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**BA (HONS) Business Management with Marketing**

**BUSINESS PROJECT**

**FACTORS OF CELEBRITY ENDORSEMENT AFFECTING TO CUSTOMER PURCHASE INTENTION**

**THE CASE STUDY OF THANH HANG ENDORSING FOR AQUAFINA VIETNAM**

**Module** : **Business Project UMCDFS-30-3**

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**Abstract**

Celebrity endorsements have long been a go-to strategy for firms looking to appeal to customer’s intention, generate revenue, and expand their market share through advertising. In recent years, the use of celebrity images in the food and beverage industry has become more prevalent in this competitive market.

The concept of celebrity endorsement has been studied widely in order to examine the effectiveness of celebrity endorsers on customers’ perception as well as their purchase intention on endorsed products. However, few studies have been conducted in order to apply it in the Vietnamese market, especially in the beverage industry. Therefore, the purpose of this study is to examine the effect of celebrity endorsement on customers’ purchase intention and their attitudes toward purified bottled water products of Aquafina, using factors in the Source of Credibility model (Ohanian, 1990).

The result of data analysis in this study shows that only two factors: Attractiveness and Expertise of Celebrity endorsers have a significant influence on customer’s purchase intention and attitudes toward product, while Trustworthiness element has a negligible impact. Thus, this study has suggested for marketers in choosing the celebrity endorsers who have more attractiveness and expertise in endorsed products rather than trustworthy images.

Keywords: Celebrity endorsement, purchase intention, attitude toward product, credibility.

**I. INTRODUCTION**

**1.1. Research background**

Conventionally selling of products is no longer an effective strategy for appealing to customers' intentions in the modern era. That is the reason why many companies are switching to approach customers by marketing their products and services through advertisement. By raising customers' awareness and perception, advertising has been served as an effective tool for building brand identities (Fills and Hughes, 2012). In addition, advertisement is a means of communication that brands use for conveying messages and ideas about their products to target customers. Therefore, advertisement is considered a powerful tool that businesses take advantage of to differentiate over competitors in a recent competitive market.

There are various options for businesses to advertise their products, such as television, newspapers, magazines, billboard…. To identify which forms of advertising are most appropriate, a business may need to examine a variety of criteria, including financial constraints and customers it wants to target. Besides that, celebrity endorsement is also an effective marketing strategy that brands have used to attract customers' intentions in recent years. Marketers have traditionally utilized celebrity endorsements to boost a company's appeal, with a celebrity endorser typically described as a well-known person hired to promote products (McCracken, 1989). Among marketing strategies, businesses often use the image of celebrity endorsement to raise customers' awareness and perception about brand identities as well as increase the product's credibility. These days, products endorsed by celebrities have gradually become popular in all kinds of products from luxury goods to necessities. Indeed, around 25 percent of all TVCs apply celebrity endorsement to build the brand's identity, and nearly 10 percent of marketing expenditure is spent on these endorsers (White, Goddard & Wilbur, 2009). This implies that most brands spend a huge budget on this marketing strategy with the ultimate purpose is to appeal to customers and promote the brand's identity through the credible image of a celebrity.

There is no doubt that celebrity endorsement is an effective marketing strategy that brings many benefits to a business. Firstly, it helps a company build awareness (Khatri, 2006). It might stimulate the customer's interest and curiosity about the goods being promoted. According to research, consumers have a greater memory of messages associated with items backed by celebrities. Secondly, celebrity endorsement can help boost sales because of a source of imitation. In other words, celebrities are frequently considered role models or idols for their target audience, who have a tendency using products tied with a celebrity's name. In addition, celebrity endorsement also helps brands have a better image thanks to the endorser's credibility, trustworthiness, and attractiveness. Therefore, choosing the "right" endorsers enables brands to appeal to more customers and result in a good return in terms of profit.

