



Do attributes of celebrity influence corporate loyalty and corporate image? mediating role of corporate credibility

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Abstract

The purpose of this research is to explore the impact of attributes of celebrity influence on corporate loyalty and corporate image by concentrating on the mediating role of corporate credibility. Simple random sampling technique is used to collect responses from respondents. Adapting the questionnaire survey method, data were collected from 450 respondents from the general public. All the statistical analysis was performed on SPSS and AMOS. Results showed that attributes of celebrity influence impact positively on corporate image and corporate loyalty. Corporate credibility partially mediates the relationship between attributes of celebrity influence & corporate image. This study also revealed the relationship of corporate loyalty on corporate credibility. This research will help the organizations to understand how to deal with customers in different ways in order to enhance profit, boost loyalty and image of corporation in the favor of organization which does no harm to their organization.

ARTICLE INFORMATION

Received: 25 March 2017

Revised: 25 June 2017

Accepted: 25 June 2017

DOI:

<http://dx.doi.org/10.31580/jmi.v1i1.59>

Keywords: Celebrity Attributes, Corporate Credibility, Corporate Loyalty, Corporate Image

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Introduction

Celebrities are playing role in various field of life including communication, sport management, economic behavior, and specially marketing and advertising policies. Due to remain competitive celebrity is considered most important part of the corporations because in this way corporations are getting competitive edge. When celebrity uses a product in an advertisement people highly impressed them and want to get that product. In this way celebrities persuade consumers to use products of the company. Celebrities are also considered as the intellectual leaders which affect the beliefs of customers. (Soleman et al, 2002) Celebrities can change consumer's preference regarding a brand or product. Celebrities directly and indirectly influence on consumer perceptions. Corporations advertising effectiveness campaigns depend on celebrity attributes. Previous researchers have pay less attention to celebrity dimensions including attractiveness, trustworthiness and expertise. Attributes of celebrity highly influence customer's psyche including attractiveness, trustworthiness and expertise. If a celebrity will be attractive and expertise in his profession then the trust of customers will be enhanced and this will definitely create a good image of corporation and loyalty. The celebrity also ensures corporation's image, loyalty and corporate credibility. If any corporation cast a well known celebrity then it will create a good image among customers and it also enhances credibility of that corporation. Corporate image is directly determined by corporate credibility (Amini et al., 2012). Positive corporate image leads to swift corporate credibility. A celebrity also contributes to increase demand of the products and sales. Corporate credibility also contributes in building loyalty and trust and confidence of customers. A glorious choice of celebrity endorsement will enlarge corporation image and then strengthen corporate

credibility and finally generate an increase in corporate loyalty. To enhanced profitability of corporation; loyalty highly contributes. If customers will become loyal then this will create repeated transactions and will recommend to others, increase intention to purchase and repurchase. When any corporation provides quality goods and services to its consumers corporate credibility reinforced corporate loyalty. 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. Corporate image of company relate to the concepts such as concept of loyalty and corporate credibility. The purpose of this study is to examine that the attributes of celebrity affects corporate loyalty and corporate image by concentrating the role of corporate credibility. This study contributes to the research on celebrity attributes and corporate loyalty corporate image by showing that corporate credibility are relevant affect related variables in determining the importance of celebrity attributes in public.

Research questions

1. Do attributes of celebrity impact the corporate credibility?
2. To what extent corporate credibility influences CI and CL?
3. Does the relationship exist between AC, CI and CL?
4. How corporate credibility mediates the relationship between AC& CI?

Literature review

Attributes of celebrity

Corporations have been setting together their brand and themselves with celebrity supporter. (Alsmadi; 2006) Celebrity is a person who enjoys public appreciation by a large share of a certain



group of people. According to “Christina Schlecht (2003) celebrities are those individuals who enjoy public recognition by a large share of a certain group of people and possessed attributes like attractiveness, amazing life style or exceptional skills and it can be said that celebrities are generally differ from social culture and enjoy a high degree of public alertness.(Tom et al, 1992;Kambitsis et al, 2002) To sponsor products and services, celebrities act as representatives in advertising. Due to several reasons celebrity appear in public. (Tom et.al. , 1992; Kambitsis et al, 2002) . Han & Ki, 2010;Amos et al., 2008;) Celebrities appear in public when gratifying the requirement of their work, while attending special events like movie awards or when they are part of news item, tabloids, fashion magazines , providing a secondary source information about their personal life and to promote product and services acting as spokes people in marketing (Amos et al., 2008; Han & Ki, 2010)Research has identified that a staple group of symbolic dimensions that determine the level of customer’s belief in celebrity attributes including attractiveness, expertise, trustworthiness, private life management, personality, identification, competency, appearance, likeability, familiarity and relationship. Many researchers have identified that attractiveness, expertise and trustworthiness as the most important attributes of celebrity.

