

# Effect of Celebrity Endorsement on Consumer's Perception of Corporate Image, Corporate Credibility and Corporate Loyalty (Case Study: Novin Charm Company)

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## Abstract

Nowadays, the use of celebrity endorsement in product marketing and advertising is one of the major factors in companies' promotion strategies. Celebrities as one of the major tools in advertising can lead to encourage consumers to use specific products and corporate loyalty because of their special and unique abilities or characteristics.

Study result show that the celebrity endorsement has a positive effect on corporate image, corporate credibility and corporate loyalty. Moreover corporate image have a positive effect on corporate credibility and corporate credibility have a positive effect on corporate loyalty.

**Keywords:** Celebrity endorsement, Corporate image, Corporate credibility, Corporate loyalty

## 1. Introduction

Celebrities as the members in reference groups due to their unique and special abilities can persuade consumers to use special products. Kotler in his marketing management book has described the reference groups in this way: reference groups are developed from the groups who affect their behavioral beliefs in a direct or indirect way (Kotler, 2006). Celebrities have been recognized as the intellectual leaders who have the ability to conduct the consumers' preferences towards a special product or brand (Solomon et al., 2002). Efforts to acquire high levels of customer retention conduct the marketers to examine effect of celebrity on the consumer's understanding from the corporate image, corporate trust and loyalty to the company. Concept of loyalty to company relates to the concepts such as corporate image and corporate trust.

## 2. Literature Review

The literature has suggested a number of concepts that may be used to assess the influence of celebrity attribute on corporate loyalty. In this study we selected four specific concepts: celebrity endorsement, corporate image, corporate credibility and corporate loyalty.

### 2.1 *Celebrity Endorsement*

Hundreds of studies into the role of celebrities have been undertaken in diverse fields including advertising, communication, psychology, medical care, marketing, politics, urban planning, economic behavior, and sport management. Previous research into the role of celebrities in advertisement include identification of the characteristics of effective celebrity spokespersons (Magnini et al., 2008) and the role of celebrity endorsement on destination image and intention to revisit (Lee et al., 2008). The effectiveness of advertising campaigns built on celebrity endorsement has attracted growing interest from researchers (Kim et al., 2013; Lin et al., 2008). Previous research has found that the impact of endorsement on factors including corporate image, credibility and loyalty are related to the type of celebrity used. Research into this issue has identified a core group of symbolic dimensions that determine the level of customer belief in celebrity endorsement including trustworthiness, expertise, personality, appearance, private life management, attractiveness, competency, relationship, likeability, familiarity, identification (Amos et al., 2008; Han & Ki, 2010). In relation to celebrity attributes a number of researchers have identified trustworthiness, expertise, and attractiveness as the most important attributes of celebrity endorsers (Amos et al., 2008; Han & Ki, 2010). Trustworthiness refers to the degree to which the audience perceives that the celebrity is able to convey a sense of integrity, honesty, and believability through the medium of advertising (Tripp et al., 1994). The second celebrity attribute is expertise, defined as the extent to which an individual's skill or experience, knowledge or expertness is sought by others to assist in decision making (Amos et al., 2008; Lord & Putrevu, 2009). Expertise is associated with competency, qualification, expertness, expert ability, mastery, and authoritativeness (Han & Ki, 2010; Magnini et al., 2010). The third attribute is attractiveness defined as the sum of a celebrity's physical appearance, dress and accessories, beauty, elegance, sexual appeal, manners, and etiquette (Han & Ki, 2010; Lord & Putrevu, 2009). In summary, previous research has found that physical features or images derived from the

celebrity may be transferred to the product company they endorse and as a consequence, affect corporate image or corporate credibility.