Besides numerous advantages, celebrity endorsement can be a "two-edged sword" that leads to many potential risks (Nguyen Van, 2017). The first drawback is that negative information about celebrities or scandals may lead to a boycott from consumers. For instance, a Chinese superstar Kris Wu, an international ambassador for high-end brands such as Louis Vuitton, Bulgari, has triggered a call for a boycott from Chinese citizens after a rape allegation scandal. As a result, this damages brand images severely and leads to a decrease in sales. Secondly, when a celebrity endorses multiple products and brands concurrently, this can dilute celebrity values. In other words, the celebrity identity associated with each product may diminish as the connection between the brand and the endorser is not distinctive.

Another possible issue is the use of celebrity endorsements for products that make it difficult to identify if buyers are satisfied or not. For instance, some people are willing to spend a huge amount of money to buy some products literally because their idol endorses those products even though they do not even care about the attributes and quality of products. Hence, it is difficult for brands to measure the quality of products or customers' preferences if they depend too much on endorsers.

The topic of celebrity endorsement and its impacts on attitude towards endorsed products and purchase intention have been studied extensively in the past. Few studies, however, have looked at the effects of celebrity endorsement on the beverage industry, particularly purified botted water products. Furthermore, the majority of theories and models has been researched in the context of Western nations and rarely used in the Vietnamese market. As a result, this study aims at the impacts of celebrity endorsement on consumer’s attitudes toward products and purchase intention in the Vietnamese beverage market, with a focus on purified bottled water products.

**1.2 Celebrity endorsement usage for advertising in the Vietnamese market**

In recent years, celebrity endorsement has grown in popularity as a form of marketing in Vietnam. Numerous firms are ready to spend a significant portion of their marketing budget on inviting celebrities or influencers to promote their products. Because companies trust in the credibility and attractiveness of celebrities, they will seek publicity for their products via a large number of followers.

According to the research, Vietnam has 78% of businesses investing budgets in Influencers Marketing in 2020. 39% of them are spent on marketing campaigns collaborating with celebrities or influencers (Nguyen, 2021). Numerous celebrities are famous commercial faces in Vietnam, such as Son Tung MTP, Minh Hang, Ho Ngoc Ha, Thanh Hang, Tran Thanh… There are many reasons brands frequently choose these celebrities to endorse their products. To begin, they are gifted performers with outstanding performances during their professional years, and they have massive followers throughout Vietnam. The following argument is because they are credible, have a positive image, and are generally free of controversies in their personal lives. Finally, their attractive appearances and engaging personalities create an atmosphere of closeness for customers.

Besides that, there are many cases in that brands have to terminate advertising contracts with some celebrities due to their scandals. For instance, the case of Pepsi Vietnam have to eliminate all the advertising images relating to Pham Van Quyen due to his scandals about violating football rules. As a result, this led to severe damage for Pepsi Vietnam about the brand's image and sales. Thus, businesses should be cautious checking their personal lives before choosing them to be an endorser.

**1.3. Introduction about Aquafina Vietnam**

Aquafina is a purified bottled water product of Suntory Pepsico Vietnam Beverage and is manufactured under the standard of PepsiCo Inc, and suitable with the beverage standard of WHO. Aquafina is a premium bottled water that has been cleansed using the Hydro-7 method, which includes reverse osmosis and a range of other purification procedures to remove minerals, pathogens, and pollutants from water. As a result, a 100% pure water product with an altogether unique fresh flavor was produced.

In recent years, celebrity endorsement has been used as marketing strategy when Aquafina introduce new products. Thanh Hang is a supermodel attached to Aquafina products for many years. Thanks to the beautiful face and professional working in various fields, Thanh Hang is always a name that customers remember when it comes to Aquafina. Furthermore, Aquafina frequently collaborates with Vietnam International Fashion Week to raise brand awareness and attract more customers, especially fashion-lovers.

A person in a white dress

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**Figure 1: Thanh Hang endorse Aquafina purified bottled water**

**1.4 Research questions and objective**

This research aims at testing the level of influence of a celebrity on customers’ intentions and references, particularly Aquafina products. Furthermore, this research also identifies which characteristics of celebrities affecting to customers’ views towards advertising and purchase intention.

