

# Moderating Factors of Celebrity Endorsement on Diffusion

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## Abstract

Celebrity endorsement (CE) could not have been successful and attained such popularity had it not been some moderating factors which have facilitated its success rate of impacting on diffusion of products and services throughout societies, communities and markets all over the world. This paper focus is on findings from a research project that reflected upon the moderating factors which have facilitated the success rate of Celebrity endorsement (CE) and how it has impacted on diffusion. The study was undertaken to reflect upon the rate at which moderating factors have aided CE which have enhanced and transformed social interactions and have quickened communication within, between and among societies hence spreading information faster and easier throughout communities. CE was applied to capture Customers and Business Executives experiences on using Celebrity Endorsers which provided a basis for observation and reflection. The research adopted both quantitative and qualitative methodology. Questionnaires were used to collect the data. The study surveyed 30 Business Executives.

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**Index terms**— moderating, factors, celebrity, endorsement, diffusion.

## 1 Introduction

celebrity endorsement (CE) could not have been successful and attained such popularity had it not been some moderating factors which have facilitated the success rate of impacting on diffusion of products and services throughout societies, communities and markets all over the world. Moderating factors such as Cost, Technology (media), Customer/ Fan base and Competition were identified to be the facilitating factors that have enhanced the usage of Celebrity endorsements. The moderating factors serve as a platform which drives CE and have been used to promote it as well as to create the necessary awareness for the General Public.

As part of the change process, modern means of communication have enhanced and transformed social interactions and have quickened communication within, between and among societies hence spreading information about innovated products and services faster and easier throughout communities than earlier anticipated. Through this medium CE of products and services are hyped and conveyed to consumers within a twinkle of an eye making the information spread throughout the markets with easy speed of acceptability because of greater awareness level. Research has shown that the use of celebrities in advertisements can have a positive influence on the credibility, message recall, memory and likeability of the advertisements and finally on purchase intentions ??Menon, 2001; ??ornpitakpan, 2003; ??ringle and Binet, 2005; ??oy, 2005). Earlier studies were limited to the studying of celebrity endorsers' characteristics, celebrity credibility, attractiveness, expertise, their economic worth, brand match up, the Meaning Transfer Model, source effects model, and negative information (Erfgen, 2011).

CE activity has been increasing over the past years (Biswas, Hussain, & O'Donnell, 2009). From 1984 to 1999, there was a reported eleven-fold increase in sponsorship expenditure representing \$23.16 billion or 7.0% of the worldwide advertising budget (Pope, Voges & Brown 2009). Published reports indicate that utilizing celebrity endorsers in marketing communications activities have gone up remarkably. On the average, one in every five ads in UK and one in every four US advertisements feature a celebrity in today's marketing campaigns ??Hollensen &

On a global scale also roughly every fifth ad includes a celebrity, making endorsements a widely used and popular strategy among marketers and advertisers to promote consumer products and services (Halonen-Knight & Hurmerinta, 2010).

In the United States, Edrogon, Baker, and Tagg, (2001) and Mistry, (2006) estimate that approximately 25% of all televised commercials feature celebrities, 57% in Korea (Choi, Lee and Kim, 2005); and 70% in Japan (Money, Shimp and Sakano, 2006). Similarly, in Germany, approximately 12% of all advertising campaigns employ these endorsers (Ipsos Response, 2008 as cited in Erfgen, 2011) around 40% of the youthproducts advertisement featured at least one celebrity in China ??Chan, 2008). The global estimates in recent years report that 14% to 19% of advertisements feature celebrities that endorsed products and brands, and the number was over twice as high in certain foreign markets ??Creswell 2008). These figures support the fact that celebrity endorsements can bring about a more favorable rating to the advertisement and product evaluation (Dean & ??iswas, 2001), as well as the financial returns for companies which use celebrity endorsement for promotion .This indicates the fact that celebrity endorsement has assumed a wider dimension the world over because it has a greater influence on consumers and companies are reaping huge returns on their investment in CE on their brands It is in this vein that the current researcher agrees with other authorities in the field of using celebrities in commercials has got to a point that it has been recognized, accepted and has assumed a greater dimension as a tool to disseminate information, product and services in a market but in reality what actually facilitates or drive these endorsement deals for its success has not been assessed. The focus of this paper is to review the moderating factors that have accounted for CE success rate.

