

# CELEBRITIES IMPACT ON CUSTOMERS BEHAVIOR

LAB UNIVERSITY OF APPLIED SCIENCES LTD Degree Bachelor of International Business Degree programme in International Business and Managment Autumn 2022 Vukolova Mariia

# Abstract

Author(s)	Type of publication	Published		
Vukolova, Mariia	Bachelor's thesis	Autumn 2022		
	Number of pages			
	55			
Title of publication				
Celebrities impact on customer behavior				
Name of Degree				
Bachelor of International Business				
Abstract				
This thesis will explore the topic of celebrity aliasing to buyers. Now various brands are increasingly resorting to the help of well-known personalities to promote and in- crease sales of their brand. And to understand why and how celebrities can influence the choice of the buyer, the concept of influencer marketing will be considered. Also, various models of customer behavior and those factors that can influence behavior will be studied. Next, real-life examples will be considered to show how working with celebrities affects companies. And at the end, a survey and interviews with various buyers will be conducted to confirm and refute the various assumptions made during the work, as well as this will help answer the questions posed at the very beginning of the thesis.				
Keywords				
Influence, celebrities, consumers be	phavior.			

# CONTENTS

1	INT	RODUCTION	. 1
	1.1	Background	. 1
	1.2	Aim and outline	. 1
	1.3	Thesis structure	. 2
2	SO	CIAL MEDIA	. 4
	2.1	Defenition of social media	. 4
	2.2	Social media examples	. 5
3	INF	LUENCER MARKETING	. 9
	3.1	The concept of influencer marketing	. 9
	3.2	Definition of celebrities and influencers	10
	3.3	Social media influencers in influencer marketing	11
	3.4	Influencer marketing considerations	12
4	UN	DERSTANDING THE CONSUMERS BEHAVIOR	14
	4.1	Introduction to consumers behavior	14
	4.2	Definition of consumer behavior	14
	4.3	Factors affecting consumer behavior	14
	4.4	Importance of studying the consumers behavior	17
	4.5	Consumer behavior models	17
5	INF		22
	5.1	Good examples of ads	22
	5.1.	.1 Nespresso	22
	5.1.	2 BTS & McDonalds	23
	5.2	Bad examples of ads	24
	5.2.	.1 Angelina Jolie and St. John	24
	5.2.	2 Kim Kardashian and FLAT TUMMY LOLLIPOPS	25
	5.3	Succesful brands by celebrities	
	5.3.	.1 Fenty beauty by Rihanna	26
	5.3.	.2 Kylie cosmetics	27
6	ME	THODOLOGY	28
	6.1	Beginning of the research	28
	6.2	Questioner	28
	6.3	Interview	34
7	RE	SULTS	37
8	CO	NCLUSIONS	39

_IST OF REFERENCES4	1
APPENDICES4	7

#### **1** INTRODUCTION

#### 1.1 Background

Nowadays both social media and internet, in general, became one of the most important . It's hard to argue that the majority of people can't imagine their life without social media, the internet, and devices. For some people, spending time on the Internet is just reading the news and scientific sources and books. For others, the Internet has become a second home or place of work. Social networks have made it possible for a huge number of people to communicate, create content, and share it with the whole world. Many talented people got a chance to become famous. Thanks to social networks, they have gained popularity and an audience that shares their views and listens to their opinion.

Also, the Internet has given great opportunities to develop their business. Now it is enough to make a couple of clicks so that, for example, a brand-new laptop is delivered directly to the door of your home.

Of course, such opportunities are also used to promote companies and products. After all, bloggers, actors, and other famous personalities have a huge audience where each person can become a potential buyer of a product or service. Inviting famous people to promote and advertise your product is a fairly common and popular practice both for individual countries and for the whole world Even though celebrity involvement cannot be 100% successful and gives growth for the company. There are quite a lot of exams that show successful collaboration and files that make a harmful effect on celebrities and companies. In this thesis, I would like to find and research how influencers impact customers' behaviour, how companies can use celebrities to increase profit, and how the opinion of only one person can change the attitude toward the brand. To prove my point of view, I will use different resources related to this topic. Also, I will use various examples of advertising and collaborations to show real results for the company and its customers.

#### 1.2 Aim and outline

In this thesis I want to find out how famous people can influence consumers. Understand how this work and why consumers can be influenced, what factors can affect on their purchase decision and where influencers can affect on them. Simply writing the aim of this thesis is to understand the consumers behavior, how it can be affected and could celebrities' effect on them somehow. To do so, it is important to look at real-life examples where, thanks to the influence of famous personalities, a product or service sold better. Examples of failed collaborations will also provide a lot of useful information for identifying mistakes in the future.

Also, as I wrote higher, the purpose of this study can be called an understanding of the behavior of buyers and their behavior patterns or models. Although all people are very different and everyone has different interests, beliefs, etc., many of them act according to the same behaviors that brands actively use to promote or sell their products and services

It is important to indicate that this study will describe the situation more from the business point of view, and not psychology. Therefore, to understand and analyze the results, I will use some open info for example, about profit or loss of the company, from different news, interviews, and other sources.

And the last but not least goal of the study is to study the brands that the celebrities themselves created. I will be interested to know how brands founded by famous personalities became popular among buyers, as well as why they became a huge profit. This study will show how a business can be developed thanks to social networks and a huge audience that follows and trusts one person. Many of these companies have gone global. And from their success stories, you can get the knowledge that will be useful for starting your brand or for working in large companies.

To do that, I made one main question and couple of sub questions, that are as well important as the main one.

# The main research question is:

• What impact do celebrities and social media influencers make on customers?

## The sub questions are:

- What kids of customer behavior models are existing?
- Is collaboration with celebrities profitable for brands?
- Can celebrities create a competitive brand through their popularity?

## 1.3 Thesis structure

To answer all these questions that I mention above, I divided this thesis into conditional three parts.

# Theoretical part (Chapters 2,3,4)

The first part is theoretical. It will consist of chapter two "Social media" where I will study what is social media and what kinds of them are existing because nowadays a lot of businesses went to online formant and started to develop social media. At the same time, a lot of celebrities find their popularity in social media, so it is important to understand what their differences, advantages, and disadvantages are.

Also in this part, I will study influencer marketing because it is directly connected with influencers' impact on consumers. Influencer marketing is an important part of marketing, and I will study the concept of it, the role of celebrities in it, and what are the main advantages of using influencer marketing.

Here in this part, I will consider how customers behave. To understand the impact celebrities have on shoppers, you need to know not only why celebrities have become popular, but also how shoppers behave and what factors they are guided by when choosing products or services. Chapter 4 will be devoted to this topic.

# Real-life examples (Chapter 5)

The second part is real-life examples. Chapter 5 Influence can be attributed to this part. In this part, I will consider examples of advertising campaigns or collaborations that could somehow affect the company. This should show how the influence can work in real life because the presence of a celebrity in advertising does not guarantee the success of the project and the company can spend a lot of money on an inconclusive or even disastrous result for both parties.

## **Research (Chapter 6,7)**

The third part is research. This part includes a survey and an interview. Here, using qualitative and quantitative methods, namely a survey and an interview, I will find out from the buyers themselves how they feel the influence of celebrities, from their attitude to various collaborations with celebrities, as well as questions related to their purchasing behaviour to better understand what motives people educate this or that purchase.

#### 2 SOCIAL MEDIA

#### 2.1 Defenition of social media.

Nowadays, in digitalized world, there is a lot of information and advertising online, particularly on social media. The phrase "social media" is typically used to refer to various online and mobile channels and technologies. They let users communicate with each other, express their opinions, and produce content. Social media, as the word means, involves fostering involvement and participation within societies. (CIPR 2013, 3.)

It is possible to define social media more simply by saying that it is digital media, in which people can interact with each other, share information, and even participate together in different activities (Chaffey & Smith 2017, 11). At the same time, social media is created by users on several platforms that enable the spread of interesting material, the creation of discussion, and communication with a larger audience. It is a virtual environment made by and for people. Social media is a digital platform that enables users to interact with others and groups, and discover, create, and share new information (Dollarhide 2021During the past years, social media has significantly changed how individuals live their lives by improving communication (Dentze 2013).

There are numerous social media platforms available nowadays. Some of them are local social media with a smaller user base that, for instance, only has people from one nation or area. Others are global social media with a large user base. Also, social media have various main ideas that affect the content that the user can find on this particular social media. I'll give some examples of social media in the following chapter to show how diverse they are.

#### 2.2 Social media examples

There is a huge amount of smart social networks available nowadays. For this or that product or service to be seen by as many people as possible, you need to create an advertisement on the social network in which the largest number of people sit. The four most attractive social networks for businesses will be considered.

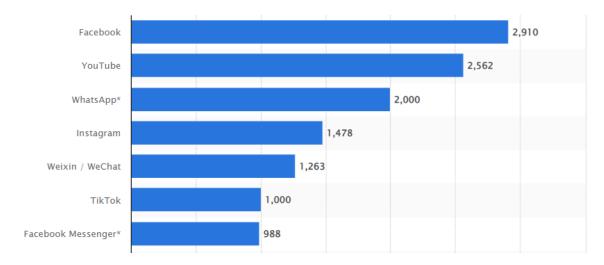


Figure 1 Number of social media monthly active users (Statista 2022a)

#### Facebook

Most likely, when mentioning social media, one of the first examples will be Facebook. Users of the website and app may set up a free personal account to share content and connect with each other. People and businesses may post images, music, videos, articles, ideas, and more on this social media (Ray 2013, 5). There are many ways to advertise a good or service using this variety of content. Facebook also has over a billion users, which creates a positive environment for advertising. Successful Facebook ads are optimized ads that target the right audience. This type of advertising helps you to spend your budget wisely and see a positive return on in-vestment. Compared to other advertising platforms, Facebook offers stronger targeting capabilities. This means that there is always a method to find your audience if they are using Facebook.