## *2.2 Corporate Image*

Corporate image is the sum of the public's beliefs, ideas, and impressions of an organization (Bos, 2007). Thus, corporate image represents the unique and individual personality of a company that differentiates it from its competitors. Effective corporate image should also stimulate interest among customers, generates brand equity, and finally encourages sales (Amini et al., 2012; Kanibir & Nart, 2009). Corporate image is shaped by a company's actions as well as by factors that have a direct or indirect impact on public opinion, such as media, labor unions, social organizations, industrial associations, and other entities (Blishak, 2007). Customers' perceptions of corporate image are formulated by their response to a range of multifaceted tangible and intangible interactions with the corporation on a number of levels (Flavian et al., 2004). Tangible aspects include name, interior, exterior, products/services, displayed ambiances, and cyber communication vehicles. Intangible aspects include credibility, impression of quality, tradition, corporate philosophy, staff education, organization and service culture. Corporate image also reflects the needs or expectations of a diverse range of stakeholders who are directly or indirectly associated with the company (Lemmink et al., 2003). As a consequence, corporate image may have different meanings based on the perceptions of stakeholders that include stockholders, board members, employees, suppliers, channel members, customers and the community. Because diverse factors affect how corporate image is perceived by stakeholders, most studies on dimensionality of corporate image suggested multidimensionality. They included community and environmental responsibility (Fatt et al., 2000), financial assurance (Lemmink et al., 2003), marketing and communication attributes (Dowling, 1993; Flavian et al., 2004), and quality of service/products (Fryxell & Wang, 1994). Collectively, these studies indicate that corporate image directly determines corporate credibility (Amini et al., 2012). That is, favorable corporate image leads to heightened corporate credibility.

## *2.3 Corporate Credibility*

Credible refers to "convincing", "reliable" or "believable" and is based on reputation, prestige and expertise (Collins Concise Dictionary and Thesaurus, 1995). From the corporate perspective, credibility is the extent to which consumers perceive that the company has the capability to implement management activities based on its knowledge, expertise, and trustworthiness. Most studies that have attempted to measure corporate credibility have used one dimension using items such as "expertise", "trustworthiness", "reputation", "reliability", "favorability", "pleasantness", "convincement" or "confidence" (Lafferty & Goldsmith, 1999, 2004). Corporate credibility is considered to be identical with celebrity credibility when celebrity endorsement is applied in corporate advertisement (Carlson & Donovan, 2008). Corporate credibility contributes to building brand loyalty for its products or services and finally leads to enhanced sales (Ewin, 1993; Lafferty & Goldsmith, 2004). In contrast, a lack of positive corporate credibility may result in a failure to achieve an increase in demand, brand preference or effective advertisement (Ketchen et al., 2008). As a result, a successful

choice of celebrity endorsement will strengthen the brand image and then reinforce corporate credibility and finally generate an increase incorporate loyalty.

#### *2.4 Corporate Loyalty*

Loyalty to a company is a positive emotional attachment and emotional reaction which is created during repeated transactions with a company and its products and services (Ewin, 1993, 388-389). Creating corporate loyalty is an underpinning strategy for any company that seeks to increase profitability through seeking loyalty from customers and company employees (Ewin, 1993, p. 389). In this study, buyers can be viewed as stakeholders including customers, employees, shareholders or supporters of the Novin leather company. To enhance corporate loyalty, a company must be able to offer the consumer something that they feel is worthwhile. Once a potential customer expresses interest the company must be able to follow through with excellence or cost effectiveness to draw the consumer to the brand depending on how it fits their needs or wants. Corporate loyalty is reinforced by corporate credibility when the company provides good products or services (Ewin, 1993; Lafferty & Goldsmith, 2004). In addition, it is also promoted by advertising using celebrity endorsement (Amini et al., 2012; Kim et al., 2013). As a result, enhanced loyalty through corporate credibility or advertising is reflected through intention to purchase or repurchase, recommendations to others, positive word-of-mouth, willingness to pay more and a reduction in complaints (Kim & Kim, 2004; Ohanian, 1991).

#### *2.5 Moderating Impacts of Type of Celebrity*

A celebrity is characterized as a person who has attributes such as trustworthiness, attractiveness, and expertise (Amos et al., 2008; Han & Ki, 2010; Lord & Putrevu, 2009). Thus the effectiveness of advertising in capturing the consumers' mind is likely to differ based on the character of the endorser used. For example, select one handsome actor. His character evokes a sense of trustworthiness to movie viewers or consumers. Based on the findings of the literature it is apparent that the characteristics of the endorser, celebrity or otherwise, is an important element in the ability of the endorser to influence corporate image, corporate credibility, and corporate loyalty. Thus, the effectiveness of celebrity advertising in the sale and is likely to be influenced by the specific characteristics of the endorser used in advertising campaigns.