## 2 II.

### 3 Literature Review

According to McCracken's (1989), a celebrity endorser is an individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement. Celebrity endorsement influences the feelings of the consumers and can also influence the attitude consumers have towards the advertisement and attitude towards the brands, which can increase the purchase intentions and, consequently, increase the adoption rate. This is because celebrities appear to be gaining increasing influence in society ??Choi and Berger, 2010), marketing managers try to exploit the process of meaning transfer from an endorser to products or brands involved ??McCracken, 1986). Erdrogon, Baker, & Tagg, (2001) made a strong case for well-known persons since they can effect consumers' behavior and people more easily can identify themselves with these particular persons. These well-known persons are seen as the celebrities who perform varied roles in the public domain and according to Silvera & Austad, (2004) they enjoy public recognition by a large share of a certain group of people with distinctive characteristics, such as attractiveness, and trustworthiness. Practitioners continually face the difficulty of strategically executing their advertisements in order to draw consumer attention and influence consumer judgments (Ilicic, & Webster 2012). Schlecht, (2003) advanced the previous definitions and tout that Celebrities are people who enjoy public recognition by a large share of a certain group of people whereas attributes like attractiveness, extraordinary lifestyle are just examples and specific common characteristics cannot be observed though it can be said that within a corresponding social group celebrities generally differ from the social norm and enjoy a high degree of public awareness.

Celebrities, as defined in Adeyanju (2013), are people who enjoy public recognition possessing such attributes as attractiveness and trustworthiness. The importance of this assertion is that celebrities are people who have excelled in their respective fields of endeavors and therefore command respect, acceptance, popularity and followership within the society. Likewise, an endorser is a person who makes a 'testimonial', or a written or a spoken statement extolling the virtue of a product. For Sanchez (2004), an endorser as a person who willingly supports or appears with a product or service in a way that is communicable to the public. Tom, Clark, Elmer, Grech and Massetti (1992) assert that endorsers possess expert power, referent power and legitimate power, the amount of these powers determines the extent to which behaviors of others are influenced.

Advertising is used basically to create awareness about products or services, by adopting several strategies that will enhance credibility and increase the popularity of such product and service over the other competitors ??Vivian, 2009). According to ??rdogan and Baker (2000), the effect and relevance of celebrity endorsement as a strategy in marketing communications has gained the attention of serious research in academic circles. Companies spend huge resources on celebrities to endorse their products or sponsored messages on television, radio, newspapers, magazines, billboards, the internet and mobile phones, in the hope that such an endorsement will induce favorable attitudes towards the brand and ultimately affect sales and profits by increasing consumers' preference for the brand (Nam-Hyun, 2008),in addition, government and non-governmental organizations use celebrities in public messages targeted towards influencing attitudes. Anchalsingh (2013), also states that in the present era of globalized competition, every marketer has to perform the herculean task of getting the products and services into the minds of the customers and therefore has to evolve novel ways by using CE. Marketers therefore, endeavor to endorse their brands through celebrities who evoke closer consumer engagements with the brand under optimal conditions and drives purchases. These celebrities are sometimes named Brand Ambassadors. They are best portrayed as the representative of the organization, institution or corporation that sketch the product or services being produced by a company or an organization ??Anchalsingh, 2013) Celebrities like the Late Michael

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Jackson, Husein Bolt, Michael Jordan, Britney Spears, Tiger Woods, Tom Cruise, Christian Ronaldo, Lionel Messi and others have become symbolic icons of endorsers in today's advertising industry, (Forbes, 2002). This shows that when an organization decides to use any of these Year ( ) celebrities for its marketing communications, its main focus and intention lies on exposing the brand to the market (Kotler, Armstrong, Wung & Saunders, 2008). These Celebrities' either show their faces at the brands events, their voices are heard on radio, images are seen on TV commercials; appear in print advertisements of Newspapers and magazines, handbills, flyers and billboards and on branded T' shirt for example.

Marketing communications facilitate successful new product introductions and reduce the product failure rate. Successful introduction of new products requires an effective advertising campaign, widespread product distribution, and extensive couponing and sampling, (Shimps, 2007). Once the consumer becomes aware of a new product, with his/her favorite Celebrity endorsing the product or service, there is an increased probability that he will actually try the new offering because of the influence. Consumers will repeat the purchase if advertising reminds them about the brand, showing the Celebrity endorser with the brand.

Agrawal & Kamakura (1995), has asserted that approximately 20% of all television commercials feature famous people. Empirical evidence shows that both now and in the past, certain sets of products more often feature celebrity endorsements. Endorsement Insider also estimated that companies in the U.S. spent \$800 million in 1998 to "acquire talent -entertainers, athletes and other high profile personalities -to spotlight in advertising, promotion and PR campaigns" (Clark & Hastmann, 2003).