There are different attributes of celebrity as attractiveness refers to the sum of the celebrity’s beauty, dress, elegance, physical appearance, manners, sexual appeal and protocol (Lord &Putrevu, 2009; Han & Ki, 2010). Second attribute is expertise; refers to as which extent individual’s experience or skill, expertness or knowledge required by others to help in decision making. Magnini et al., 2010; Han & Ki, 2010) Expertise is associated with qualification, expert ability, competency, authoritativeness and mystery. (Tripp et al., 1994) The third celebrity attribute is trustworthiness; at which viewers observe that the celebrity is able to express a sense of honesty, veracity and acceptability through the medium of presenting. Research found that physical features and image of celebrity can be transfer to the product or company which they endorse as result, affect corporate credibility and corporate image (Aaker; 2000 , Fombrun 1996, Best 2000).

Corporate credibility

Today mostly companies are highly concerned with their credibility. Because they are well aware about the need that customers perception of fidelity, success of new product trial and extension of corporation brand, product constancy, sales and approval of marketing messages. (Collins Concise Dictionary and Thesaurus, 1995) Credibility refers to “reliability”, “convince” or “believability” and it is based on status, repute and proficiency. Credibility is to extent to which consumer perceives that the company has the ability to implement management activities on the basis of familiarity, capability and reliability. Fombrun (1996) remarks that credibility is a function of corporation reputation and used to determine belief of customer in company’s trustworthiness and expertise. According to Keller (1998) corporate celebrity states that “to which extent customers believe that firms can deliver products and design products to satisfy customer wants and needs. Numerous studies emphasize that to evaluate corporate credibility have used one aspect by means of “trustworthiness”, “reliability”, “pleasantness”, “confidence”, “reputation” or “favorability” (Goldsmith, & Lafferty 2000 ,1999). When celebrity endorsement is applied in corporate advertisement then credibility is well thought-out to be indistinguishable with corporate credibility (Donavan & Carlson, 2008). Credibility can leads to positive attitude in customers toward Add and company (MacKenzie et al., 1986). Many corporations are spending money to increase their brand image with the help of corporate credibility ((Fombrun, 1996). Evidence showed that corporations are using public relation campaigns to boost up corporation’s image among customers by widespread (Fombrun, 1996). Since 1990s the trend of using corporate promotion strategies are escalating drastically and dollar amount used up significantly. During 1997, around 63 percent firms were using marketing campaigns, from 1992 up to 13 percent. (Gregory 1998) Additionally USA corporations were spending up to 16 percent of their total expenditures. (Goldsmith& Lafferty, 2004;

Ewin, 1993) Credibility increase sales and also contributes to edifying brand loyalty of products and services. At the end, a flourishing selection of endorsement will fortify the brand image and then add force to corporate credibility and finally create enlarge incorporate loyalty.