### **3. Conceptualization and Hypotheses**

The following discussion examines these concepts and based on the outcome of the literature review a number of hypotheses were developed and tested.

#### *3.1 The Relationship between Celebrity Endorsement, Corporateimage, Corporate Credibility and Corporate Loyalty*

Based on previous studies (Amos et al., 2008; Kim et al., 2013), this study defines attributes of celebrity astrustworthiness, attractiveness, and expertise. Firstly, trustworthiness is an important attribute in clothing industry where the client frequently makes a booking without first seeing the product and forthis reason relies on the truthfulness of company marketing

collateral, websites, word-of-mouth, advertisement or endorsement by a celebrity (Ketchen et al., 2008; Lin et al., 2008). According to 'match-up theory', advertising using a celebrity endorser influences consumer attitudes and their evaluation of the association between the celebrity on the company. That is, celebrity endorsement that promotes trustworthiness produces the best "fit" in generating positive customer views on the company's approach to social responsibility, its marketing ability, and provides assurance that the company is reliable (Kim et al., 2013). At the corporate level trustworthy celebrity endorsers are an effective means of communicating positive messages to customers about the company and its products, its contribution to society and corporate competency (Fink et al., 2012). Secondly, effective endorsement by an attractive celebrity has the potential to enhance corporate image by diluting negative attitudes toward the company including beliefs that the company is environment-oriented, effective for revenue-generation, competent for marketing (Amos et al., 2008). This view is supported by the 'symbolic communications model' which describes the process where qualities of the celebrity endorser are used to transfer qualities such as 'elegance', 'luxury', 'modernization' or 'fashionability' onto the company (Magnini et al., 2008; van der Veen, 2008). This model is similar to the 'meaning-transfer model' where attributes of celebrity expressed as icons or symbols are transferred to the cognition system of consumers in a process of decoding meaning of these symbols (Lord & Putrevu, 2009; van der Veen, 2008).

As a result, the characteristics of the celebrity are able to confer credibility to the company and enhance corporate loyalty (Lord & Putrevu, 2009). The greater the perceived level of expertise the celebrity endorser is seen to have in the advertised product the more persuasive or effective the advertisement is likely to be (Magnini et al., 2008, 2010). Where there is a successful connection between the celebrity and their perceived level of expertise in the product there is generally an increase in intention to purchase, in part based on the assurance given about service quality (Amos et al., 2008; Kim et al., 2007). For example, some studies (Amos et al., 2008) describe how manufacturing companies are able to achieve a celebrity-transferred halo effect of 'professionalism', 'competency', 'mastery' or 'state-of-the-art' technology by using artisans as endorsers. Similarly, effective endorsement of companies with cutting-edge technology has generated increased corporate credibility and loyalty (Till & Busler, 2000). In sum, the presence of a celebrity on a clothing advertisement has the effect of transferring the symbolic imagery of that celebrity to the company and through this process has the potential to increase corporate credibility of and corporate loyalty toward the company being endorsed. However it has also been found that the effects of celebrity attributes on corporate image, corporate credibility, and corporate loyalty is likely to differ according to the characteristics of the celebrity endorser. The review of the literature has identified a number of processes that govern the effectiveness of celebrity appeal on corporate image, corporate credibility and corporate loyalty and are listed below as a set of hypotheses.

**Hypothesis 1.** The personal characteristic of celebrity endorser is likely to have a positive effect on the corporate image.

**Hypothesis 2.** The personal characteristic of celebrity endorser is likely to have a positive

effect on corporate credibility.

**Hypothesis 3.** The personal characteristic of celebrity endorser is likely to have a positive effect on corporate loyalty.