Companies invest large sums of money to align their brands and themselves with endorsers who have achieved some form of celebrity status to serve as spokespersons for their brand. According to Gurel Atay, Eda, (1980) they stated that millions of dollars are spent on celebrity contracts each year by assuming that the benefits of using celebrities will exceed the costs. Accordingly, many researchers have studied the impact of celebrity endorsements on advertising effectiveness. The rationale behind such endorsements is that such endorsers are seen as influencers with both attractive and likeable qualities (Atkin& Block 1983) and companies plan with the aim that these qualities are transferred to products via marketing communications activities (Langmeyer& Walker 1991a, 1991b; Walker et al. 1992) such as Advertisements, Public Relations and Events Marketing for example.

Historically, the endorsement of products by celebrities, as a marketing practice, has a distinguished history (Seno & Lukas, 2007). In Marketing Communication, the practice is not a recent phenomenon (Kaikati, 1987) because the history goes way in time. Once Queen Charlotte began to use his products, Wedgwood capitalized on his new status by referring to himself as "potter to Her Majesty" (Dukevich, 2004). Centuries later, celebrity usage in brand management strategies has become a familiar scenario. In markets where advertising plays vital role in influencing consumer purchases, it becomes imperative for companies to employ all possible measures to influence, motivate and inculcate desire to purchase, in the customer through an effective advertising campaign.

From a UK perspective, a report in Marketing (February 1 st , 1996), indicated that advertising which used celebrities was 'a key to gaining national headlines' in 1995. In support of this, it is reported that advertising that uses celebrity endorsers enjoys high popularity among brand managers (e.g., Amos, Holmes & Strutton, 2008 as cited in Erfgen, 2011). Following these standpoints, the celebrity is seen as an individual "whose name has attention-getting, interest-riveting and profit generating value that stems from the high level of public attention and interest" (Gupta, 2009).

Each year, companies spend vast amounts of money to convince celebrities to endorse their products and brands (e.g., Jaiprakash, 2008; (laus & Bailey, 2008; (ee & Thorson, 2008). Specifically, Nike as a single corporate entity spent about \$339 million on endorsements and their dissemination in advertising campaigns in 2004 (Thomaselli, 2004 as cited in Erfgen, 2011). Temperley & Tangen, (2006) confirm these positions and submit that Celebrity Endorsements are a billion dollar industry today with companies signing deals with celebrities aiming to stand out from the clutter and give them a distinctive and significant position in the minds of consumers.

Studies have shown that celebrity endorsement has proven to be profitable to corporate organizations since its usage of celebrity endorsement contracts have increased the value of company's stock share price on the Stock Exchange Market (Agrawal & Kamakura, 1995). There is empirical evidence that a number of celebrity endorsements have been very successful, Till & Busler, (1998) and Till & Shimp, (1998) indicating that it has helped in disseminating products and services throughout markets.

Tantisenepong, Gorton, & White, (2012), evaluated responses to celebrity endorsements using projective techniques" and concluded that the study illustrated how projective techniques are appropriate tools for gaining greater insight into how celebrity endorsements are interpreted, and how they can be more effectively understood by both practitioners and academics. Pughazhendi & Ravindran (2012) also did a study on the influence of using celebrity endorsements on consumer buying behavior in Tamil, Nadu, India. The results indicated that strong attachment to a celebrity encourages positive attitude towards the advertisement and brand regardless of the number of endorsements. Van der Waladt, Schleritzko & Van Zyl (2007), studied on "Paid versus unpaid celebrity endorsement in advertising: an exploration" and suggested that positive attitudes towards the celebrity endorser lead to positive attitudes towards the advertisement irrespective of the celebrity endorser is an opinion leader for the product of service.

Jain (2011), carried out a research analysis in India on Celebrity Endorsement and its impact on sales. The

results indicated that Celebrity Endorsement has an impact on sales to a little extent and that Celebrities should not always be used to endorse Brands of various products. This indicates that what goes on beyond endorsement ought to be explored to know the level of adoption of that particular product or service.