Facebook ad success is highly dependent on strategy. Specifically, the strength of your offer, the persuasiveness of the content, the effectiveness of the images, and the success of the targeting (Ray 2013, 46).

#### YouTube

YouTube is a nice illustration of a well-known social media platform. This is one of the biggest and most well-known social media platforms, and it is frequently used for reviews, advertisements, and promotions. Any kind of video a person can think of may be found on this social media. Videos range from humorous and adorable kittens to recent news clips and movies. (Miller 2011.)

On this platform, there are around 2.1 billion active users each month, and each one of them may be a potential consumer (Shepherd 2022, 5). Every year, the expected number of users increases, and there are no indicators that this trend will slow down or even stop.

On YouTube, people can make and post a wide variety of videos with different durations and content. Users may select a blogger they prefer by making their choice from a wide variety of always-evolving material. YouTube is a great platform for advertising products and services. A popular approach for marketing and advertising is to review different products and services. Due to this content's huge success, numerous bloggers have found success. For instance, some bloggers have developed channels where the primary focus is on re-examining and rating certain devices. One of the popular channels with this theme is Unbox Therapy. At the time of writing this work, it has over 18 million subscribers, which is a fairly large number for this platform. Many bloggers in this category with a large audience receive various gadgets from the manufacturers themselves to get a positive review.

A positive review can give a person a good impression about a particular product or brand in general, and in the future, the buyer can choose this particular brand due to the previous review. Similar exchanges of products for advertising are found on YouTube not only in the field of technology, but also in beauty, cinema, the gaming industry, food and healthy eating, and so on.

#### Instagram

Another great example of popular social media is Instagram. This social media has over 1,2 billion users so there are a lot of different customers who could be interested in company products or services (Statista 2022b). On this social media user can upload and share photos and short videos. Also, here a person can find a lot of celebrity accounts.

Usually, celebrities, actors, and other famous people actively lead their pages on Instagram. For example, the second most popular account by the number of followers is owned by football player Cristiano Ronaldo, he has over 477 million followers. Next place is owned by Television personality, model, and businesswoman Kylie Jenner, she has 368 million followers. Also, she has a makeup company "Kylie cosmetics" that is quite successful, I will analyze this brand later in this thesis.

Therefore, Instagram is a very useful platform for product placement and promotions. Users don't spend a lot of time reading the information, and bloggers may provide suggestions and advertisements in picture form. Only because of the beautiful and professionally taken photo of the goods, which shows it looking extremely wonderful, can a consumer have positive feelings about the product. Many successful businesses that later became better well-known around the world were first founded on Instagram. Different social media platforms, like Instagram, are increasingly crucial for business as well as daily life and enjoyment. They help in bringing in new clients, keeping them around, and these social networks open up great new company opportunities (Dwivedi 2016).

Sugar Bear Hair is a great example of a business that became well-known as a result of Instagram and influencers. Popular Instagram celebrities and influencers are promoting these bottles. These vitamins come in gummy form and promise to boost hair growth. The Kardashians are one of the most well-known Instagram influencers, and they frequently post on their accounts about these gummy bears. The brand account currently has 134 thousand followers and receives thousands of monthly purchases.

#### TikTok

The social media platform TikTok gained popularity in 2018. First it should be clarified what is TikTok. This is a social media in which users can create short music videos, make live streams and even chat with each other. This platform has already established itself as a market leader in China and is quickly expanding around the world, where more and more well-known individuals are opening accounts. In the beginning of 2019 TikTok ranked in the top three most downloaded app worldwide. In the App Store TikTok reached 33 million downloads (Briskman 2020), this indicator exceeds outperforms even well-known social media such as YouTube, WhatsApp, Instagram, and Facebook. Because of such a high rate, the social media began to attract not only ordinary users, but also companies that are interested in promoting their products.

It's difficult to predict how effective celebrity endorsements will be because this social network is just starting to get more famous, and celebrities are only just starting to sign up for it.

Certainly, a huge audience of platform users is a plus for creating content as well as advertising. But unfortunately, everything has good and bad sides and TikTok is no exception. The downside of TikTok is that there is no way to attach a link in stories to the company that the blogger is promoting. Advertising on TikTok is mainly used by corporations that every user knows, they do not need additional introduction. Start-ups and small brands are currently not benefiting from TikTok.

#### 3 INFLUENCER MARKETING

#### 3.1 The concept of influencer marketing

Nowadays to get through the flurry of "buy and sell", for companies it is not enough to be original and have interesting products. They need to develop different strategies to attract customers' attention to their products. Here comes influencer marketing to the rescue. One of the business world's most current trends, its impact cannot be overstated. Getting a famous person to endorse the product is the simplest, most costly, and riskiest approach to doing it.

Now it is time to define what is influencer marketing. It is a type of social media marketing. This type of marketing often uses endorsements that are made by individuals, businesses, or organizations that have some power or are leaders in certain fields (Geyser 2022). Due to the fact that people are more likely to trust well-known persons with authority in a particular field, this sort of marketing works fairly smoothly and effectively. For instance, a lot of individuals are ready to purchase a good or service only because their favorite celebrity suggested it. Brands want to use social media influencers, or SMIs for short, to take full use of social media's marketing potential. Influencers advertise and write product reviews, which raises interest in the product (Brown & Hayes 2008, 50).

Social media influencers are internet users who have gained respect in a certain industry through their online behavior (Brown & Hayes 2008, 52). They often have a sizable audience that communicates with them on social media frequently and actively, as well as those that respect this influencer (Keller & Berry 2003, 372). YouTube, a social media platform where users may upload videos, is an example of a platform with a large audience that is actively used by individuals (Lee 2016).

Nowadays YouTube is one of the most famous platforms, especially in video format social media. According to the data from Pew Research, YouTube is one of the top two dominant social networks among Americans, according to a survey. About 81% of Americans use YouTube, and the second dominant social media Facebook is used by only 73%. In the last year. Additionally, 15% of all traffic on consumer broadband networks worldwide was accounted on YouTube. (Forbes 2021.)

Naturally, due to high demand, there are a lot of content creators on YouTube. Usually, people use the word "YouTuber" to define a content creator who has reached a big amount of subscribers. For example, one of the most well-known YouTubers PewDiePie, in September 2018, became the most popular in the world by reaching 66 million followers on his channel (Statista 2018c). In March 2022 he already has 111 million followers. Of course,

not all YouTubers have such a huge audience, but even 1 million subscribers is a good enough result that can become a profitable and successful promotion.

#### 3.2 Definition of celebrities and influencers

Celebrities are well-known persons who gained popularity via activities like sports, music, and movies. The majority of them now in the digital world have profiles on various social media, such as Instagram, TikTok, Twitter or YouTube. Some ordinary individuals can also start social media profiles and identify their target audience. On social media, users who have a large following are known as influencers. They may create a variety of content, from sharing their personal stories and thoughts on many subjects to streaming games and writing reviews. Experts focussed on the group of influential people who have a strong impact on others and strong information sources while attempting to discover who these "influencers" are (Gladwell 2000, 158). Additionally, social media plays a big part in these influential people becoming influencers (Chae 2017, 1). But because social media is always changing, it may be quite challenging to pinpoint where these influencers get their authority today (Yesiloglu & Costello 2020, 8).

Social media influencers could be found not only on primary social platforms such as Facebook or Instagram but also on smaller platforms such as Musical.ly. Even this smaller social media gave birth to Internet celebrities and influencers . (Forbes 2016.)

Social media influencers share some similarities with traditional celebrities, such as having a sizable audience and followers, as well as being open to various offers and messages. They may also be described as judges who are knowledgeable about current trends in various markets.

Celebrities or in other words social media influencers, who could be also named as a new type of opinion leader for modern people are getting more and more attention from different companies. Brands and companies understand the influence of celebrities on their followers, so companies started to use influencers in their advertisements. The research show that the 80% of marketers believe that influencer marketing is effective, 35% think that this strategy is very effective, and just a small percent (5%) finds influencer marketing ineffective. The image of a celebrity can be beneficial and effective in brand promotion. For example, if a brand gets a contract with an influencer in the brand beginning, the use of celebrity can quickly increase brand awareness and the value of positive perceptions, or an influencer image can add to the brand the traits it needs to grow. (Smart Insights 2019.)

# 3.3 Social media influencers in influencer marketing

In addition to being a celebrity, an influencer can also be a blogger, a social media leader who is an expert in their field, or a well-known figure in a certain industry. It is not necessary to have a million followers to have influence. The engagement of the audience with the influencer's material, not the number of subscribers, determines how successful influencer marketing is. Because they operate chamber blogs where "everyone is their own," smaller bloggers with an audience of up to 3,000 subscribers are now trusted more than big ones.