Corporate image

H.H. Friedman & Friedman (1979) concluded that celebrity is a person who known and favorite personality of people such as actors, sportsman, film star etc. Additionally, Keller (1993) distinct corporate image as perceptions of an institute reflected in the associations apprehended in consumers’ reminiscence. Nguyen and LeBlanc (1998) defined corporate image as a slanted acquaintance, or approach such at the same time as philosophy, community first name, standing and liberation organization superiority stage. Bos (2007) concurred that corporate image is belief, idea and impression of organization. In the service marketing literature recognized corporate image is an important factor for valuation and estimation and assessment of services and company (Gummesson, 1988; Bitner, 1991). Corporate image is definite as the “generally impression” missing in the customers’ intelligence as a result of accumulative position, thoughts, attitudes and experiences with the association, stored in reminiscence, altered into a optimistic/off-putting sense, retrieved to recreate picture and recalled when the name of the society is heard to ones’ mentality (Kazoleas et al., 2001; Hatch et al., 2003; Bravo et al., 2009). Amini et al (2012) concluded corporate image represent the good, unique and personality of the organization by which a company can compete to its other competitors. By good image company gain not only competitive edge but also generate equity of the brands of company and generate sales, profits, market shares etc. Blishak (2007) proposed that corporate image shaped by company’s actions and factors that affect directly or indirectly such as media, labor unions, social organizations, industrial associations and other entities. Corporate is the critical factor in the evaluation of organization (Bitner, 1990, Andreassen & Lanseng, 1997; Andreassen & Lindestad, 1998; Kandampully & Hu, 2007; Sarstedt et al., 2012). Because of the strength that lies in the customers’ perception and mind when hearing the name of the organization (Bravo et al., 2009). Thus, continuous research on corporate Image and reputation is a must for those organizations that want to successfully differentiate their positioning in the market. Kandampully and Hu (2007) stated that corporate image consisted of two main components; first is the tangible characteristics that can be measured and evaluated easily and the second is emotional such as feelings, attitudes and beliefs the one have towards the organization that customer perceived with the passage of time. Moreover service quality is seeming by the customers when they use company products time to time(Zeithaml et al., 1990:19), company representative build, distribute, convey and suggest the services according to customers because they must want to create corporate good image in customer mind (Solomon, 1987), they operate as a association bridge because they get information from their company and spread to customers and not only attract the customers by giving information but they also retain and build strong image in their minds (Solent, 2006; Slatten, 2008). Corporate image mull over as a announcement progression by which company communicate its message to its customers that constitute their premeditated target; assignment dream, goals and distinctiveness that reflects their foundation standards that they appreciate (Bravo et al., 2009). Keller’s (1993) concluded that corporate image might be well thought-out as a category of product representation in which the variety surname refers to the association as a entire to a certain extent than to its exclusive yield/services. Corporate image as well reflects the requirements or else prospect of a miscellaneous variety of stakeholders who are straight or circuitously connected through the corporation (Lemmink, 2003). Because a significance, corporate image probably will have dissimilar meanings based on the perceptions of stakeholders that take account of stockholders, timber members, human resources, suppliers, conduit members, clientele and the population. Since various factors involve how community



representation is supposed by stakeholders, mainly studies on dimensionality of corporate image optional multidimensionality.

Corporate loyalty

A lot of generosity firms are having complexity greater than ever their advertise allocate since of intensifying global opposition, slower enlargement charge, decreased inhabitants expansion, as well as oversupplied with immature markets. In excess of the previous two existence, countrywide lodge possession in the USA declined unassumingly, to 64.5 percent in 1997. A evidence 1,480 new-fangled hotels open, along with new proceedings are predictable to be position in the approaching years (Ford, 1998). As a consequence, an growing quantity of hotel firms are pursuing smaller amount original consumers. Beneath these state of affairs, a bulky contribute to some firm's possessions be required to dedicated to in attendance customers. Firms might enhance sales also their market shares through diminishing prices, intensifying their allotment channels, introduction promotional campaigns, plus retain their present consumers (Cravens, 1994). on the other hand, customer dependability would survive a further money-making come within reach of because as a immature production, the generosity business be obliged to follow market distribute gains, slightly than market-growth gains (Jarvis, 1986). While consumers are misplaced, new-fangled ones have got to be fascinated. Loyalty is a constructive affecting connection and expressive reaction which is created during repeated transactions with a company and its products etc. (Ewin, 1993). Corporate loyalty is a approach for a company to enhance the success on the lookout for loyal customers. (Ewin, 1993). To enhance the loyalty company must proffer somewhat by which they sympathetic meaningful. Corporate loyalty toughened by corporate creditability when corporation make available produce and services. (Goldsmith, 2004). Cronion and Taylor (1992) investigated that loyalty of services of any company indicated by the replication or repurchase harvest purpose. In calculation according to investigator only individuals companies can increase aggressive perimeter, increase proceeds and struggle effortlessly to their competitors which have not only corporate loyalty but also have trustworthy regulars for the reason that loyal customers can repurchase, seek innovative goods with new and eye-catching prices, and also give truthful suggestions to their corporation. The loyalty perception not trouble-free to elucidate its very complicated to scrutinize the loyalty of corporate and customers, who are trustworthy?. Corporate credit creditability make better the brand image of corporation goods and services, and brand image raise the corporate loyalty and sales of company (Lafferty & Goldsmith, 2004). In adding, it is also promoted by exposure by means of persona sustain (Kim 2013). As a conclusion, superior faithfulness from establishment to closing stages corporate credibility or promotion is reflected from elevation to elevation connotation to get your hands on, recommendations to others, productive anecdote, disobedience to compensate supplementary plus a attenuation in complaints (Kim & Kim, 2004; Ohanian, 1991).