Silvera, & Austad, (2004), researched on Factors predicting the effectiveness of celebrity endorsement advertisements in Norway. The results suggested that advertisers should put more effort not only into choosing endorsers who are well matched with products, but also into making strong arguments and believable explanations for why endorsers truly do like the products they endorse. Balakrishnan & Kumar (2011), studied "Effect of Celebrity Based Advertisements on the Purchase Attitude of Consumers towards Durable Products (A study with reference to the city of Chennai in India) and revealed that the celebrity's convincing endorsement motivates them to materialize the purchase of durables. Modi (2007), after studying the Impact of Celebrity Endorsements on Consumers' Purchase Intentions and Overall Brand proposes that the further studies should be done on reasons on how the media selects celebrities and how the consumers are attracted towards their attributes which in turn leads to buying behavior can also be investigated. Natekar (2012), researched on Celebrity Endorsement: It's Impact on Brand and concluded that consumers report higher self-brand connections for brands with images that are consistent with the image of a celebrity that they aspire to be like, particularly in the case when the images of the celebrity and the brand match. So one may ask the basis of this success rate because there might be factors that in reality, facilitates or drive these endorsement deals for its success as this has not been assessed. The focus of this paper then is to review the moderating factors of CE which have accounted for its success rate, leading to product and service acceptability by consumers.

## 4 III.

## 5 Research Design

In this exploratory research, the study used both primary and secondary research methods to address the information needs. To have a better conceptual framework to the study secondary research was necessary since many studies have so far been conducted on celebrity endorsement but not linked to the moderating factors of CE. Also, primary data was needed because some of the variables used in this study were different from those of the previous studies. Thus, survey was appropriate to confirm the reliability of existing variables, and to test the new variables which were used for the first time. Quantitatively, the survey method was the research instrument for the study. This was appropriate because certain information needed for the study was by nature numerical and could better be handled by quantitative research instruments. Structured questionnaire were used for the survey data collection. A 5 point-likert scale of strongly agree to strongly disagree were used to measure the magnitude of respondents responses.

Managers from both the private and public sectors constituted the respondents for the study. In all a total of twenty respondents representing 20 Corporate Organizations/Companies comprising of Marketing Managers, Sales Managers, General Managers, Public Relation Officers, (PRO's) Corporate Affairs Managers were used in the study, This implies that these respondents are in managerial positions that are involved in decision making positions in the affairs concerning contracting Celebrities to endorse corporate brands. This requires senior management personnel to make this decision as they are in charge of resources, authority, are responsible and accountable for every action and decisions taken since this kind of decisions involves huge capital outlay. The analytical method used is the Cronbach's alpha statistics, because it is to determine whether these moderating factors are reliable and facilitates the rate of the diffusion process, item analysis of each of these factors was conducted using it to find out their reliability and its effects on the diffusion process. This is because we can estimate the proportion of the true score variance that is captured by the factors by comparing the sum of factor variance with the variance of the sum scale.

## IV.

## 6 Findings and Discussion

### 7 a) Respondent's Profile

Tables 1 represent the findings of the profile of respondents which shows respondent according to gender, number of years respondent have been in the position they held in their company and the sector in which their organizations are found. V.

## 8 Year ( )

## 9 Gender

In all a total of twenty respondents representing 20 Corporate Organizations comprise of Marketing and Sales Managers, General Managers, Public Relation Officers, (PRO's) Corporate Affairs Managers were used in the study, 13 representing 65% are males and the rest 7 (35%) being females. This implies that more men are in managerial positions than their female counterparts involve in decision making positions or in the realm of affairs concerning contracting Celebrities to endorse their brands. This requires senior management personnel to make

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this decision as they are in charge of resources, authority, are responsible and accountable for every action and decisions taken since this kind of decisions involves huge capital outlay.

## VI.

### 11 Time with Company

From the table 1 above, it can be observed that 9 out of the 20 respondents have held their present position for 4 -6 years in their companies. Year intervals 1-3years and 7-9 years has 3 respondents each in their companies who have held their current position representing 15% each, while the remaining 5 respondents has held their present position for 10 and more years in their respective companies. This indicates that managers in the study were well versatile, knowledgeable in endorsement issues and well experienced enough to be part of the survey and their input is of worth and contributing to the study.

## VII.

### 13 Sectorial Representation

The table1 above further reveals that 50% (10 out of 20) respondents classified their companies into the food and beverages production, this sector comprises the manufacturing companies. The next is the Service sector representing 30% (6 out of 20) which is also a vibrant sector that uses celebrity endorsement especially in the telecommunication companies. The remaining 10% represent the business retail sector which is mainly the Shopping Malls and Melcom. Medicinal sector is the next sector with 10%.

Moderating factors such as Cost, Technology (media), Customer/ Fan base and Competition were identified to be the facilitating factors that has enhanced the usage of Celebrity endorsements to endorse products and services that will attract lots of customers or large clientele base.