According to the size of the audience, influencers are divided into several groups (Yesiloglu & Costello 2020, 46):

- nano-influencers up to 1000 subscribers
- micro-influencers from 5 to 100 thousand subscribers
- mid-influencers from 100 thousand to 1 million
- macro-influencers more than 1 million subscribers

The difference in naivety between direct advertising and influencer marketing. Product promotion does not look like advertising. A blogger is a subscriber's friend who only recommends things he or she likes goods, locations, and entertainment. The audience sees advertising as part of the narrative and views it as trustworthy. An influencer is familiar with their audience's interests in terms of topics and content, making their account an ideal platform for SMM marketing and communication.

There are different ways to create ads by a blogger or celebrity (Glenister 2021, 67):

- Blogger ad formats a direct recommendation is a call to follow a link or take a targeted action
- Reviews a detailed description of your product or several along with yours to add naiveness
- Product placement is a technique for natively mentioning a brand in a frame that bloggers took from a movie
- Unpacking is a format when an influencer receives a product from you for testing and talks about it from the very first moment
- Branding a profile or category is a campaign when an influencer becomes the face of a brand, for example, during a competition or marathon
- As well as promo codes and referral links

# 3.4 Influencer marketing considerations

Several main features can be highlighted after understanding influencer marketing:

- Anything can be promoted, including expensive beauty salons, banks, and tour operators in addition to food products, delivery services, and restaurants. Almost no limitations are there. Planning a brilliant marketing strategy and selecting a popular leader with a sizable fanbase are the only criteria.
- 2. Influencer marketing is beneficial for businesses of any size. In the past, only huge companies were able to get well-known influencers to advertise their products. Artists, singers, and politicians were the only well-known personalities who in the past charged high fees for their services. Now, even a small company may hire a blog owner to advertise its products among followers.
- Direct sales might increase due to customers. The blogger includes a link to the business's website in a post with an advertisement or a video description, resulting in a direct flow of Internet traffic. If more people will trust the influencer, the higher the conversion will be.
- 4. Impulse selling complements influencer marketing well. A consumer will be more willing to buy a customer's product if he is impressed by the blogger's experience or strives to be like him. He probably would not have made an impulsive purchase otherwise.
- 5. Any business may connect with potential clients, break down barriers to formal communication, and remove mistrust by using bloggers. The company starts to communicate in the language of its own customers when purchasing advertising from an influencer. (Glenister 2021, 79).

Also, besides these features, influencer marketing can provide:

- increasing brand awareness, awareness of the target audience about it
- training of potential customers (if high-tech products are advertised)
- improvement of SEO-parameters of the Internet resource
- demonstration of unusual ways of using the product
- development of negative reviews and bad reputation
- increase in the number of goods sold

Thus, influencer marketing can help companies and brands not only increase sales, but also other interesting things, such as brand awareness, customer education, etc. Perhaps that is why influencer marketing has become so popular now.

# 4 UNDERSTANDING THE CONSUMERS BEHAVIOR

## 4.1 Introduction to consumers behavior

Each of us has to make decisions during the day, every day. Everything from what to eat at lunch to what to wear today and what to do after work might be discussed. People make a lot of decisions without giving them much attention if you step back and think about it. The same is true with purchasing choices. These seemingly insignificant choices are important and helpful in marketing. Because businesses may utilize such knowledge to increase income by looking at the thought processes that go into consumer decisions.

The secret to influencing behavior changes, according to behavioral psychology, is knowing consumers' beliefs, behaviors, and "peak spots." Peak moment is the consumer's reactions that appear while using or first interacting with a product or service and even the emotions that the consumer has at the end of the journey. (Charm et al. 2020, 3)

Understanding how and why consumers shop is a direct benefit for any company. Conversely, misunderstanding the motivations and preferences of buyers can be costly.

#### 4.2 Definition of consumer behavior

Consumer behaviour can be defined as the study of consumers themselves. It is also the study of the behavioural processes that are used to select, use, and dispose of goods by individuals or groups of individuals. The story can also include the experience as well as the emotional, mental, biological and behavioural factors of consumers.

Studying this topic is crucial in order to understand the purchasing process of customers, since most people will just click or grab their favorite goods and move on. And it's estimated that 90% of decisions on what to buy are made instinctively. (Forbes 2018).

## 4.3 Factors affecting consumer behavior

Multiple factors can influence the choice to purchase a specific good or service. Everyone is different in terms of their personalities, tastes, interests, and demands. As a result, different people may approach the decision of what to purchase in various ways. Cultural, personal, societal, and psychographic elements dominate what influences customer behaviour in the market (Hoyer et al. 2012, 1). As cultural factors, take into account the

culture, subculture, and socioeconomic class. Personal factors can be included age and family, personal type, lifestyle, occupation, etc.

The following factors can also influence the behaviour of the buyer:

Culture

The individual's wants and behaviour are influenced by their culture. This also covers traditions and religion, which have an impact on a person's interests from birth. Due to the traditional popularity of saunas in Finland, there will be a significantly larger demand for sauna building and accessories than in other nations with less prevalent or absent sauna cultures.

• Subculture

Each culture has subcultures that enable members to identify with and associate more strongly with others of their kind. For example, some subcultures have a unique style of clothes and make-up or even original traditions and styles of life.

• Belonging of the consumer to the social class

It is built in a strict hierarchy, relatively homogeneous, stable social groups, whose members are united by common values, interests, and behavior. It could be shown in case that a rich and influencing person will usually use more expensive things, it could be clothes, cars, etc.

• Family

The family is the most important social association between consumers-buyers. It can affect the person's opinion and choices.

Roles and statuses

A person takes part in the activities of so many various groups during their lifetime, including their family, friends, and numerous organizations. His or her role and status decide where they stand within each group. A person's role seems to be the set of behaviors that others anticipate of him. Each executable role has a matching status. People frequently purchase products and services that should uphold and confirm their social position.

• Age and life cycle

For example, the purchases of older people differ from the decisions of teenagers or young people. Their social class and income are established. Children are old enough to not affect the buying habits of parents. In the behavior of this group, personal interests and goals begin to appear, the satisfaction of which, for example, they could not achieve at an earlier age.

# Occupation

Depending on the type of employment of a person, his or her purchasing behavior may also differ. The buyer's profession has a significant impact on their purchase behaviour. For marketers, it is important to identify professional groups that are interested in purchasing certain goods and services, and firms are guided by the production of goods for them. The buyer may often purchase goods related to their work. For example, a person who works in the field of cars will be more careful and professional in choosing a personal car. While an amateur or a simple buyer can simply trust the advice of celebrities or ancestral consultants.

# Economic situation

If there is a crisis in the country probably the majority of people will somehow try to keep their money and not spend it on unnecessary things. Or, for example, when an energy crisis appears, people will more often buy more energy-efficient appliances or try to find alternatives that do not need energy.

# • Personality type

All people are individuals and have their personality types. It is a set of distinctive psychological characteristics of the individual, causing their relatively constant and consistent reactions to the influence of the external environment.

## Motivation

A person usually has a lot of needs. Some of them are biogenic, they arise under a certain physiological state of the human body. And others are cultural. People always will buy products that can be categorized as biological needs, such as food. And cultural needs can be postponed. When studying the motivation or urges that cause an individual's activity and determining its direction, in this case, the purchase of a certain product, one should find out why the purchase is made. What the consumer is looking for when buying a particular product or service, what needs it seeks to satisfy.

These are just a few factors that can affect customers' behavior. they also need to be studied and understood to accurately offer your product or service to the right buyer who will be interested in it. These factors must also be considered when choosing a celebrity for advertising or collaboration. Since every blogger or celebrity works for a certain audience in which many people have similar interests, social statuses, and cultures.

#### 4.4 Importance of studying the consumers behavior

Studying customer behaviour is essential for figuring out not only how many purchases were made on instinct, but also for understanding human behaviour and preferences. The literature study of the impacts of advertising on its efficiency has and will always pay close attention to and develop at a quick speed with regard to consumer purchasing behaviour (Haider & Shakib 2017). This topic will continue to occupy an important place in the field of business for a long time to come because it helps marketers to understand by what buying decisions are influenced. Companies may analyse their choices and the market by utilizing this data in order to produce goods that will be in demand and do well on the market. Additionally, how businesses present their goods may be influenced by how consumers behave in order to have the most effective impact on sales. The behaviour of consumers is the key to attracting and keeping new customers so that they become customers of businesses.

## 4.5 Consumer behavior models

Purchases kind can be divided into two categories: industrial buyers and the individual buyers. Industrial buyers or organizational purchasing behavior differs significantly from the features of individual consumer behavior. It typically happens in a formal organization due to budget and expenses. Additionally, individual consumer behavior occasionally makes it hard for two people to make decisions together.

Consumer behaviour is a factor that marketers use to create a successful marketing strategy by influencing customers to purchase goods and services. In general, purchasing behaviour should be defined as the process of forming the demand of buyers who select products and services depending on a variety of criteria. Such decisions are influenced by a wide range of factors, the sum of which can result in one of three outcomes: the buyer purchases the product, the buyer does not purchase the product, or the customer decides to learn more about the product or service (Enis 1974, 228).

It is also well known that there are several elements that might influence individual customer behaviour while purchasing goods and services. From a marketing perspective, it is critical to investigate certain elements of consumer behaviour, such as purchase motivation. Consumer buying behaviour is an important element of marketing. This is because it helps to understand and explore how people or groups of people interact with shopping. Shows how they manage goods and share their ideas and experience. It all depends on their needs and goals. Consumer behaviour also covers the consumer's behaviours related to a purchase, various elements throughout product use, and emotional and behavioural reactions related to the purchasing process. To identify the type of consumer behaviour, consider the amount of engagement that a customer exhibits during the purchase decision making (Disha 2018). Other aspects include the level of risk involved in the purchaise, which indicates that higherpriced items have more risk and need more involvement in the purchasing process.