Attributes of celebrity, corporate image, corporate credibility and corporate loyalty

On the bases of previous studies, (Kim et al., 2013; Amos et al., 2008), this study explains attributes of celebrity such as trustworthiness, attractiveness and expertise. Initially trustworthiness is a key attribute in fashion industry where the customer habitually makes a booking without first considering the product and for this reason relies on the truthfulness of company advertising collateral, word-of-mouth, websites, advertisement and support by a celebrity (Lin et al., 2008; Ketchen et al., 2008). Trustworthy celebrity is a valuable way of communicate message to consumers about the products of corporate and its contribution to corporate competency and society (Fink et al., 2012). Secondly, effectual endorsement by any gorgeous celebrity has the likely to boost corporate image by dilute pessimistic attitude toward the corporation with beliefs that the corporation is environment-oriented, effective for profit-generation, capable for advertising (Amos et al., 2008). This outlook is support by

the "symbolic communications model" which explains the procedure wherever characteristics of the celebrity endorser are used to transmit characteristics such as 'luxury', 'modernization', 'elegance', and 'fashion ability' on top of the corporation (Magnini et al., 2008; van der Veen, 2008).

Consequently, the uniqueness of the celebrity is competent to present integrity to the corporation and boost corporate loyalty (Lord & Putrevu, 2009). The superior the apparent point of expertise the celebrity endorser is seen to have in the advertised product the more credible or effective the advertisement is probable to be (Magnini et al., 2008, 2010). Everywhere there is booming relation with the celebrity and their apparent point of expertise in the product there is normally an increase within intent to buy, in fraction base on the assertion given as regards service quality (Kim et al., 2007; Amos et al., 2008). Correspondingly, helpful endorsement of corporations with advanced technology has generated enlarged corporate loyalty and credibility (Busler & Till, 2000).

Attributes of celebrity and corporate image

The study shows that the celebrity endorsement has a positive effect on corporate image, moreover corporate image have a positive effect on corporate credibility and corporate credibility have a positive effect on corporate loyalty (Hoseinzadehshahri, 2015). Corporate credibility along with endorser credibility plays a significant role in the assertiveness of the end user in the direction of the brand and the announcement correspondingly (Smt.L.R.T.). This study describes features of personage as responsibility, attraction, and adeptness. To begin with, trustworthiness is an imperative attribute in apparel productiveness where the customer repeatedly varieties a engagement without first keen-sighted the product and for this motivation be dependent on the straightforwardness of company marketing indemnity, websites, word-of-mouth, advertisement or countersignature by celebrity (Lin, 2008). Conferring to 'match-up theory', promotion using a celebrity endorser inspirations end user approaches and their assessment of the suggestion between the celebrities on the corporation. That is, superstar countersignature that stimulates dependability products the best "fit" in producing constructive purchaser opinions on the corporation's methodology to societal accountability, its promotion capability, and be responsible for reassurance that the company is trustworthy (Kim et al., 2013). On the corporate level trustworthy celebrity sponsors are an operational resources of collaborative progressive memoranda to consumers about the company and its produces, its influence to the general public and community capability (Fink 2012). Furthermore, in effect authorization by an gorgeous celebrity has the prospective to develop corporate image by weakening damaging attitudes toward the company as well as opinions that the corporation is environment-oriented, in effect for revenue generation, knowledgeable for promotion (Amos et al., 2008).