To determine whether these factors are reliable and facilitates the rate of the diffusion process, item analysis of each of these factors was conducted using the Cronbach's alpha statistics to find out their reliability and its effects on the diffusion process. Here we can compute the variance of each factor and the variance for the sum scale (all the factors). The variance of the sum scale will be smaller than the sum of factor variances, if the factors measure the same variability between subjects (that is if they measure some true score). We can estimate the proportion of the true score variance that is captured by the factors by comparing the sum of there is no true score but only error in the factors, the variance of the sum score will be the same as the sum of variance of the individual factors, as such the Cronbach's alpha computed will be equal to zero ( $\alpha = 0.00$ ). However, if all factors are perfectly reliable and measure the same thing (true score) then  $\alpha = 1.00$ . The more closed the alpha value is to 1.00, the more perfect and reliable the factors are. Cronbach's alpha for all factors? = 0.6866

## VIII. Data Analysis of Moderating Factors-Cost

It could be observed from Table 1 that the overall Cronbach's alpha for all the factors,  $\alpha = 0.6866$ , which indicates that these factors put together are reliable and impact greatly on the rate of product and service diffusion process. It shows that these factors are about 70% reliable. We can also see that alpha values for the individual factors are very close to the alpha value for all the factors put together. This shows that these factors are virtually measuring the same thing (some true score). The squared multiple correlation values obtained also suggest that there is a strong positive correlation between these factors. This indicates that the moderating factors of celebrity endorsement have a strong effect and impact on the diffusion process of products and services into societies and communities (markets).

Thus, the Cost of hiring a Celebrity to endorse the company's brands indeed impact on diffusion process as managers complained the amount charged is too expensive for the company to bear with and serve as a barrier for companies who cannot afford to hire the services a celebrity endorser. Though its benefits are enormous the company has no choice but to pay the enticement fee to get the endorsement deal from the celebrity as other competitors are lurking around to sign him/her on. The agreed amount is most often spread out and paid in installment according to the terms and conditions of the contract as there were a lot of negotiations before both parties settle on the amount for the deal to be sealed. Normally, the company settled on a particular endorser because of affordability issues with regards to corporate resources. It must be noted that had it not been the cost factor of hiring celebrities, more companies would have engaged the services of celebrities to endorse their products and services.

Technology in this light is the various mediums or platforms that are used to communicate or carry information to recipients of messages. There is every indication that technology (Media) facilitates or helps to create the necessary platform for publicity for endorsements on products and services to be circulated into societies and communities.

However, the plurality of Radio, Television, Newspaper adverts, text messages and Brand events, Electronic billboards and billboards and the internet have been explosive in its usage to propagate Celebrity endorsements and information to the General Public.

The availability of technology (media) has been the drive for Celebrity Endorsement because it has lowered average cost per head for publicity for consumers leading to economies of scale. The vibrancy of technology has helped transformed the mode of communication within, among and between communities and societies and spread information easily and quickly around markets to the extent that the time taken for information to diffuse into communities has been shortened and quickened through the facilitation of technology.

Technology is cited as a key moderating factor for Celebrity endorsement on diffusion of products and services as it has created a platform which has enhanced the media to create the necessary awareness of endorsement deals in societies and communities as the media channels help propagate these endorsement of products and services into societies, because Societal integration propagates diffusion. Celebrity endorsement propagates diffusion into societies with the aid of availability of technology (the Media) which makes the provision of information in different or various languages understood by these communities. Technology availability has made it possible for messages to be delivered to everyone anywhere at anytime to understand the message in a language that is suitable to him or her. This is used in delivering messages and consumers react by trying the product or service which has been endorsed by the CE. This facilitates the spread of messages of the endorsed brand by the Celebrity into communities and societies and it is as the result of the plurality of the various media platforms which provide and spread this information around for everyone to get the message of the Celebrity endorsement of the brand. Messages on media platforms like Television, Radio, the Internet, mobile phones, both Electronic billboards and billboards and the tabloids to mention but a few has made it possible of information availability to customers hence increasing consumer literacy on products and services enhancing its diffusion process into societies.