The factors themselves predetermining consumer choice are divided into many types. Depending on the group of factors that determines consumer behaviour, there are various ways of its implementation.

Basic models of consumer behaviour include:

- Economic model
- Sociological model
- Psychoanalytic mode

They differ from each other based on making a decision to purchase goods or services. And now I will consider them in more detail.

## **Economic model**

The economic model suggests that while choosing whether to buy or not buy, the customer is primarily influenced by pragmatic considerations and personal beliefs about the degree of profitability of the transaction being made, as well as the maximum usage of the purchased products. The primary goal of the consumer is to spend as little money as possible in order to maximize their profit. (Afshan & Fu 2012, 25.)

The main factor predetermining the nature of consumer behavior in this model are:

- the sales price
- the level of income of the buyer himself
- operating costs, and etc.

The pricing effect, which consists of a low price and quantity, will lead to increased purchases, is the foundation of the economic model. It also consists of a substitution which means that the price of the replacement product will decrease, and the benefit of the original product will become lower. The income effect says that when more income is earned, or more money is available, the quantity purchased will be more. Thus, the economic model of behaviour is based on its patterns that matter not so much for the buyers themselves, but for the manufacturer that forms the production and promotes products to the market. One of the main advantages of this behaviour model is its rational reasoning based on common sense.

# Sociological model

This consumer behaviour model is related to society. The sociological model is based on the idea that the social context in which a person lives or would want to belong plays the most significant and deciding role in consumer behaviour. As a result, the most significant influence on consumer choice will come from for example close friends and family.

The main factors in this consumer behaviour model are social classes and social culture. For example, the consumer may be a politician, and their attire standards may differ from those of ordinary people. As a result, customers will need to purchase products that match their lifestyles. Friends, family, social statuses, and roles will all have an impact on the customer.

In this model of behaviour, the consumer makes a purchase choice not because he or she has a real need for the goods or service, but because the purchase will serve as a form of confirmation of a person's social status and place in society.

Psychoanalytic model



Figure 2 Maslow's hierarchy of needs (McLeod 2007)

The Hierarchy of Needs is the basis for this psychological model. Abraham H. Maslow, a psychologist, developed this theory. People operate at multiple levels of awareness, according to this theory. That is, customer behaviour is influenced by their needs and importance.

The first needs of customers, for example, are psychological needs; they are at the bottom of the pyramid. They include things like food, safety, and breathing. Therefore, consumer needs are limitless and continue to rise after "closing" the level of the pyramid by satisfying them one after the other.

Thus, in the psychoanalytic model of purchasing behaviour, the actual behaviour of buyers is determined by such factors as:

- personality type
- life experience
- perception of the outside world
- beliefs
- conceit (self-determination and self-esteem)

It is believed that the effectiveness of marketing initiatives depends on a thorough knowledge of psychological behaviour. The variety and quality of products, price ranges, and locations where consumers may buy goods and services are all impacted by psychological factors, which predetermine the irrationality of consumer behaviour.

A special role in the psychological model is assigned to the assessment of the correctness of the choice of products by the consumer. If the buyer positively evaluates the product or service, then the probability of purchase increases significantly, if the assessment is negative, then the probability of purchase decreases.

## 5 INFLUENCE

# 5.1 Good examples of ads

# 5.1.1 Nespresso



Figure 3 Nespresso advertisement (Nespresso 2022)

There is now a large selection of coffees on the market and various companies that produce them and are suitable for cooking. But still, Nespresso can be considered one of the most popular companies. An important role in the success of the company can be considered cooperation with a famous person, namely George Clooney.

In 2006, Hollywood actor George Clooney became the face of Nespresso. He constantly appeared in advertisements for this company and took an active part in popularizing the brand. In 2013, the American media wrote that in six years the actor earned \$ 40 million thanks to filming in advertising. For many people, this actor became directly associated with the coffee brand, which increased brand loyalty and awareness.

In 2015, George Clooney said, "I have worked with Nespresso for nine years and I love and respect the brand and what they do and how they do it." In the same year, the actor starred in a new commercial for the company, along with Hollywood star Danny DeVito. Long-term cooperation may indicate that it is beneficial to both parties: In 2012, the Nespresso brand spoke about a steady increase in sales and geographic expansion. In the five years since 2007, the company has tripled its share of sales in the European market (cooperation with Clooney began in 2006).

Thus, this long cooperation became a very successful way for the development of the company. This is evidenced both by the Nespresso report on increased profits and the development of the brand in new countries, as well as the multi-year contract with the actor, which was also profitable for him.

# 5.1.2 BTS & McDonalds

Another successful example of brand collaboration with celebrities is the collaboration of McDonald's fast-food restaurant and the South Korean music band BTS. The collaboration itself was quite simple – McDonald's created a meal for fans of the band which contained nuggets, French fries, Coca-Cola, and sauces of South Korean traditional cuisine. Also, the food was sold in branded packaging with the symbols of the group.



Figure 4 The BTS Meal (McDonalds 2021)

The success of this marketing campaign has a few reasons.

The main reason is that one of the members of the collaboration is a worldwide popular group that boasts a huge audience of fans of different ages, preferences, and places of residence. Also, the high fan interest in the collaboration generated interest from people who were not particularly interested in this musical group.

As a result, McDonald's reached a new generation of customers, and they achieved a record level of social engagement in 50 countries. According to McDonald's second-quarter 2021 results, global comparable sales were up 40,5% and increased 6,9% on a 2-year basis. McDonald's revenue in the second quarter of 2021 was \$ 5.89 billion, which is 5% more than analysts' forecast. Net income quadrupled year-on-year, from \$483 million to \$2.22 billion. (CISION 2021.) This case perfectly shows that good collaboration can be very profitable for a company. In this case, the company was able to significantly increase profits by making minimal changes to the existing menu and packages, as well as by conducting good advertising and increasing brand awareness.

# 5.2 Bad examples of ads

# 5.2.1 Angelina Jolie and St. John

But unfortunately, a collaboration or an advertising campaign with a celebrity does not always lead to a successful result and an increase in profits. There are also cases when a company does not get the desired result or even loses the trust of customers due to celebrity.

One such example is an advertising company for a clothing brand St. John and a wellknown actress Angelina Jolie. In 2005, Angelina Jolie signed a three-year contract to become the face of St. John. The brand is known for inexpensive knitwear, conservative suits, and faux pearls (Reuters 2010).



Figure 5 St. John advertisement (Global Fashion Report)

According to unconfirmed information, the brand paid Angelia Jolie \$12 million. A few years later, the contract was terminated, as the company did not get the desired result. The reason was that in advertising, buyers saw only a celebrity and usually did not even remember what she advertised. "Joli has eclipsed us," the St. Johns chief executive said. People focused on looking at the actress herself and forgot about the product she advertised.

Thus, you can see that not always a collaboration with a celebrity has a positive effect on sales. In this case, the company has not lost its reputation or the trust of customers. But despite this, the company lost money spent on advertising, as well as profits that could have come from a famous person.

# 5.2.2 Kim Kardashian and FLAT TUMMY LOLLIPOPS



Figure 6 Flat Tummy advertisement (The Sun 2018)

Another example of a failed collaboration is advertising of lollipops by Kim Kardashian.

Reality TV star and one of the most famous people on Instagram Kim Kardashian also took part in the advertisement, which was not successful. The fact is that Kardashian advertised lollipops that help suppress appetite, reduce weight, and generally correct the figure.

This was extremely disliked by supporters of proper nutrition and body positivity, as well as some celebrity fans. The main claims were that such sweets can negatively affect both the physical and moral health of a person. "Would you advise your children to use appetite blockers? Telling young people to starve instead of promoting healthy eating is how you use your influence?" such statements could often be seen under a sponsored celebrity Instagram post. Another factor that angered the audience was that these lollipops were advertised by a celebrity who often does various plastic surgeries and procedures to improve her body. (Miller 2018.)

This collaboration was a failure for both parties. The company did not receive the desired popularity and lost the trust of customers. While celebrities have lost some of the audience's trust and received a lot of hate in their direction.

# 5.3 Succesful brands by celebrities

# 5.3.1 Fenty beauty by Rihanna

Also, brands created by celebrities themselves can be considered good examples of the influence of celebrities on buyers. After all, in this case, most buyers will purchase products from these brands because they are made by their favorite celebrity. One of the successful examples of a brand created by a celebrity is Rihanna's Fenty Beauty Company.

Rihanna launched her beauty brand in 2017. Before this, the celebrity often collaborated with cosmetic companies such as MAC. Celebrity also participated in the creation of a whole line of fragrances with Parlux Ltd.



Figure 7 Fenty Beauty advertisement (Leap)

Rihanna's project has been voted one of the best launches of the year by Time magazine, and for good reason. Rihanna often talks about the diversity of beauty in the world, and her project has become a confirmation of her position - in the arsenal of the brand there are more than forty shades of foundation, which has become the hallmark of the brand. The brand also has an extensive collection of glosses and lipsticks, tonal creams of different densities, eye shadows in the most daring shades, body highlighters, and unicorn highlighters. This diversity has attracted not only celebrity fans but also ordinary people who follow cosmetics and trends. A portion of cosmetics proceeds goes to the Clara Lionel Rihanna Foundation, which supports education, health, and welfare in developing countries. It also plays an important fact in the popularity of the brand.