* **Research questions:**

Based on the objective of the research, the main questions have been asked followed as:

1. Does images of a celebrity affect attitude towards endorsed products and purchase intention?

2. What factors of celebrities drive customers’ decision-making?

3. How to choose the right celebrity that fits with customers’ preferences?

**II. LITERATURE REVIEW**

The primary objective of this section is to provide an overview of the literature on celebrity endorsement and its elements, consumers’ attitudes towards advertised products, and purchase intentions. In addition, to better understand the scope of this study, all of the relevant theoretical ideas and conceptual frameworks have been applied in this discussion.

**2.1 Celebrity endorsement**

**2.1.1. Definition of celebrity endorser**

From early definition by McCracken (1989) stated that celebrity endorse is “any individual who enjoys public recognition and who uses recognition on behalf of a consumer good by appearing with it in an advertisement”. This explanation simply means a celebrity must have a high degree of popularity in the eyes of the public which is used to promote products via advertisements. With an advanced explanation from previous studies, Schlecht (2003) supposed celebrity endorsers are recognized by a large group of people, whereas components like attractiveness and outstanding lifestyle are just examples, and special common attributes cannot be witnessed. However, within a specific group, celebrities typically vary from the social norm and enjoy a high degree of public attention. It is clearly indicated from the definition above, major celebrities are those who can appeal high attention from a broad cross-section of public while carrying out their professions as athletes, singers, entertainers, or politicians, …

Celebrity endorsers have the role of spokespersons to deliver brand’s messages and persuade customers to purchase products for those brands. Celebrity endorsers are widely used and well-known as a type of spokesperson (Tom et al., 1992). The reason for using the concept of celebrity endorsers as spokespersons since they huge positive impact on public attention. They raise brand awareness, create positive emotion towards products endorsed, and are seen as more entertaining by customers (Solomon, 2002). Therefore, using celebrities through advertising can appeal to target more customers, and positively affect their purchase intention.

**2.1.2 Celebrity endorsement**

Over the years, the concept of "celebrity endorsement" has been used widely as an effective marketing strategy for major companies in building the brand image and appeal to target customers. According to McCracken (1989), celebrity endorsement was defined as "any individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement". Similarly, Keller & Kelvin Lane (1993) stated that celebrity image is the public's impression of a well-known person, as represented by celebrity connections in consumer memory. This explanation suggested that celebrity endorsers are the connection between a brand's products and its customers. Choosing the proper endorser to promote a brand and create positive feelings among customers is vital. Adopting a poor or improper image will negatively effect sales and the brand's image. This reduces target customer support and interest to endorsed products and services.

**2.1.3 Advantages/Disadvantages of using celebrity endorsement**

Although marketing expense using celebrity endorsement is huge, brands can take advantage it due to the number of benefits. This is an explanation for why many companies are willing to spend a huge amount of money on celebrities at unfavorable costs. Taking advantage of good images and public recognition of celebrities could bring many advantages for brands.

Choosing unmatched celebrity endorsers may have certain disadvantages. Because businesses have little control over a celebrity's image, which lead to a no gain/risks scenario. Since a celebrity's image can be damaged or lost. According to Till & Shimp (1998), unfavorable publicity about celebrity endorsers affects both customer perception and the products they promote. A celebrity supporting a brand may face a boycott if they are embroiled in a controversy or have a lot of negative information about their personal lives. As a result, sales volume drops and a brand's image suffers. Choosing celebrity endorsers should be carefully considered before making a decision. The table below shows the benefits and drawbacks of celebrity endorsement (Erdogan, 1999)

**Figure 2: Pros and Cons of Celebrity endorsement strategy** (Erdogan, 1999)

|  |  |  |
| --- | --- | --- |
| **Potential Advantages** | **Potential Drawbacks** | **Preventive Strategies** |
| Increasing attention | Overshadow the brand | Pre-testing and careful planning |
| Enhancing image | Public controversy | Purchasing insurance and including provisions in contracts |
| Introducing brand | Changes in image and overexposure | Explaining their function and including a provision prohibiting them from endorsing other products |
| Repositioning brand | Changes in image and decline in social recognition | Examining the celebrity's life-cycle stage and the likelihood that it will continue for an extended period of time |
| Underpin global campaigns | Expensive | Choosing celebrities who are suitable for a worldwide target consumers, rather than those that are "hot" in all market segments |