Thus technology (media) has help propagates messages well and have help create awareness to much people within a short period of time. This has shortens the diffusion time (period) of spreading issues into societies and its propensity to facilitates communication among, between and within communities is so fluid which has transformed the facet of communication in modern times. Thus currently, moderating factors such as Information and Technology are facilitating diffusion enough into our communities so that the previous assumption made by ??ass and Rogers (1967) diffusion model on time used to spread or diffuse product and services into the various adopter groups on the market is now shorten by the above mentioned factors. Therefore, a modification in terms of time taken for diffusion to take place within a market is now faster than before and can be assumed modified to be shortened per this study. Therefore these moderating factors do really facilitates the rate of the diffusion process as item analysis of each of these factors conducted using the Cronbach's alpha statistics indicates that these factors are about 70% reliable and its effectiveness on the diffusion process. Cronbach's alpha for all factors? = 0.7975 Table 2 shows the item analysis of Customers/ Fan base and Competition. The sum alpha value, ? = 0.7975 which suggest the factor variables are about 80% reliable. The individual factors are also highly correlated as shown by the squared multiple correlations. One can also say that the factors are all measuring the same true score as their individual alpha values are very close to their sum alpha value. We can therefore conclude that moderating factors (customer/ fan base and competition) of celebrity endorsement greatly facilitates the diffusion process of products and services into markets. Since all the factors are perfectly reliable and measure the same thing (true score) which were more closer to the alpha value of 1.00, indicating the more perfect and reliable the factors are. This implies that the large followers or fan base of Celebrities propels the rate of diffusion after the endorsement because majority of the followers adopt the product or services since they are persuaded to use the product or service endorsed by their icon. This is because the Celebrity endorser gives a superior relationship which enhanced or enriched the relationship with Customers, Distributors, Competitors, Media and Suppliers. Moreover, the use of Celebrity endorser helps customers to differentiate the endorsed brand from other competitor products or services for easy identification and selection. In addition Customers perceived the brand endorsed by the Celebrity as superior to other competitor products. This confirms the fact that the match-up between the large followers of a Celebrity makes it possible to select him/her. This has also become possible because of the integration between, among and within customers (societies) far and near which has enhanced the transformation in the diffusion of products, services, ideas, information and technology throughout the world. Hence the sum alpha value, ? = 0.7975 suggests the factor variables are about 80% reliable and do impact greatly on diffusion.

Competition has been the key drive or source of facilitation of Celebrity endorsement by corporate organizations as sometimes it becomes keen and tough for them to sustain their market positions. When confronted with this situation they then resort to Celebrity endorsement, which creates or give a competitive advantage over other competitors in the industry. However, what is motivating is that our competitors are also using Celebrity endorsers to endorse their brands that compel others to do same. This brings to the fore the nature of the competition which is so keen and intense to warrant the use of Celebrity endorser for their brands so that they can stay in the competition.

The nature of the competition indicates how information is too cluttered in the media with a limited space to advertise to distinguish one's commercials from the other competitors hence the use of Celebrity endorser to enhance the distinction. Lastly, Celebrity endorsement leads to the achievement of companies marketing objectives in general. This is proven by the analyses of customers and competition which indicates the sum alpha value, ? = 0.7975 suggesting that the factor variables are about 80% reliable. The individual factors are also

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highly correlated as shown by the squared multiple correlations and therefore facilitate celebrity endorsement on diffusion of products and services into societies.

## IX.

## Conclusion

The analysis conducted of the moderating factors indicate that all the variables tested in the study are reliable which proves the fact that CE have been successful owing to these facilitating factors which have propel all endorsement deals as confirm by the sum alpha value,  $\alpha = 0.7975$  suggesting that the factor variables are about 80% reliable. This implies that Celebrity endorsement could not have been successful and attained such popularity had it not been the moderating factors which have facilitated the success rate of CE on diffusion of products and services throughout societies, communities and markets all over the world. Moderating factors such as Cost, Technology (media), Customer/ Fan base and Competition as identified to be the facilitating factors that has enhanced the usage of Celebrity endorsements to endorse products and services that will attract lots of customers or large clientele base. The moderating factors serve as a platform which drives CE and have been used to promote it as well as to create the necessary awareness for the General Public to know.