### *3.2 Relationship of Corporate Image to Corporate Credibility*

On the basis of the previous review of the literature it is apparent that advertising using celebrity endorsement can be used to enhance company image and credibility through purging negative images attached to the company (Kanibir & Nart, 2009; Tripp et al., 1994). These findings are consistent with those of previous studies that demonstrated a positive relationship between celebrity endorsement and corporate image as an antecedent to increase brand credibility (Stallen et al., 2010). A company endorsed by celebrity advertisement as being a socially responsible organization also reinforces corporate credibility (Stallen et al., 2010). For example, corporate advertising that emphasizes contribution to society by utilizing a social activist endorser is able to enhance corporate credibility because consumers tend to support companies that adopt socially responsible management policies (Han & Kim, 2010). Similar observations have been made in the business press and the academic literature that the halo effect of celebrity is able to enhance corporate credibility (Fink et al., 2012). If a mismatch or an inconsistency between the celebrity attributes and those of the endorsed company occurs, a number of adverse effects can be expected including a loss of credibility and also of customers (Amos et al., 2008). Celebrity endorsement is also likely to be an antecedent to enhanced corporate credibility (Wang et al., 2002). Tiger Woods, a well-known professional golfer is an example of how a fall in popularity of a successful endorser due to scandals involving alleged extramarital affairs resulted in the loss of a number of large endorsement business contracts. Nike signed a five-year contract with Woods for a fee of approximately US\$105 million in 2000 (Farrell et al., 2000). The successful match of Woods with Nike resulted in substantial financial gains for both parties as well as engendering psychological credibility on the brand. However, the alleged scandals resulted in Woods temporarily withdrawing from golf. Many of the firms that had used Wood's image as an integral part of their advertising including AT&T, Accenture and Gillette withdrew their endorsement fearful that declining public trust in Wood's image would translate into a decline in trust of their products (Grocer, 2009). Consequently, when celebrity endorsement is used to build a firm's corporate image, the firm's credibility is then linked to that image.

**Hypothesis 4.** Corporate image is likely to have a positive effect on corporate credibility.

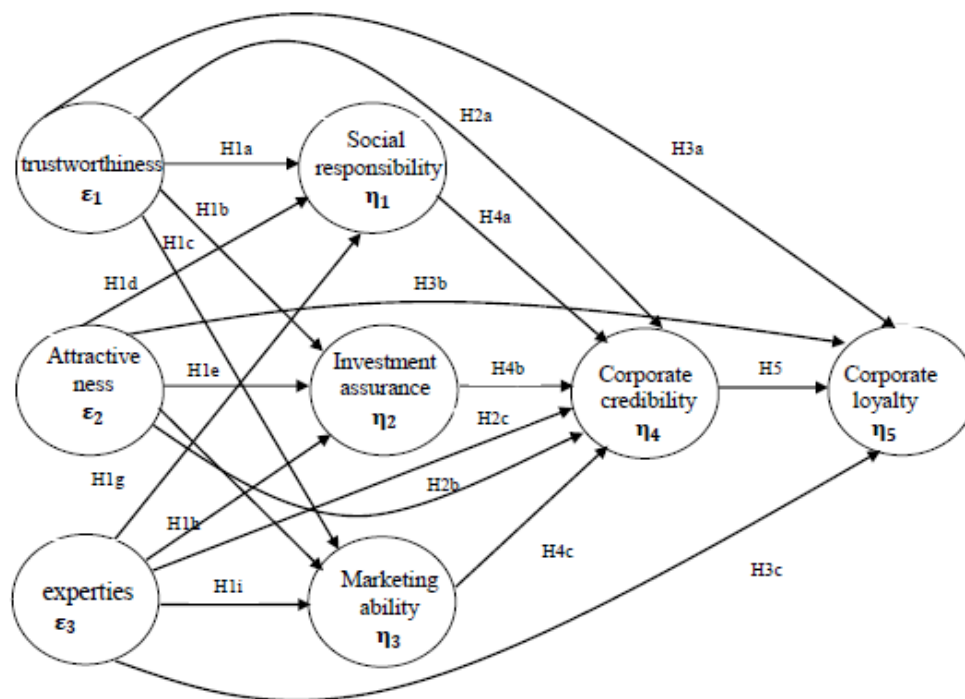
### *3.3 Relationship of Corporate Credibility to Corporate Loyalty*