Corporate image and corporate credibility

On the basis of previous literature study it is estimate that celebrity and advertisement use to enhance the company credibility and corporate image and corporate loyalty which created by strong and p positive image (Kanibir & Nart, 2009). Stallen et al, (2010) these discoveries are unswerving with those of foregoing analyses that validated a positive relationship between celebrity endorsement and corporate images an predecessor to intensification brand reliability. A corporation recommended by celebrity announcement as existence a socially accountable association also strengthens corporate credibility (Stallen 2010). For instance, commercial publicity that underlines influence to civilization by utilizing societal progressive assenter is able to augment corporate credibility because buyers be disposed to support establishments that accept informally accountable administration strategies (Kim, 2010). Like explanations have been made in the profitable reporters and the theoretical nonfiction that the aureole effect of celebrity is able to improve corporate credibility (Fink et al., 2012). If a incongruity or an contradiction between the celebrity attributes and those of the recommended company



transpires, a amount of contrary effects can be anticipated excluding a loss of credibility and also of consumers (Amos 2008). Celebrity endorsement is also expected to be a forerunner to improved corporate credibility (Wang 2002). Tiger Woodlands, a famous dedicated golfer is an sample of how a fall in acceptance of a positive follower due to humiliations connecting imaginary extracurricular activities occasioned in the loss of a number of large commendation occupational indentures. Nike engaged a five-year agreement with Woodlands mediums fee of roughly US\$105 million in 2000 (Farrell et al., 2000). The popular competition of Woodlands with Nike occasioned in significant pecuniary expansions for both festivities as well as stimulating responsive integrity on the brand. However, the supposed humiliations occasioned in Woods for the time being diminishing for golf. Many of the firms that had cast-off Wood's replacement as an fundamental share of their promotion including AT&T, Accenture and Gillette extracted their countersignature appalling that deteriorating community trust in Wood's image would interpret into a deterioration in conviction of their merchandises (Grocer, 2009). Accordingly, when character endorsement is used to dimensions a firm's corporate image, the firm's credibility is then connected to that image.

Corporate credibility and corporate loyalty

Since preceding studies use the "meaning-transfer model" show, attributes of celebrity support are transfer to customer's personality later than he/she is bare to corporate promotion (van der Veen, 2008; Lord, 2009;). The same as the 'symbolic communications model' indicate, corporate credibility that has been improved by celebrity support contribute to the spiraling of corporate loyalty (Stallen et al., 2010). When corporate credibility increased through efficient advertising, it creates an activist brand position such as purchase intention and corporate loyalty (Donavan & Carlson, 2008). The connection between corporate loyalty and corporate credibility can be ascertain by the marketing "schema theory" which argue that a theoretical memory formation help customers to manage and admit latest promotional information base on earlier knowledgeable or predictable wisdom (Fink et al., 2012 ;Carlson & Donovan, 2008;).

- H1:** There is significant & positive relationship between Attribute of celebrity and corporate image.
- H2:** Attributes of celebrity significantly and positively affects the corporate loyalty.
- H3:** There is a positive relationship between attributes of celebrity and corporate credibility.
- H4:** Corporate credibility is likely to have a positive effect on corporate loyalty.
- H5:** Corporate image is likely to have a positive effect on corporate credibility.
- H6:** Corporate credibility significantly mediates the relationship between Attributes of celebrity and corporate loyalty.

Conceptual Framework

Fig.1 shows conceptual framework for thecurrent study

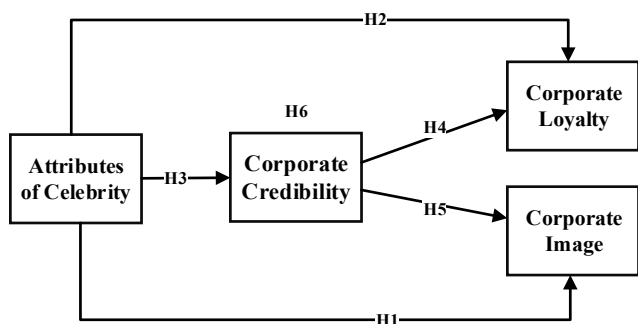


Fig. 1. Conceptual Framework

Methods

The purpose of the study is to examine that the attributes of celebrity influence corporate loyalty and corporate image by concentrating the role of corporate credibility. The study is descriptive and quantitative in nature. In this study we are using deductive approach. In this study we have used survey method.

Questionnaire design

Instrument comprises two sections. First section is about personal profile of respondents including their including age, gender, education, nature of employment and length of service of respondents, these all items are measured by nominal scale.