Thus, the Rihanna brand showed that some celebrities can create their own successful companies and brands that can stand on par with well-known market leaders. In this case, the celebrity's high credibility has helped her brand quickly gain customer loyalty and a huge fan base around the world.

#### 5.3.2 Kylie cosmetics



Figure 8 Kylie Cosmetics advertisement (Kicks 2022)

Another example of a successful celebrity brand is kylie cosmetics.

The most successful of the famous Kardashian family, Kylie Jenner launched her makeup line in 2015. The huge audience of both the Kardashian family itself and Kylie's audience created a buzz and made the brand very talked about. This brand has taken the beauty market by storm with a set of liquid matte lipstick and a lipstick-matching cap.

Particularly with young women, Kylie Jenner is a fashion and beauty influencer. With 80 million followers on Instagram, she has a lot of followers. After seeing early success with the Kylie Lip Kit, Kylie launched a full range of goods. A new product release is scheduled every month and typically sells out within hours of being on market. This results in significant pent-up demand for its most recent offerings. (Sigmond 2016, 168.)

Thanks to the popularity of Jenner and artificially created demand (new limited editions appeared on the site, which instantly scattered), the brand quickly became one of the most popular.

Today, Kylie regularly releases new collections of lipsticks, blushes, shimmers, eyeshadows, and ultra-shine lip glosses in coveted pink packaging and provocative names such as Allergic to Bullsh\*t lipstick. This every time causes interest among the audience and discussion in various publications and social networks.

Now the brand continues to exist and remains a mega profitable project. The Kylie brand can be found in many stores around the world and is now used not only by fans of the Kardashian and Kylie family but also by people who do not follow them.

#### 6 METHODOLOGY

#### 6.1 Beginning of the research

This survey was made at the beginning of spring 2022 (1.03.2022-1.04.2022) when I started to write this thesis. To find out how celebrities influence customers I decided to use a quantitative method, namely the questionnaire. To do it I used the Google form that I send to my friends, relatives, colleagues, etc. I decided to choose this method to collect my small statistics for a better understanding of the situation. This method allows you to analyse the general responses from a large number of people and confirm or refute the theoretical data that I considered earlier. Then in the finishing part of my thesis, exactly on 25 October 2022 I decided that the quantitative method is not enough. This topic needs to go deeper and use a qualitative method, exactly the interview. The interview will help to take a closer look at the behaviour of buyers and their habits. And in general, consider the buyer as a separate person and not a figure in statistics. This interview I also did the online in messengers and social media.

All the researchers can be found in the appendix part of this thesis.

#### 6.2 Questioner

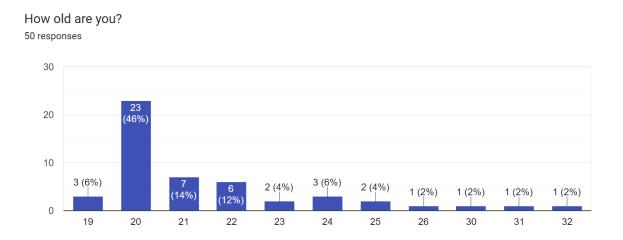
When the questions were created, it was necessary to decide on the target audience and how to convey these questions to it. I am an international student and that is why I have a lot of various friends around the world. That is why I decided to share this survey with my friends, relatives, and acquaintances. I considered that the participants of this survey will be people of the age group from 18 to 35 years old, since these people are most often still students and at the same time actively use the Internet. In the end, my assumptions turned out to be correct, which is proved by the answer to the survey as well as its analysis. I have used a variety of methods to distribute this survey. Most often I spread it through social networks. I sent a survey to someone on my own, sometimes I threw it into various chats with my classmates and friends. Someone himself was active and the respondents themselves distributed the questionnaire in order to get as many different participants as possible.

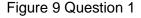
#### Question 1.

To understand the influence that celebrities make on the customer I decided to ask customers themselves. To do that, I made a questionnaire that was sent to different people. There were my friends from different countries, university students, my relatives, and friend of friends.

In the end, 50 people from different counties, cultures, various ages, and preferences took part in this research. In my opinion, such diversity should well show the influence of famous personalities on different categories of buyers. There are so many reasons and factors that can affect customers' decisions from their mood at the time of purchase to habits and needs. But in this research, I tried to focus only on celebrities' impact, and to do that I made narrow questions. So now I will analyse the results.

In the first graph, I can see the diversity of the ages of the survey participants. The majority are young people at the age of 20. Usually, these people are the most active users of online shopping (Eurostat 2022). But still, some people are under 20 years and older than 30 years. Also, according to worldwide statistics, the majority of internet users are people from 25 - 34, they make up about 34% of all users. The next largest group is people from 18 - 24 years old, this is about 23%. (Statista 2022d.)





#### Question 2.

The next question was made to understand how often participants connect with celebrities. Of course, people who actively follow famous people more often get ads and recommendations from celebrities, and they can be more often affected. In this questionnaire, the majority of participants actively follow celebrities. By active following I mean following and monitoring celebrities on social media, taking part in events connecting with celebrities, for example, visiting the concert of a famous singer. Now, knowing that a lot of participants actively follow celebrities on social media, I can assume that the majority of them will be under celebrities' impact. To check this point of view, I did the following questions.

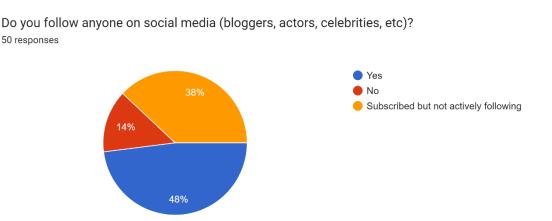


Figure 10 Question 2

#### Question 3.

In question three I decided to clarify how often participants make purchases online. The internet has a wider choice than offline shops. Of course, the customer can easily find some products from world-famous or famous brands in the nearest shopping center. But what if the celebrity will make their brand? For example, I already wrote about Kylie Janner's makeup brand. This is a worldwide company but sometimes it is hard or even impossible to find it in local shops. So, people will purchase the products online because it is easier, sometimes cheaper, more comfortable and customer have a larger choice.

In this questionnaire, about half of the participants sometimes shop online, and 36% of people do this often. Also, this question showed that all the participants are familiar with online shopping and use it.

How often do you shop online? 50 responses

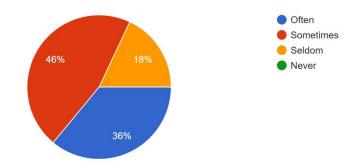
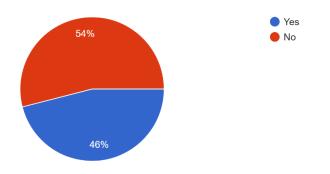


Figure 11 Question 3

#### Question 4.

The next question was "Have you bought something on the recommendation of a celebrity/blogger?". In my opinion, by answering this question, participants probably answered the question "was I influenced by celebrity or not?". The answers said that the majority didn't buy something because of the recommendation, but still, about half of people said that because of the recommendation or advice of a famous person they decided to buy and test the product. The fact that 48% of people answered that they actively follow celebrities on social media and that now 46% did a purchase because of the advice convinces me in practice that the more actively a person follows celebrities, the more he is subject to their influence. It also needs to consider the fact that many people do not understand that they bought a product under someone else's influence. Perhaps the buyer once caught a glimpse of a product from a celebrity or in an advertisement, and after some time seeing this product decides to buy it.

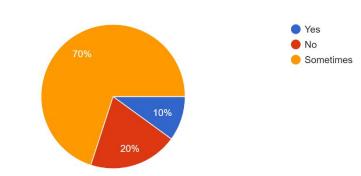


Have you ever bought something on the recommendation of a celebrity/blogger? <sup>50 responses</sup>

Figure 12 Question 4

#### Question 5.

Next, I decided to clarify whether would it be an advantage for participants if the celebrity has a positive review of the product. I believe that a positive review can make a different effect than just influence. When a customer sees a positive review, he or she knows that it is an ad and celebrities get paid for that. But when the celebrity just shows for example what they use more natively, people will be more trustful. For some customers, their favorite celebrity could be an authority and their opinion will be very important when choosing something. As could be seen, for 70% of participants the recommendation from celebrities sometimes will give an advantage when choosing the product. These results could be because of the background of celebrities and their previous recommendations. Not every customer will trust a famous person who does advertisements every day.



Do you trust celebrity recommendations (ads, blog, videos)? 50 responses

Figure 13 Question 5

# **Question 6.**

The last question connected with celebrities' impact is quite similar to the previous question. Here I can make the same conclusion as in the previous question. Most respondents will not blindly trust celebrity recommendations, but they will not refuse to buy this or that product because a celebrity has given it a positive review. There may be various factors behind this behavior, for example, trust in various celebrities, scandals related to them, or simply confidence in your own choice. Nevertheless, for 20 percent of respondents, a positive review from a famous person will be a big plus when choosing a product or service. This shows that for some people authority and fame a person play a big role.

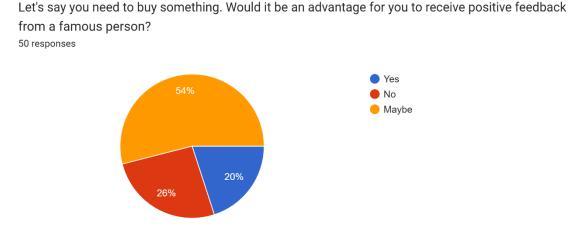


Figure 14 Question 6

The next two questions were made to help this thesis research and find more examples of successful brands made by celebrities and prosperous advertising companies. it should be noted that many people have at least one example of a brand that is associated with a famous person. Some of the responses from this survey helped me find examples of successful businesses that I wrote about earlier.