Thus with modern means of communication (technology), the various media networks have enhanced and transformed social interactions and have quickened communication within, between and among societies hence spreading information of innovated products and services faster and easier throughout communities than earlier anticipated. Technology in this light is the various mediums or platforms that are used to communicate or carry information to recipients of messages. There is every indication that technology (Media) facilitates or helps to create the necessary platform for publicity for endorsements on products and services to be circulated into societies and communities. However, the plurality of Radio, Television, Newspaper adverts, Text Messages and Brand Events, Electronic Billboards and Billboards and the Internet have been explosive in its usage to propagate Celebrity endorsements and provide information to the General Public. The availability of technology (media) has been the drive for Celebrity Endorsement to be successful because it has lowered average cost per head for publicity for consumers leading to economies of scale. The vibrancy of technology has helped transformed the mode of communication within, among and between communities and societies and have spread information easily and quickly around markets to the extent that the time taken for information to diffuse into communities has been shortened and quickened through the facilitation of technology. The Cronbach's alpha for all the factors?  $\alpha = 0.6866$  implies that these moderating factors have significant impact on diffusion of endorsement of products and services into societies or communities. Thus technology has been cited as a key moderating factor for Celebrity endorsement on diffusion of products and services as technology (media) has created a platform which has enhanced the media to create the necessary awareness of endorsement deals in societies and communities as the media channels help propagate these endorsement of products and services into societies, because Societal integration propagates diffusion.

Thus technology (media) has help propagates messages well and have help create awareness to much people within a short period of time. This has shortens the diffusion time (period) of spreading issues into societies and its propensity to facilitates communication among, between and within communities is so fluid which has transformed the facet of communication in modern times. Hence the normal time stipulated by the Bass and Rogers (1985) diffusion model would no longer hold as per that time. Thus currently, moderating factors such as CE, Information and Technology are facilitating diffusion enough into our communities so that the previous assumption made by Bass and Rogers (1985) diffusion model on time used to spread or diffuse product and services into the various adopter groups on the market is now shorten by the above mentioned factors. Therefore, a modification in terms of time taken for diffusion to take place within a market is now faster than before and can be assumed modified to be shortened per this study. However, technology has enhanced the circulation of these endorsement deals into markets, societies and communities both far and near. Thus technology has been identified as a key factor in moderating CE to be very successful.

CE has been cited as one of the most expensive ventures Corporate Organization undertake as a form of investment with high expectations of returns on their investment. Companies felt that once such an amount has been invested in contracting an endorser much of the companies publicity work is done. Meanwhile its expensiveness does not limit companies in doing this but goes to all extent to secure one for their products and services. Thus, the Cost of hiring a Celebrity to endorse the company's brands indeed impact on diffusion process as managers complained the amount charged is too expensive for the company to bear with and serve as a barrier for companies who cannot afford to hire the services of a celebrity endorser. Though its benefits are enormous the company has no choice but to pay the enticement fee to get the endorsement deal from the celebrity as other competitors are lurking around to sign him/her on. Normally, the company settled on a particular endorser because of affordability issues with regards to corporate resources.

It must be noted that had it not been the cost factor of hiring celebrities, more companies would have engaged the services of celebrities to endorse their products and services. The cost of hiring a CE is very high but it is relative to the organization concern. Depending on the size of the organization and availability of resources to the company will make companies sign CE most of the time. However, if the cost factor is to be considered then known and popular Celebrities of lesser known sports with very few followings can be contacted and signed on

but to a larger extent that is not the case, because it is assumed by this study that such caliber of Celebrities can be engaged at a lower cost but they do attract the attention of advertisers. The reason being that their fan base or followers who are consumers' of company products and services are too few to warrant such an expensive deal. Such a CE would not appeal much to the clientele base of the company. Thus before a company sign on an endorser one of the key factors considered a lot is the match-up between the Celebrity and the customers of the organization concern. Till (1998), suggested that companies must establish a link between the endorser and the brand or product. When an associative link is built between the celebrity and the brand each is then part of the association set, a group of concepts, which are meaningfully related to a target brand. Repeated pairing of the two stimuli is a key to associative learning process, because repeating the pairing of the two stimuli increases confidence that the presence of one stimulus predicts the presence of the other stimulus. Within a celebrity endorsement context, repeated pairings of the endorser, increases consumer's recognition that the brand is a good predictor of the presence of the celebrity, strengthening the link between the brand and the celebrity (ibid.)

This implies that the large followers or fan base of Celebrities propels the rate of diffusion after the endorsement because majority of the followers adopt the product or services since they are persuaded to use the product or service endorsed by their icon. This is because the Celebrity endorser gives a superior relationship which enhanced or enriched the relationship with Customers, Distributors, Competitors, Media and Suppliers. Moreover, the use of Celebrity endorser helps customers to differentiate the endorsed brand from other competitor products or services for easy identification and selection. In addition Customers perceived the brand endorsed by the Celebrity as superior to other competitor products. This confirms the fact that the match-up between the large followers of a Celebrity makes it possible to select him/her. This has also become possible because of the integration between, among and within customers (societies) far and near which has enhanced the transformation in the diffusion of products, services, ideas, information and technology throughout the world. Hence the sum alpha value,  $\alpha = 0.7975$  suggests the factor variables are about 80% reliable and do impact greatly on diffusion. Thus celebrity endorsement, with repeated pairings of the endorser, increases consumer's recognition that the brand is a good predictor of the presence of the celebrity, strengthening the link between Customers and the celebrity. Such repetition both strengthens the associative link for those consumer already aware of the celebrity endorsement as well increase the pool of consumers who begin to become aware of the link between the brand and the celebrity.