Second section is related to variables including celebrity attributes, corporate credibility, corporate loyalty and corporate image.

Celebrity attributes: To collect data about Celebrity attributes. It has three dimensions

1. Attractiveness has 4 items.
2. Trustworthiness has 5 items.
3. Expertise has 5 items.(Qurat-Ul-Ain Zafar, Mahira Rafique)

Corporate credibility: To collect data about corporate credibility 5 items scale is used.(Matzler it al, (2008). Chanduhuri and Holbrook,(2001))

Corporate loyalty: To collect data about corporate loyalty 6 items scale of (Algesheimer, Uptal and Herrmann, 2005; Fullerton, 2005) used.

Corporate image: To collect data about corporate image 11 items scale were used.

Data collection method

To examine "Does attributes of celebrity influence corporate loyalty and corporate image by concentrating the mediating role corporate credibility?"

Survey method is used to collect data from respondents. It is the most inexpensive way to use to gather primary data. The data were collected from the students of university in Pakistan.

A total of 150 questionnaires were distributed.

Demographics

Data was collected from 450 employees working in telecommunication sector. Out of all the employees 58% was male and 42% was female. Likewise, 34%, 61%, 2.7% and 2.0% employees were of the age of up to 25, 26-45, 46-55 and 56+ respectively. Moreover, 11.3%, 72%, 16.0% and .7% have done Bachelor's, Master's, PHD and Others respectively. Following to this, 31.3% employees are contractual, 31.3% are permanent and 37.3% are from others. 65.3% respondents have up to 1 year length of service and 28.7%, 4.7% and 1.3% respondents have 2-5 years, 5-10 and 10+ years length of service in telecommunication sector.

Table 1 is representing the descriptive statistics, reliability and Pearson correlation among all understudies variables. The highest correlation existed corporate image and corporate loyalty which is valued at .521. It is reflecting that corporate image and corporate loyalty are positively related with each other with a moderate standard deviation. All other variables named as Attractiveness, Trustworthiness, Experience and Corporate credibility are also correlated with each other. The mean values are showing the trend of responses that most of them are lied towards agreeableness. Results indicate that alpha values for all variables are under acceptable range to prove data reliability.

Table 2 is representing the discriminant and convergent validity of the model as the values of AVE and composite reliability are greater than 0.5 and 0.8 respectively that's why this model has convergent validity. As far as discriminant validity is concerned, it depends upon the values of square root of AVE which must be greater than the correlation values. As in table, the values of correlation are less than the values of square root of AVE so discriminant validity is also present in the model.



Table 3 is presenting the results of model fitness from both CFA and SEM dimensions. Goodness of fit index is given at the first place which represents the variance covariance matrix and as its value is greater than 0.90 so it is declaring a good fit of the model. AGFI is adjusted GFI whose value is greater than 0.8 which is quite good to prove that model is good fit. CFI is representing the comparative fit

index which is showing more realistic values that are proving that model is near to absolute fit due to greater than 0.9 value. RMSEA is root mean square error of approximation whose value is lesser than 0.10 so that is also indicating the good fitness of model. The values of NFI, PGFI and PNFI are also lies in good range so they are also contributing that the understudy model is quite fit in statistical terms.

Table 1: Meand and SD

	M	SD	α	1	2	3	4	5	6
Att	3.90	.675	.72	-					
TW	3.87	.627	.762	.247**	-				
Exp	3.89	.671	.823	.202	.343**	-			
CCr	3.90	.591	.744	.243	.263*	.433**	-		
CI	3.86	.475	.719	.236**	.253**	.255**	.391**	-	
CL	3.91	.545	.774	.325**	.338**	.201*	.299**	.521**	-

Att=Attractiveness, TW=Trustworthiness, Exp=Experience, CC=Customer Credibility, CI=Corporate Image, CL=Customer Loyalty

Table 2: Psychometric Analysis

Variable	CR	AVE	A	T	Ex	CC	CI	CL
Attr	0.711	0.512	0.812					
TW	0.816	0.583	0.441	0.775				
Exp	0.735	0.627	0.556	0.334	0.711			
CC	0.752	0.619	0.628	0.682	0.465	0.744		
CI	0.777	0.553	0.543	0.563	0.567	0.632	0.823	
CL	0.715	0.529	0.762	0.552	0.519	0.542	0.654	0.743