# 6.3 Interview

Since the survey was made at the beginning of work on the thesis, it did not cover all aspects studied in the work. Therefore, I decided that it was necessary to supplement the study with an interview.

For the interview, I decided to select three random people from those who had already taken the previous survey. The survey involved a student aged 20 and 24, as well as an employee 27. This survey was conducted both in the format of a meeting and an online call and correspondence in a social network. Conducting an interview in the format of a personal meeting is not always convenient and possible for both the interviewer and the guest. And the online format allows you to get the result faster and in a more comfortable atmosphere for both parties.

For convenience in writing, I will designate the responses as:

- 20-year-old student Answer 1
- 24-year-old student Answer 2
- 27-year-old worker Answer 3

# Question 1

The first question was "How often do you shop online and why?". This question was partly mentioned in the questionnaire, but now I decided to delve into more individual answers. Here people who took part in the interview can tell in more detail about certain reasons than in a multiple-choice survey. All participants agreed that purchasing online is more convenient than going to the shop. Online shops save time and have a larger variety of goods. nevertheless, one of the participants noted that in offline stores there is an opportunity to test or try the goods, unfortunately, such an opportunity is either very rarely possible in online stores or not available at all.

# **Question 2**

The second question was about the influence. Respondents shared their opinion about what influences their choice when buying a particular product or service. In this question, all participants answered that price is an important factor in their choice. Then everyone has their factors such as reviews, personal preferences, delivery aspects, wants, and returning possibilities.

## Question 3

Then I decided to focus on the behavioural models part. In question three I asked about how participants' economic situation or the price of the product can influence them and how. Here in the answers, there were both similarities and differences. The similarity was that the economic situation in one way or another affects the choice. The differences are, for example, that the student who has a limited amount would not buy expensive products, and the worker can afford it. But still, the high price is more likely a disadvantage, and participants will be less willing to buy a product or will look for a cheaper alternative.

# **Question 4**

The next question was about society. The question was "Does society influence your choice and how". One person answered that she is mostly influenced by her family and friends. Another person said that she is influenced by social media and fashion trends. Another person said that he could be influenced by many factors, such as trends, and popularity among people he sees. This question will help to understand the sociological model of consumer behaviour.

# **Question 5**

Then I asked about their needs and how they affect their choices. One of the respondents (a student 20 years old) has a special need for food due to the nature of her body. This greatly influences her choice of products and needs in general. Other people said that they think their need could influence their choice. Someone cited food as an example, and someone cited his hobby and how to make it more comfortable and enjoyable. Already here I can see that all the answers are different. Someone needs to strictly adhere to their basic needs, while for someone the basic needs are already closed and he is thinking about how to close another, higher level of needs.

# **Question 6**

After that in questions six to ten, I focused on celebrities' impact. Although I have already covered this topic in more detail in the survey, I decided to get a more detailed opinion of the respondents about this for the full picture. In question six I asked how the participants follow celebrities. Two responded that they follow celebrities on different social media. And one answer was that she does not actively follow someone but only follows celebrities' accounts.

# **Question 7**

Then I asked the respondents how often they bought something on the recommendation or advice of a celebrity. Everyone answered that they do it either not often or very rarely. Despite this, all participants bought something on the recommendation. For one of the participants, this experience turned out to be negative, which influenced further trust. Other participants were left with either neutral or positive experiences. And also, one of the participants noted that if the recommendation coincides with her opinion, then she is more likely to buy this product or service.

# **Question 8**

In the eighth question, I decided to ask the respondents why they might not trust the recommendation of a celebrity. Most of the participants answered that they pay attention to the reputation and past actions and recommendations of celebrities. For some, a large amount of advertising will be a signal for greater caution. And someone initially treats recommendations with caution, as he is sure that a positive review of a celebrity can be bought.

# **Question 9**

The ninth question would also be related to the influence of celebrities and the attitude of buyers to this. Here I decided to ask how often buyers notice that they are natively trying to sell something, as well as what emotions and thoughts it causes in them. Opinions are quite divided on this issue. The first participant believes that he notices native advertising but treats it either positively or neutrally. For example, if the respondent knows that the product is good, then the advertisement will cause only positive emotions. For the second participant, it is difficult to notice a single advertisement, but when there is a lot of it, it is already noticeable. And advertising a favourite or familiar product also causes a more positive reaction. For the third participant, native advertising is just as noticeable, but it causes more negative emotions and a desire to scroll through or close it.

# **Question 10**

In the 10th final question, I asked if the participants felt that their decisions could be easily influenced by famous people. Most answered yes, especially if they (buyers) are poorly versed in the product or this area. For one of the participants, everything is ambiguous, and she will always try to rely on her own, even with minimal knowledge.

# 7 RESULTS

After conducting the survey, I can get to know the results in more detail and make a more detailed analysis.

The survey revealed that various age groups would be interested in the impact of the denominators. The survey included individuals between the ages of 19 and 32, which statistics show to be the largest and most frequent group of Internet and online shopping users. Thus, this study demonstrates the type of effect that well-known people may have over one of the Internet's largest communities.

The survey also revealed that the majority of participants follow celebrities on an active basis. Obviously, the more actively and attentively a person follows a celebrity, the more likely they are to fall under his influence. The following responses to the questionnaire also support this. For instance, a large portion of survey respondents made purchases based on the advice of a celebrity or online influencer. It's also important to consider the possibility that some consumers may purchase a product under the influence without even knowing it. The customer may have simply ignored a YouTube advertisement, but when they saw this product in the shop, they decide it seems familiar. The fact that there are different consumer behavior patterns can be used to explain why the majority of respondents did not reply in this manner. Additionally, I'm not sure exactly why majority of the respondents provided negative responses, but it's reasonable to conclude that a few factors had an impact. For instance, the price is too expensive, the item is out of stock, the buyer just has different taste preferences, a celebrity or blogger's reputation comes into play, or it was previously impossible to purchase the recommended item.

The next question also showed how celebrities influence shoppers. According to the questionnaire, the majority of respondents would consider a positive opinion from a well-known individual when choosing a service or product. Various elements, ranging from sociological and psychological ones to economic ones, might also have an impact. For example, it may simply seem to a person that this positive review was a condition of the advertising company, which may question the honesty of this review from the buyer. Nevertheless, even those who said the recommendation would be well-received. It can also confirm the fact that a celebrity's recommendation of a product or mention of it in a favorable review might influence a customer's decision.

Thus, we can conclude that celebrities can greatly influence the most active and largest group of Internet users. And although not all buyers are ready to blindly believe celebrity

recommendations, many of them will buy goods and services because a famous person uses them, or they saw them in an advertisement for their favourite actor.

After analysing the interview, I also came to some interesting conclusions. Respondents were able to show in more detail both the attitudes of shoppers towards celebrity influences and how shoppers work.

So, I can say that a student with a limited budget will rely more than others on his economic condition and draw conclusions mostly based on this. Also, past negative experiences have changed her attitude toward the influence of celebrities and their recommendations. Such a person will be less influenced as he will be very careful with such advice and advertisements.

A person with a permanent job will pay less attention to, for example, the price of a product, while trying to improve his comfort, that is, he will more often rely on his needs. For him, the opinion of society and the environment, as well as trends, will also be important.

The second student who does not have a limited budget will probably more often rely on his own needs as well as the influence of society. Also, active tracking of celebrities and loyalty to their recommendations will make it easy to influence such a buyer. As can be seen from the interview, this respondent buys goods on recommendation more and more often than others. But even though all three respondents have different factors to which they pay attention and which they believe influence them, they are all influenced in one way or another by celebrities. And they don't all fit into one pattern. Someone will be more susceptible to economics, someone sociological, and someone the psychoanalytic model.

# 8 CONCLUSIONS

Summing up this thesis, I can answer the questions asked at the very beginning of this work.

First of all, celebrities can influence buyers. In the questionnaire, I find out that some people can be affected by celebrities and their purchasing decision can be affected too. As I showed the more active the person following a celebrity or blogger, the more impact he or she will have in the end. Also, an indicator of how much celebrities influence the buyer can be called successful and super-successful advertising campaigns and collaborations with stars. And so many brands created by celebrities initially became successful thanks to an audience that fooled around and bought goods and services that the celebrity promoted.

Secondly, there are different models of consumer behaviour. They all have different factors that the buyer will be guided by when purchasing different products and services. Some consumers may act according to the economic model. Thus, the buyer will decide to buy or not to buy based on economic factors. Such factors include the profitability of the purchase for the buyer himself, what benefit he will receive, and whether the price set by the manufacturer corresponds to this benefit. Other people will act based on the sociological model. This model implies the influence of society on the choice of the buyer. A person cannot fully live outside of society, so for many, this influence will be the main factor in choosing a product or service. There is also a psychoanalytic model that is also inherent in some buyers. In it, a person relies on various psychological factors. For example, to begin with, a person and a buyer need to close their basic needs such as food, water, sleep, etc. Only after the basic needs are closed, a person will try to get fewer necessary needs.