As previous studies using the 'meaning-transfer model' indicate, attributes of celebrity endorsement are transferred to consumer's self after he/she is exposed to corporate advertising (Lord & Putrevu, 2009; van der Veen, 2008). As the 'symbolic communications model' indicates, corporate credibility that has been enhanced by celebrity endorsement contributes to the strengthening of corporate loyalty (Stallen et al., 2010). The influence of corporate credibility on corporate loyalty through the 'halo effect' of celebrity endorsement can be confirmed by the 'match-up theory' which postulates a positive relationship between



the endorser and the brand. Corporate credibility, when enhanced through effective endorsement, helps to create a positive brand attitude such as intention to purchase and brand loyalty (Carlson & Donovan, 2008). The relationship between corporate credibility and corporate loyalty can be ascertained by the advertising ‘schema theory’ which argues that a hypothetical memory structure helps consumers to organize and accept new promotional information based on prior experience or conventional wisdom (Carlson & Donovan, 2008; Fink et al., 2012). For this reason company credibility will be adversely affected by a decline in the trustworthiness of a celebrity endorser because of the creation of a negative link between brand credibility and loyalty. Changes in company credibility created by endorsement can be measured by proxy variables such as intention to purchase or positive recommendations. Based on this review of the relevant literature the following hypothesis was developed.

**Hypothesis 5.** Corporate credibility is likely to have a positive effect on corporate loyalty.



#### 4. Theoretical Models on the Research

##### 4.1 The ABC Model of Attitudes and Hierarchy of Effects

Solomon describes the The ABC model of attitudes as a multidimensional perspective stating that attitudes are jointly defined by affect, behaviour and cognition. Affect refers to the way a consumer feels about an attitude object. Behaviour involves the person’s intentions to an attitude object. Cognition refers to the beliefs a consumer has about an attitude object. This model emphasizes the interrelations among knowing (cognition), feeling (affect) and doing (behaviour).

#### 4.2 Meaning Transfer Model

McCracken (1989) brings up the meaning transfer model, which is a rich and comprehensive description over the endorsement process. The central premise of the meaning transfer model is that a celebrity encodes a unique set of meaning that can, if the celebrity is well used, be transferred to the endorsed product. The model is divided into three stages: culture, endorsement and consumption.

#### 4.3 The TEARS Model

Shimp (2003) writes that there are two general attributes, credibility and attractiveness that play an important role in facilitating communication effectively. These attributes are also important when it comes to determining how effective an endorser may be. The T in the TEARS model refers to being seen as believable, dependable and someone who can be trusted. The E component of the TEARS model refers to expertise. The expertise is about having specific skills, knowledge or abilities that can be related to the endorsed brand. The A component in the TEARS model attractiveness is a key consideration in many endorsement relationships. Respect is the R in the TEARS model and represents the quality of being admired due to one's personal qualities and accomplishment. Attractiveness is the S, which is similar. This refers to how the endorser matches with the audience in terms of age, gender, ethnicity, social class etc.

Dan Hal Din (1999) has examined the effect of three external factors on advertisements in the evaluation of the brand name. These factors include third party certification, sponsorship of events, brand reputation. This study indicated that use of third party certification has largely affected the variables of product and brand image. Hence, third party certification can be understood as a display of quality of product. Goldsmith et al. (2000) have evaluated the effect of third party certification and corporate trust on the attitude towards advertisement, brand name and purchase motivations. In this study, 152 individuals who have observed Mobile Oil pre-purchase were put into question. Results of this study indicated that trust in third party certification has the highest effect on the attitude towards advertisements, yet trust in the company has the highest effect on attitude towards brand name. In addition, findings indicated that trust in the company plays a major role in consumers' response to advertisements and brand name.

