient values for all three independent variables have been 0.000 which is highly acceptable. The T values there above standard value which is 2. Celebrity endorsement has a value of 7.083, Product quality has a value of 15.783 and Technological innovation has a value of 9.830. The correlation's sig values have been the same except celebrity endorsement which is 0.001 though this value is also acceptable.

Recommendations

Recommendations are for the marketers of FMCG sector and the entrepreneurs that this research will help them in a way that their focus should be on the end users and by this they will automatically generate more sales revenue. The though process before designing the product should be customer driven by thinking like an ordinary consumer, thinking from different perspectives and attitudes will surely help the corporation to not only come up with a distinct product but sale them to the target audience. Use good looking faces because this will have a psychological impact on the viewer of the opposite gender. Keep the quality of the product high and use the modern hi-tech to stay up to date in the market which will keep the corporation alive in the competition. By fulfilling the desires of the end user a corporation can make them their slaves, a consumer can be easily spellbound if the expectations are met and the customer loyalty ultimately pays off.

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