Thirdly, I tried to find out whether celebrity collaborations can be profitable for the company. In this case, it is impossible to answer unambiguously. On the one hand, there are a huge number of examples of successful collaborations and advertising projects with celebrities. The image of a star can be a powerful and effective tool in brand promotion. For example, if a brand is starting from scratch, the use of a star will quickly increase brand awareness and positive perception, or the image of a star can add to the brand the traits it needs to grow. On the other hand, there are also such examples that only warned both companies and celebrities. In this case, the company not only loses the money spent on advertising, but also reputation, and customer loyalty, and in the worst case, you can lose your customers. An incorrectly chosen celebrity can negatively affect the image of the brand, and bring unwanted associations to it. It is also important to understand that the stars are also people

and are not immune from falling into all sorts of funny stories. This is a risk that is always present in working with celebrities.

The success or failure of a celebrity collaboration depends on a large number of factors that are important to consider achieving the desired result. A company or brand negotiating a collaboration with a celebrity should be aware of the reputation of the celebrity, the audience that actively follows this celebrity or blogger, and so on. Otherwise, the company can not get the result they want or even fail with the collaboration.

And the last question was about competitive brands by celebrities. Yes, because of the large audience and recognizable faces celebrities can create brands that will be competitive with worldwide brands and companies. This proves different examples of successful companies by celebrities that become really popular in a few years. Celebrities' influence on their followers can create a good start for the new brand and then the hype and condemnation on social media will attract new customers that are not active followers or fans.

I believe that this topic of the diploma is very important in our time. Therefore, I tried to show it qualitatively and also to learn more about this topic without delving into psychology. I appreciate the work I have done as well since all the questions posed at the beginning were analysed in detail and answered. I also believe that I conducted both the survey and the interview well and efficiently, and with the data obtained I was able to confirm my guesses on the topic. I also did a great job of analysing the collected data. The theoretical part of the work was also done professionally. All the necessary theoretical aspects were disclosed and written in a simple and understandable language for everyone.

# LIST OF REFERENCES

Afshan, A. & Fu, Q. 2012. An Economic Model of the Consumers' Online Shopping Utility and Factors Affecting on Online Shopping. Internatinal Journal of Computer Applications, vol 52, no. 1. Retrieved on 28 September 2022.

Available at

https://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.258.8075&rep=rep1&type=pdf

Briskman, J. 2020. The top mobile apps, games, and publishers of 2019: sensor tower's data digest. Retrieve on September 2022.

Available at https://sensortower.com/blog/top-apps-games-publishers-2019

Brown, D. & Hayes, N. 2008. Influencer marketing. Who really influences your customers. Elsevier Ltd. Retrieved on 28 September 2022.

Available at https://books.google.fi/books?id=AgPFDjR6I-

8C&pg=PA49&hl=ru&source=gbs\_toc\_r&cad=2#v=onepage&q&f=false

Chae, J. 2017. Explaining Females' Envy Towards Social Media Influencers. Psychology, 2018. Retrieved on 28 September 2022.

Available at https://www.tandfonline.com/doi/abs/10.1080/15213269.2017.1328312

Chaffey, D. & Smith PR. 2017. Digital marketing excellence: planning, optimizing and integrating online marketing. Taylor & Francis Group. Retrieved on 22 September 2022. Available at https://ebookcentral-proquest-com.ezproxy.saimia.fi/lib/lab-ebooks/detail.action?docID=4834186

Charm, T., Dhar, R., Haas, S., Liu, J., Novemsky, N. & Teichner, W. 2020. Understanding and shaping consumer behavior in the next normal. Retrieved on 28 September 2022. Available at

https://www.mckinsey.com/~/media/McKinsey/Business%20Functions/Marketing%20and %20Sales/Our%20Insights/Understanding%20and%20shaping%20consumer%20behavio r%20in%20the%20next%20normal/Understanding-and-shaping-consumer-behavior-inthe-next-normal.pdf

CIPR 2013. Social media best practice guidelines. Charted Institute of Public Relations Social Media Panel. Retrieved on 28 September 2022.

Available at https://www.slideshare.net/CIPRPaul/cipr-social-media-guidelines-final-2013

CISION 2021. McDonald's Reports second quarter 2021 results. Retrieved on 28 September 2022.

Available at https://www.prnewswire.com/news-releases/mcdonalds-reports-secondquarter-2021-results-301342838.html

Dentzel, Z. 2013. How the Internet has changed everyday life. Change: 19 key essays on how the Internet is changing our life. Retrieved on 28 September 2022. Available at https://www.bbvaopenmind.com/en/articles/internet-changed-everyday-life/

Disha, C. 2018. Factors Affecting Consumer Buying Behaviour and Decision Making Process towards FMCG Products. Journal of Advances and Scholarly Researches in Allied Education 15, 6, 131-139.

Dollarhide, M. 2021. Social Media: definition, effects, and list of top apps. Investopedia. Retrieved on 28 September 2022.

Available at Social Media Definition (investopedia.com)

Dwivedi, Y., Mäntymäki, M., Ravishankar, M.N., Janssen, M., Clement, M., Slade, E., Rana, N., Al-Sharhan, S. & Simintiras, A. 2016. Social Media: The good, the bad, and the ugly. Retrieved on 28 September 2022.

Available at https://link.springer.com/book/10.1007/978-3-319-45234-0

Enis, B.M. 1974. Marketing Principles: The Management Process. Goodyear Pub. Co; First Edition.

Eurostat 2022. E-commerce statistics for individuals. Retrieved on 28 September 2022. Available at https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Ecommerce\_statistics\_for\_individuals#:~:text=The%20largest%20proportion%20of%20peo ple,two%20times%20(35%20%25)

Forbes 2016. Why Influencer Marketing Will Explode In 2017. Retrieved on 28 September 2022.

Available at https://www.forbes.com/sites/ajagrawal/2016/12/27/why-influencer-marketingwill-explode-in-2017/?sh=6da4ac2c20a9

Forbes 2018. How and why does consumer behavior change. Retrieved on 28 September 2022.

Available at https://www.forbes.com/sites/quora/2018/09/06/how-and-why-doesconsumer-behavior-change/?sh=20c6f9a086dd

Forbes 2021. YouTube Remains the most dominant social media platform. Retrieved on 28 September 2022.

Available at https://www.forbes.com/sites/petersuciu/2021/04/07/youtube-remains-themost-dominant-social-media-platform/?sh=6f9a10a06322 Geyser, W. 2022. What is Influencer Marketing? – The Ultimate Guide for 2022. Retrieved on 28 September 2022.

Available at https://influencermarketinghub.com/influencer-marketing/

Gladwell, M. 2000. The tipping point. How little things can make a big difference. Retrieved on 28 September 2022.

Available at: https://binyaprak.com/images/blog\_articles/123/the-tipping-point.pdf

Glenister, G. 2021. Influencer marketing strategy: how to create successful influencer marketing. Retrieved on 28 September 2022.

Available at

https://lut.primo.exlibrisgroup.com/discovery/fulldisplay?docid=alma992054025206254&co ntext=L&vid=358FIN\_LUT:LAB&lang=en&search\_scope=LAB\_CAMPUS\_CDI&adaptor=L ocal%20Search%20Engine&tab=Everything&query=any,contains,influencer%20marketing &offset=0

Global Fashion Report. Angelina Jolie Replaced by Red Head in St. John Ads. Retrieved on 28 September 2022.

Available at https://globalfashionreport.com/angelina-jolie-replaced-by-red-head-in-st-john-ads

Haider, T. & Shakib, S. 2017. A study on the influencers of advertisement on consumer buying behavior. Business studies journal, vol 9, issue 1. Retrieved on 28 September 2022.

Available at https://www.abacademies.org/articles/a-study-on-the-influences-of-advertisement-on-consumer-buying-behavior-7177.html

Hoyer, W., MacInnis, D. & Pieters, R. 2012. Consumer behavior. Retrieved on 28 September 2022.

Available at

https://books.google.fi/books?hl=en&lr=&id=RQYLAAAAQBAJ&oi=fnd&pg=PP1&dq=Fact ors+affecting+consumer+behavior+books&ots=F9LOP\_yz-

9&sig=YJxuGPb5ejmc4VFc5Q3ydjHBmOk&redir\_esc=y#v=onepage&q&f=true

Keller, E. & Berry, J. 2003. The Influentials: One American in Ten Tells the Other Nine How to vote, where to eat, and what to buy. Journal of Product & Brand Management, Vol 13, No. 5, p. 371-372. New York: The free press. Retrieved on 28 September 2022. Available at

https://www.researchgate.net/publication/280168486\_The\_Influentials\_One\_American\_in \_Ten\_Tells\_the\_Other\_Nine\_How\_to\_Vote\_Where\_to\_Eat\_and\_What\_to\_Buy20041Ed\_ Keller\_and\_Jon\_Berry\_The\_Influentials\_One\_American\_in\_Ten\_Tells\_the\_Other\_Nine\_H ow\_to\_Vote\_Whe

Kicks 2022. Kylie By Kylie Jenner. Retrieved on 28 September 2022. Available at https://www.kicks.fi/kylie-by-kylie-jenner

Leap. Fenty Beauty by Rhianna Across Digital and Print Media. Retrieved on 28 September 2022.

Available at https://leap.london/fenty-beauty-by-rhianna-across-digital-and-print-media/

Lee, J. 2016. YouTube vloggers' influence on consumer luxury brand perceptions and intentions. Journal on Business Research, vol 69, issue 12, p. 5753-5760. Retrieved on 28 September 2022.