Mohammadali Abdolvand & Ali Hosseinzade Imam (2014) evaluated and *prioritized* the components affecting acceptance of celebrities in advertisements in the point of view of the consumer. Results of this study concerning consumers' motivation indicated persuasion of these individuals in consumer's purchase behavior. Rest of results indicate that increasing extent of sale will not come to realize under employing these individuals, indicating that these individuals must be considered as a means for sale in marketing mix rather than the marketing aims.

### 5. Research Method

The present research is an applied research type, because it examines the impact of *celebrity endorsement* on the *consumer perception* of corporate image, corporate credibility and



corporate loyalty. Further, the present research has been categorized as a survey in sake of nature and how to acquire the required descriptive data, and a certain research type in sake of data certainty. The personality characteristics (trustworthiness, expertise and attractiveness) of the celebrity have been considered as the independent variables. Company loyalty is the dependant variable; and corporate image (social responsibility, investment assurance, marketing ability) and corporate credibility are the intervention variables. In this study, library and field studies have been used. The statistical population consists of all the consumers of leather clothes throughout Tehran. In this study, clustering sampling is used, that 22 districts of Tehran in form of five clusters in north, south, east, west and center were considered to determine the clusters. Hence, the *non-probability* sampling method was used, mentioned that sample group consist of all the *Leather Clothing Buyers* who used to purchase from the modern leather stores around Tehran.

### 5.1 Determination of Sample Size

In this study, as there are qualitative ordinal variables, the formula below has been used to determine the sample size. Considering maximum variance (0.25) and error (0.05) at confidence level (95%), the sample size can be calculated through the formula below:

$$n = \frac{Z_{\alpha/2}^2 \times p \times q}{\varepsilon^2} \quad p = 1/2 = 0.5 \quad Z_{\alpha/2} = 1.96$$

With regard to the data above, the selected sample size will be as follows:

$$n = (1.96) (1.96) * (0.5) (0.5) / (0.05) (0.05) \sim 384$$

### 5.2 The Instruments and Method for Data Collection

Questionnaire was used to collect data. The questionnaire consists of 32 questions, All items measuring celebrity attributes, corporate image, corporate credibility and corporate loyalty were measured on a 5- point Likert-type scale where 1 = “strongly disagree”, 3 = “neutral”, 5 = “strongly agree”. The questionnaires were distributed among those who have witnessed the clothing advertisement by celebrities at Novin leather purchasing centers and the ones who intended to fill the questionnaire in a period of three month. Value of Cronbach's Alpha was obtained equal to 0.920 with the presumption on 30 members in the sample group. The first section asked for respondent's socio demographic details, Section two examined celebrity attributes, section three examined corporate image, section four contained items related to corporate credibility and section five related to corporate loyalty. All question items were designed to measure the effectiveness of the celebrity that respondents selected as their preferred choice.

### 5.3 Data Analysis

Structural Equation Modeling (SEM) was used to asses if the hypothesized theoretical model was consistent with the collected data for all three celebrity cohorts. In this research, the data were analyzed using inferential statistical method, and structural equation modeling (SEM) and confirmatory factor analysis using LISREL 8.8 and SPSS 21.0 were used.

## 6. Results

### 6.1 Overview of Demographic Results of Customers

A total of 384 sample, 174 person are men and 200 person are women; 103 persons are at the age group under 25 years old, 109 person are at the age group 25-35 years old, 41 person are at the age group 35-45 years old, 20 person are at the age group 45-55 years old and 18 person are at the age group above 55 years old; 154 person are married and 206 person are single; 149 persons have diploma and under diploma, 161 person have bachelor degree, 56 person have master degree and 8 person have Phd.

### 6.2 Overview of the Results from Research Hypotheses

Using Friedman test, ranking the importance level of each of eight variables of research has been considered. Therefore the output of Friedman test, the first priority is given to attractiveness. The next priorities have been given to expertise and investment assurance. On the other hand, the least priority is given to social responsibility. After investigating the research hypotheses, twelve hypotheses have been rejected among nineteen hypotheses in this study, and the seven of hypotheses have been confirmed.