**2.2 The source of credibility**

The source of credibility is the foundation upon which the audience's faith in the source's information is built, and it is on this foundation that the audience decides whether or not to accept the information provided by the source (Ohanian, 1990). There are three important elements mentioned in the source of credibility: trustworthiness, expertise, and attractiveness. For the effectiveness of celebrity endorsement, it must be seen as attractive and credible by its target customers, which is a combination of expertise and trustworthiness. Moreover, celebrity endorsers who have a high level of expertise and trustworthiness is able to affect customers’ perception and purchase intention (Teo & Liu, 2007). The table below will show the 15 elements that affect to celebrity’s credibility (Ohanian, 1990) :

**Figure 3: Elements of Source Credibility Scale**

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This scale suppose that celebrity endorsements' credibility and efficacy are tied to these certain characteristics, but it is argued by McCracken (1989) that the celebrity sphere contains more than simply attractive and credible individuals.

**2.2.1 Trustworthiness**

The term “trustworthiness” refers to a celebrity endorser perceived as having “believability, honesty, and integrity” (Yang, 2018). Ohanian (1990) believed that customers often have a higher level of trust in celebrity endorsers who are commonly regarded as credible and honest people. Therefore, the more trustworthy celebrity endorsers are, the more powerful to convince customers to trust endorsed products. Whereas the use of celebrity in convincing customers to trust in products would be lower if a celebrity endorses many kinds of products in different field at the same time. This would result in a lower degree of credibility when compared to a celebrity who only endorses one type of product (Tripp, Jensen & Carlson, 1994).

**2.2.2 Expertise**

Expertise is a term that relates to a celebrity endorser's perceived degree of skills, experiences, and knowledge in relation to the product/brand being endorsed (Erdogan, 1999). In addition, Ohanian (1990) believed that the endorser’s expertise can exert a powerful effect on information recipients. It is clear that celebrity endorsers who have knowledge and experience in some fields, are more convincing customers to trust messages about endorsed products. It cannot be argued that an endorser with extensive knowledge and certified qualifications has a greater degree of recommending power than those with little expertise (Ohanian, 1990). Therefore, it could say that celebrity expertise is one of the most powerful elements to influence customers’ perception of endorsed products. In other words, If brands want their commercials to be more persuasive and efficient at convincing customers, they need to choose celebrity endorsers who have wide knowledge and experience in the field related to endorsed products.

**2.2.3 Attractiveness**

Attractiveness is the possession of attributes that attract or please others’ senses. According to Erdogan (1999), attractiveness is not restricted by physical attractiveness but also stems from a variety of attributes such as personality features, lifestyles, or intellectual skills. However, other researchers show that in the reality of celebrity endorsement, marketers just mainly focus on physical attractiveness (Tantiseneepong, *et.al*, 2012; Erdogan & Baker, 2000). But all of them agree that the attractiveness of celebrity endorsers is a powerful weapon that may change the attitude, thoughts, and beliefs of society. According to the research of Ohanian (1990), physical attractiveness has a stronger beneficial influence on customers’ attitudes about goods and services than advertising with unattractive endorsers. Therefore, brands should carefully choose celebrity endorsers who have an attractive appearance in order to appeal to customer’s attention, especially in the cosmetic industry. It can be denied that the attractiveness in the source of credibility is a critical element in celebrity endorsement strategy.

**2.3 Definition of attitude towards products**

Attitude towards products is defined as “A consumer’s overall evaluation of a product accounts for the most of his attitude” (Solomon, 2004). In a more specific explanation, attitude towards products can be seen as “overall evaluation that expresses how much we like or dislike about subject, issues, person or action” (Hoyer, 2001).

Attitude consists of three elements (Hawkins, Best and Coney, 2004): Cognitive refers to the general evaluation based on consumer’s beliefs about products; Affective is related to how consumers feel and react to that object; Behavior is the components related to the tendency to react in certain manners to object or activity. All three elements of attitude are important, although their prominence may change depending on the motive for an attitude object.