Att=Attractiveness, TW=Trustworthiness, Exp=Experience, CC=Customer Credibility, CI=Corporate Image, CL=Customer Loyalty

Table 3: Fit Indices

Fit Indices	CFA	SEM
Chi-square/DF	3.07	3.05
GFI	0.945	0.847
AGFI	0.804	0.826
CFI	0.950	0.949
RMSEA	0.06	0.07

Table 4: SEM Regression weights

Path	Est	S.E.	C.R.	P
Corporate Loyalty ← Attributes of Celebrity	.441	.05	.017	.01
Corporate Loyalty ← Endorsement				
Corporate Image ← Attributes of Celebrity	.424	.07	0.20	.00
Corporate Image ← Endorsement				
Corporate Credibility ← Attributes of Celebrity	.366	.04	0.34	0.02
Corporate Credibility ← Endorsement				
Corporate Loyalty ← Corporate Credibility	.346	.09	0.45	.01
Corporate Image ← Corporate Credibility	.319	.09	0.98	.00

Table 4 shows regression weights significance level for relationship hypothesized in H1, H2, H3 and H4. The results provide evidence that attributes of celebrity and corporate credibility positively effects on corporate loyalty and positive impact on corporate image and corporate credibility. Therefore H1 and H2 supported. Whereas Corporate credibility significantly in relation with dependent variables as corporate image and corporate loyalty. Consequently H3 and H4 positively correlated. Hence H5 and H6 also supported.

SEM mediation analysis

Table 5 depicted the path analysis of given variables and their relationships by using SEM.

Table 5: Path Analysis

Independent variables	Effects	Corporate image	Customer loyalty
Attributes of	Direct Effect	.426*	.448*

Celebrity	Indirect Effect	.398*	.356*
Endorsement	Total Effect	.498*	.516*

Mediating variable: Corporate Credibility

The hypothesis being illustrated would be tested through the SME mediation model. Direct effect of AC on CI and CC is .426 and .448 respectively. Similarly, total effects .498 and .516 respectively. This indicates that AC partially and significantly mediates among CI, CL and CC. This proves that corporate credibility mediates the relationship between Attributes of celebrity and corporate image being significantly true and valid.

Discussion and conclusion

The purpose of this study is to examine that the attributes of celebrity influence corporate loyalty and corporate image by concentrating the role of corporate credibility. Study proved that there is significant & positive relationship between attributes of celebrity and corporate image. Supported by H2 Attributes of celebrity significantly and positively affects the corporate loyalty. Based on previous research there is a positive relationship between attributes of celebrity and corporate credibility. Corporate credibility is likely to have a positive effect on corporate loyalty. Corporate image is likely to have a positive effect on corporate credibility. Corporate credibility significantly mediates the relationship between Attributes of celebrity and corporate loyalty. Corporations firstly specify a market or target a specific market. Then, company should specify a celebrity attributes and find a celebrity that must be valuable in promotion of products and services of corporation, and then he/she assist to achieve the favorable aims of corporation. For covering the whole market more than one celebrity is required. In the light of results, individual have different understanding about attributes of celebrity. Due to different cultures between celebrities and consumers differences might visible. On the basis of previous studies in different industries, celebrities considered as effective factor as the ability to attract customers. Furthermore, while selecting a celebrity companies must focus on communication tools, especially marketers must consider multi-cultural differences in promotion, advertising and advertisement programs in other communities. Companies and marketers are trying to enhance consumer's trust by using individual's (celebrity) ability in current era.



The presence of celebrity can be examined by his aptitude to enlarge attention of the customers. With the other programs like advertisement programs which are considered as a stimulant tools celebrities must employed.

Limitations and future directions

The study has many limitations. To make this research more valuable, other variables and dimensions of corporate credibility can be added. Furthermore, time and sample size is also a constraint. Future researchers can expand the sample size. Data can be collected from other sectors also. More concise demographic analysis can help to find results more accurately. Similarly, longitudinal study can be designed in future.

Practical implications

Our study will be very helpful for marketers and corporations while selecting any celebrity for a product and in this way they can enhance demand for their products among consumers and can generate profit by remain competitive.

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