Available at https://www.sciencedirect.com/science/article/abs/pii/S0148296316304222

McDonalds 2021. The BTS Meal. Retrieved on 28 September 2022.

Available at https://www.scmp.com/lifestyle/k-pop/artists-

celebrities/article/3136033/mcdonalds-bts-meal-special-sauces-delights-hong

McLeod, S. 2007. Maslow's Hierarchy of Needs. Retrieved on 28 September 2022. Available at https://www.simplypsychology.org/maslow.html

Miller, K. 2018. Kim Kardashian is selling "appetite suppressant" lollipops – and people are pissed. Retrieved on 28 September 2022.

Available at https://www.womenshealthmag.com/weight-loss/a20717884/kim-kardashianflat-tummy-lollipops/

Miller, M. 2011. YouTube for business: online video marketing for any business. Retrieved on 28 September 2022.

Available at

https://books.google.fi/books?hl=en&lr=&id=xPxfCcAZrigC&oi=fnd&pg=PT38&dq=youtube +for+business&ots=bvmkoF9d0b&sig=UJnEyrVHRSsAdH8kJd7llyC\_6i4&redir\_esc=y#v= onepage&q&f=false

Nespresso 2022.Retrieved on 28 September 2022. Available at https://www.instagram.com/p/CjC2gS9gbxV/

Ray, R. 2013. The Facebook guide to small business marketing. John Wiley & Sons, Inc. Retrieved on 28 September 2022.

Available at

https://books.google.fi/books?hl=en&lr=&id=Tij2PAQHUiYC&oi=fnd&pg=PR23&dq=faceb

ook+for+business&ots=SqxSlLlwB6&sig=steXG2p71ATw4qq0WGBzxLFEIdQ&redir\_esc= y#v=onepage&q&f=false

Reuters 2010. Angelina Jolie "overshadowed" St. John fashion brand. Retrieved on 28 September 2022.

Available at https://us.fashionnetwork.com/news/angelina-jolie-overshadowed-st-johnfashion-brand,504089.html

Shepherd, J. 2022. 22 Essential YouTube statistics you need to know in 2022. Retrieved on 28 September 2022.

Available at https://thesocialshepherd.com/blog/youtube-

statistics#:~:text=There%20Are%202.1%20Billion%20Monthly%20Active%20YouTube%2 0Users%20Worldwide&text=YouTube%20has%202.1%20billion%20monthly,122%20milli on%20users%20per%20day

Sigmond, N., Myers, C., Belloit, J. & Gallagher, M. 2016. Proceedings. Retrieved on 28 September 2022.

Available at http://www.nabet.us/proceedings-archive/NABET-Proceedings-2016.pdf#page=170

Smart Insights 2019. 80% of marketers find influencer marketing effective. Retrieved on 25 October 2022. Available at https://www.smartinsights.com/online-pr/influencer-marketing-effectiveness/

Statista 2022a. Most popular social networks worldwide as of January 2022, ranked by number of monthly active users(in millions). Retrieved on 28 September 2022. Available at https://www.statista.com/statistics/272014/global-social-networks-ranked-by-number-of-users/

Statista 2022b. Number of Instagram users worldwide from 2020 to 2025. Retrieved on 28 September 2022.

Available at https://www.statista.com/statistics/183585/instagram-number-of-global-users/

Statista 2022c. Number of subscribers on Felix Kjellberg's YouTube channel PewDiePie from July 2016 to January 2022. Retrieved on 28 September 2022.

Available at https://www.statista.com/statistics/681070/pewdiepie-subscriber-numbers/

Statista 2022d. Distribution of internet users worldwide as of 2021, by age group. Retrieved on 28 September 2022.

Available at https://www.statista.com/statistics/272365/age-distribution-of-internet-usersworldwide/ The Sun 2018. LOLLIPOP LADY What are the Flat Tummy Co appetite suppressing lollipops, are they available in the UK and are they safe? Retrieved on 28 September 2022.

Available at https://www.thesun.co.uk/fabulous/food/6309626/flat-tummy-co-appetitesuppressing-lollipops-available-uk-safe/

Yesiloglu, S. & Costello, J. 2020. Influencer Marketing: Building Brand Communities and Engagement. Taylor & Francis Group, 2020. Retrieved on 28 September 2022. Available at: https://ebookcentral.proquest.com/lib/lut/reader.action?docID=6386734

# APPENDICES

# Celebrities impact on consumers behavior Questionnaire

How old are you? *
Your answer
Do you follow anyone on social media (bloggers, actors, celebrities, etc)? *
O Yes
O No
O Subscribed but not actively following
How often do you shop online? *
Often
O Sometimes
O Seldom
O Never
Have you ever bought something on the recommendation of a celebrity/blogger? *
◯ Yes
No

Do you trust celebrity recommendations (ads, blog, videos)? *
O Yes
O No
O Sometimes
Let's say you need to buy something. Would it be an advantage for you to receive * positive feedback from a famous person?
O Yes
O No
O Maybe
Do you have a brand or company associated with a famous person? *
O Yes
O No
If there is then which an 22 t
If there is, then which one? *
Your answer

## Celebrities impact on consumers behavior Interview

### Question 1. How often do you shop online and why?

Answer 1: Often, because there are convenient services that save a lot of time.

Answer 2: Not very often. I prefer to buy goods in a store where the goods can be touched or tried on, but if a product or service is not available in an offline store, then I will order via the Internet.

Answer 3: Almost every month because it's convenient. Because there are so many products on the internet. There are also advertisements that are often useful. In advertising, you can see something interesting and order a product in a few clicks.

# Question 2. What factors influence your choice when buying a product or service in your opinion?

Answer 1: My opinion about the product depends on the reviews, price, necessity, and desire to buy because I want to. If the product has a good price and reviews, then most likely I will buy it, if not, then I will either refuse to buy or try to comprehend all the pros and cons.

Answer 2: Usually, I pay attention to the price. Since my budget is limited, I cannot buy something expensive.

Answer 3: For me, the price is mainly important, as my personal preferences, the availability of free delivery or its price, as well as the possibility of returning if something is not to my liking.

# Question 3. Does your economic situation or the price of the product itself influence your choice, and how?

Answer 1: It affects if the product is more expensive than I can afford, then most likely I will not buy, also if the price of the product is low, but there is no particular need to buy, I can still buy it.

Answer 2: Of course, it does, since I have a limited amount of money, I have to save. If I liked the product but it is too expensive, then I will try to find cheaper analogs or wait for discounts if possible.

Answer 3: Of course, the higher the price, the less you want to buy.

#### Question 4. Does society influence your choice and how?

Answer 1: Influenced by friends and advertising.

Answer 2: I think yes. Various advertising and trends in social networks make you want some goods or services. Sometimes they are not boring for you, but following fashion, for example, I buy them. Because if everyone has it, then I need it too.

Answer 3: It affects differently. If you see that everyone is using something, then you will also want to. This increases the likelihood that I will also buy such a product.

## Question 5. Do your needs influence your choice and how?

Answer 1: Due to the nature of my body, I need gluten-free pasta. And I will buy glutenfree pasta and shop around for gluten-free pasta.

Answer 2: Maybe yes. There are products that I buy all the time, such as apples. But it also happens that I sharply want something new and go to buy goods that are not characteristic of me.

Answer 3: Yes. For example, my main hobby is computer games and I spend a lot of time at the computer. I need to play comfortably so I can buy some gadgets like a better monitor or keyboard.

#### Question 6. Do you follow any celebrities (if so, how exactly)?

Answer 1: I follow, mostly through Instagram.

Answer 2: I don't particularly follow. Basically, just following their accounts.

Answer 3: Yes, I watch streams of my favorite games and follow my favorite players through social networks.

# Question 7. How often do you trust and or buy products on the recommendation of a celebrity?

Answer 1: Not very often, but not very rare either. There are moments when the recommendation coincides with my opinion about the product and then I can buy it.

Answer 2: Very rare because several times there was a negative experience.

Answer 3: Relatively often. For example, recently I needed gaming headphones, and, on the recommendation of a professional gamer, I bought the ones that he advised.

#### Question 8. Why can't you trust a celebrity recommendation?

Answer 1: If a celebrity advertises a lot of different things and quite often. Or, for example, if the reputation was previously damaged by bad advertising. In that case, I would be very skeptical of this recommendation.

Answer 2: I can't trust celebrities as there have been many situations where a "great" product turned out to be very unsatisfactory in quality.

Answer 3: Because they get paid to do it. They can pay for a positive review under the guise of a recommendation. And since it's hard to know whether the review is paid or not, I will not trust this advice.

# Question 9. Do you notice moments when a celebrity tries to discreetly (natively) advertise a product and how do you feel about it?

Answer 1: Yes, I notice, if the product is necessary, then I like it, if not, then it is neutral.

Answer 2: When a blogger's ads appear constantly and appear very often, it is noticeable. Sometimes I am positive if I know that this product is good, or I like it.

Answer 3: As soon as I feel that it smells like advertising, I rewind. I understand the need to make money.

# Question 10. Do you think that you and your decisions can be influenced by a celebrity (or an expert in your field)?

Answer 1: Yes, Easy. Especially if in this area I do not understand or know very little. Then I will trust expert opinions or recommendations.

Answer 2: If this is an area in which I understand, then I will only trust myself. If this is an area unknown to me, then I will rely on the recommendations of experts, but I will still understand, and the last decision will be mine.

Answer 3: Yes. Especially if the person really understands.