Table 1. SEM analysis for the main hypothesis

Hypotesis	Item	$\beta$	T - value	Decision
Hypotesis 1	Celebrity endorsement-corporate image	0.35	7.24	accept
Hypotesis 2	Celebrity endorsement-corporate credibility	.30	7.31	accept
Hypotesis 3	Celebrity endorsement-corporate loyalty	0.21	4.73	accept
Hypotesis 4	corporate image-corporate credibility	0.47	11.41	accept
Hypotesis 5	corporate credibility-corporate loyalty	0.53	12.11	accept

Table 2. SEM analysis for the sub hypothesis

Hypotesis	Item	$\beta$	T - value	Decision
Hypotesis 1a	Trustworthiness-social responsibility	0.09	1.42	reject
Hypotesis 1b	Trustworthiness-Investment assurance	0.12	1.80	reject
Hypotesis 1c	Trustworthiness-Marketing ability	0.23	3.54	accept
Hypotesis 1d	Attractiveness-social responsibility	0.06	0.73	reject
Hypotesis 1f	Attractiveness-Investment assurance	0.11	1.31	reject
Hypotesis 1g	Attractiveness-Marketing ability	0.01	0.17	reject
Hypotesis 1h	Experties-social responsibility	0.22	3.15	accept
Hypotesis 1i	Experties-Investment assurance	-0.07	0.93	reject
Hypotesis 1j	Experties-Marketing ability	0.17	2.47	accept
Hypotesis 2a	Trustworthiness-Corporate credibility	0.05	0.93	reject
Hypotesis 2b	Attractiveness-Corporate credibility	0.01	0.15	reject
Hypotesis 2c	Experties-Corporate credibility	0.26	4.68	accept

Hypotesis 3a	Trustworthiness-Corporate loyalty	0.05	0.97	reject
Hypotesis 3b	Attractiveness-Corporate loyalty	0.18	2.65	accept
Hypotesis 3c	Experties-Corporate loyalty	-0.01	-0.01	reject
Hypotesis 4a	social responsibility-Corporate credibility	0.04	0.97	reject
Hypotesis 4b	Investment assurance-Corporate credibility	0.04	0.97	reject
Hypotesis 4c	Marketing ability-Corporate credibility	0.42	10.16	accept
Hypotesis 5	Corporate credibility-Corporate loyalty	0.53	11.62	accept

## 7. Suggestions from the Researcher's Experiences

In the present research in the society and in Tehran, seven hypotheses were confirmed among nineteen hypotheses of research.

Among three personality dimensions of celebrity's endorsement, trustworthiness have a major role in corporate image, expertise have a major role in corporate credibility, marketing ability have a major role in corporate credibility and finally corporate credibility have a major role in corporate loyalty. In addition to this study, previous studies also confirmed that the companies must pay attention into such variables to introduce their products by celebrities in their advertisements. It suggested to the company to employ celebrity endorsement to introducing the goods, services, guarantee and warranty and use the celebrities' personality characteristics in customer-orientation. Also, an increasing attention must be into the social responsibility of the company such as an emphasis on customer-orientation and support from consumers through employing the celebrities in the advertisements, that the company must pay attention into the customer support policies. Providing reliable information by the company to consumers is tangible, for which the company makes an attempt to provide accurate information by the celebrity, because if consumers receives any wrong information from the celebrity endorsement, this will cause him distrusting the company. Further, by giving reliable information to the customers and using customers' tastes and preference, the provide for mutual benefit will come to realize and also provide for future growth in the market. Companies should pay attention to in charity's *activities* and *exercise program* and propose such activities in their advertisements by employing celebrities who is respectable and reliable for consumers. A particular attention must be protection from the environment and avoidance from the damages to the environment by the company. The company must adhere to the ethical principle and customer-orientation. The celebrities should recognize the difference between the current product and the same products provided for the consumer. The celebrity should use the company products to create sense of trust. The celebrity should attend in the company's advertisement programs and make relationship with the consumers, through which the celebrity will enable to transfer his sense of trust to the consumers and stimulate them to purchase the products of company, causing word-of-mouth advertisement among people.