Competition has been the key drive or source of facilitation of Celebrity endorsement by corporate organizations as sometimes it becomes keen and tough for them to sustain their market positions and have a competitive edge. When confronted with this situation they then resort to Celebrity endorsement, which creates awareness or give a competitive advantage over other competitors in the industry. However, what is motivating is that competitors are also using Celebrity endorsers to endorse their brands that compel others to do same. This brings to the fore the nature of the competition which is so keen and intense to warrant the use of Celebrity endorser for their brands so that they can stay in the competition.

The nature of the competition indicates how information is too cluttered in the media with a limited space to advertise to distinguish ones commercials from the other competitors hence the use of Celebrity endorser to enhance the distinction. Lastly, Celebrity endorsement leads to the achievement of companies marketing objectives in general. This is proven by the analyses of competition which indicates the sum alpha value,  $\alpha = 0.7975$  suggesting that the factor variables are about 80% reliable. The individual factors are also highly correlated as shown by the squared multiple correlations and therefore facilitate celebrity endorsement on diffusion of products and services in societies. Thus competition can be said to be the main driving force which compels companies and organizations to take similar actions because their competitors have taken that action by using a popular celebrity to endorse their products and services which has gained the attention of industry players and has succeeded in persuading customers to the extent of even switching to that brand. This has led to multiple endorsements in a particular industry as every company would like to sign a CE to be able to survive the competition first and secondly to have a competitive edge over other industrial players as demanded or dictates by the nature of the competition.

In examining the extent to which the moderating factors facilitate the rate of diffusion of new products and services within the social network, one can conclude that all the moderating factors like technology, competition, cost and the fan based has been proved beyond doubt to be the main driving force to provide a platform on which CE thrives on to propagate the diffusion of products and services they endorsed within, among and between societies and communities or on the market. Thus to a larger extent the moderating factors facilitate the rate of diffusion of new products and services within the social network and have made CE more successful because it creates the favorable conditions and the enabling environment for its survival, growth, expansion, success and popularity on the global scale or the market which has become the panacea for companies communications to their target audience or their customer base. Hence one can say that moderating factors like technology, cost, competition and fan base facilitates the rate of diffusion of new products and services within, between and among





Figure 1: E

1

Attributes	N	Frequency	Percentage
Gender	20		
Male		13	65.0
Female		7	35.0
For how long have you been in this position of the company	20		
1 -3 years		3	15.0
4 -6 years		9	45.0
7 -9 years		3	15.0
10 and above years		5	25.0
Which industrial sector can your organization be found	20		
Food and Beverages		10	50.0
Services		6	30.0
Medicine		2	10.0
Retail Business		2	10.0

Figure 2: Table 1 :

1

0.6866

Figure 3: Table 1 :

**2**

Factor	Mean	Standard Deviation	Squared Multi- ple Correlation	Cronbach's Alpha
Customers 1	2.050	0.759	0.6314	0.7913
Customers 2	1.800	0.523	0.4176	0.7907
Customers 3	1.900	0.553	0.6543	0.7913
Customers 4	1.500	0.513	0.4336	0.8260
Customers 5	2.000	0.858	0.7007	0.8050
Customers 6	1.650	0.745	0.7262	0.7668
Competition 1	1.850	1.040	0.8157	0.7376
Competition 2	2.100	1.252	0.8630	0.7614
Competition 3	2.250	1.209	0.9156	0.7189
Competition 4	2.600	1.314	0.7262	0.7611
Competition 5	2.450	1.191	0.5753	0.8074

Source: Field data, 2015.

Figure 4: Table 2 :

462 communities, societies and markets as well throughout the world which have made CE more successful over recent  
463 years. <sup>1 2 3</sup>

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<sup>2</sup>© 2016 Global Journals Inc. (US)

<sup>3</sup>© 2015 Global Journals Inc. (US) 1

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7) The Media helps to create the necessary awareness for the endorsement to be circulated into societies and communities.

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