Company with an emphasis on the attractive features of the celebrity, the company makes an attempt to transfer the concepts of social responsibility through the attractiveness of the celebrity who is employed in the advertisements, e.g., the company is an endorser for the

sports competitions and can represent the attractive features of the celebrity by giving the memorial statue to the volleyball players.

Sale marketers and planners should seek creating an advantage in the product and services which have been provided to the consumers.

It is a good idea to select a person with the associated expertise or knowledge in advertisement of the goods. Selection of celebrities with associated knowledge and experience results in increasing the individuals' tendency for products of company and also increasing sale. The celebrities with expertise can introduce the company's manufacturing products as the most suitable products in view of the consumers. It is suggested to the companies to pay attention into the social responsibility and customer's expectations about a special feature of a product in order to build a strong image in the consumer's perceptions, because corporate image represents an image of the company in customer's mind. Business thinking for employing the celebrities such as a competition creates between them. It is suggested employing the celebrity as a confirmation expert rather than an advertiser. An expert has increasing power of influence in people's mind because he knows about products and knows about the quality of products and production process. The advertisements of product using the feature of the celebrity's attractiveness must be in a way that the consumer feels that he/she will have a special place by purchase and use of this product in the community. In viewpoint of an Iranian consumer, the advertisements are not affiliated to quality that the consumer must trust the company and features of the manufacturing good so as to cause the loyalty to the company. Using the research and development processes, the company must provide new and fashionable products for the consumers and examine their purchase behavior, so the company must introduce itself as an authentic company in the industry. Further, it is suggested to the company to increase its profitability by supply of new products so as to persuade the consumers to purchase and invest in the company. The company should increase the sale network and the number of stores as much as possible, because company extensiveness rises building a strong image from the company in consumer's mind, leading to increase of trust on the company. The company must provide those products which raise superiority and effectiveness of cost and build sense of valuation in the customers and remove their needs and expectations. Updated manufacturing products in the company causes building trust and loyalty to the company, so it can remove the consumers' needs based on their tastes and preferences. It is suggested providing information on how to use and keeping the products in broacher at stores for the customers increase trust and loyalty to company and increase the profitability of company through increasing the number of customers and increasing the number of purchase by the current customers.

## **8. Conclusion**

In Iranian community, due to new trends in marketing strategies including employing celebrities in advertisement programs on one hand as well as some legal barriers in employing these individuals on the other hand, the consumers have not already set a close relationship with such advertisement with a high trust. Accuracy of this subject can be witnessed in disapproval twelve hypotheses from the celebrity's model because the results of

related research in the other foreign communities have different priorities and preferences.

The results indicate that there is a heterogeneous relationship between three characteristics of a celebrity and corporate image and corporate credibility. For example, expertise of a celebrity can create corporate credibility among the consumers, but honesty and attractiveness of the celebrity has no significant effect on consumers' credibility on company.

Firstly, the company requires specifying a specific market as a target market. Then, specifying the characteristics of a celebrity endorsement and finding a celebrity that may be effective in promotion of products, then he/she assist for achieving the favorable aims of company. In most cases, more than one celebrity may be required for covering the entire target market. Enterprises must identify a celebrity who can cover the entire target market, giving priority to employing more than one celebrity in their marketing program. The results indicate that the individuals have a different understanding from the characteristics of a celebrity endorsement. Differences might manifest in case there are different cultures between the consumers and celebrities. Based on previous research in various industries, in which the cultural area of celebrities has been proposed as an effective factor in their ability to attract the consumer. Moreover, the results indicate that there is a special concept for selection of celebrities and their communication tools, especially when the marketers consider the multi-cultural differences in their marketing programs if considering advertisement programs in other communities. In the current era concerning the role of consumers, the marketers aim to use individuals' ability to increase sale or change strategy for increasing the consumers' trust on company. Celebrities' presence can be evaluated as a stimulant rather than a marketing aim; therefore industrialists must pay a particular attention to this issue that the celebrities must be employed as a tools and stimulant in design of advertisement programs with other programs.

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