**2.4 Purchase intention**

Purchase intention can be defined as “consumer’s willingness to spend on given products or services” (Belch et al. ,2004) or the intentional objective of attempting to acquire a product or a brand in the future (Spears and Singh, 2004). In addition, the purchasing intention might be seen as a component of rational conduct in the process of deciding to acquire a specific product or service. Besides that, customers’ expectations and considerations might be factors applied to assess purchasing intent.

In marketing strategy, celebrity endorsement can be an effective method to be used in examining the purchase intention of customers. According to Amos, Holmes, and Struton (2008), advertising with a favorable celebrity's appearance presenting a brand's message might increase customers' purchasing intentions. In addition, celebrity endorsement have the capability to memorize what the message of advertisements was delivered. When customers do not have the desire to purchase a product, the celebrity’s appearance may be an important motivator to persuade them to alter their minds (Lafferty and Goldsmith, 1999). It is obvious that celebrity endorsement and purchase intention have a mutual impact on each other. Therefore, the use of celebrity endorsement can be an effective method to recall a product’s messages and increase customers’ purchase intention.

**2.8. Conceptual framework and hypotheses**

This study will use the source credibility model to test level of influence of celebrity endorsement on customer’s purchase intention. This model includes three important elements: trustworthiness, expertise, and attractiveness.

Diagram

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**Figure 4: Source credibility model examining the influence of celebrity endorsement on purchase intention (*Sertoglu, A. E. et al, 2014*)**

However, in the literature has shown customer’s attitudes toward products may influence on purchase intention, thus it is vital to link their relationship in this conceptual framework. Besides that, this research also wants to evaluate the impact of source credibility of celebrity endorsement on purchase intention through customer’s attitudes toward products. Therefore, this conceptual framework would be modified as the model below:

Diagram

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**Figure 5: Conceptual framework**

**Hypotheses:**

*H1: The Attractiveness (ATT) of celebrity endorsers positively affect Purchase Intention (I)*

*H2: The Trustworthiness (TR) of celebrity endorsers positively affect Purchase Intention (I)*

*H3: The Expertise (EXP) of celebrity endorser positively affect Purchase Intention (I)*

*H4: The Attractiveness (ATT) of celebrity endorser positively affect Attitude toward promoted product (PI)*

*H5: The Trustworthiness (TR) of celebrity endorser positively affect Attitude toward promoted product (PI)*

*H6: The Expertise (EXP) of celebrity endorser positively affect Attitude toward promoted product (PI)*

*H7: The Attractiveness (ATT) of celebrity endorser positively affect Purchase Intention (I) through Attitude toward product (PI)*

*H8: The Trustworthiness (TR) of celebrity endorser positively affect Purchase Intention (I) through Attitude toward product (PI)*

*H9: The Expertise (EXP) of celebrity endorser positively affect Purchase Intention (I) through Attitude toward product (PI)*

**III. METHODOLOGY**

**3.1 Research design**

**3.2 Research method**

This study will adopt the quantitative method to identify the influence of celebrity endorsement on customer’s attitude toward endorsed products and purchase intention. By this methods, secondary data will be collected through survey and using mathematical techniques to analyze collected data and make a final conclusion (Creswell ,1994). Quantitative research is a scientific approach that employs all computational, statistical, and mathematical tools in order to provide measurable and trustworthy data in order to make the final conclusions more credible. To collect data for the research, a standardized questionnaire is employed that is mostly concentrated on questions utilizing a 5-point Likert scale. The respondents of this questionnaire will be customers who had experiences of using purified bottle water products of Aquafina, and they will be asked to rate on the scale from 1 to 5 on given questions (1 = totally disagree; 5= totally agree).

**3.3 Questionnaire design**

The questionnaire of this research will be divided into two parts. First part includes some questions to examining factors of celebrity endorser- Thanh Hang like: attractiveness, trustworthiness, and expertise influence on customer’s attitude toward promoted products and their purchase intention. They will rate answers on the scale from 1 to 5 (1 = strongly disagree; 2 = disagree; 3 = neutral; 4 = agree; 5 = strongly agree). In the second part, the respondents will be asked about their demographic information: gender, age, occupation, salary.

**Figure 6: Questionnaire design**

|  |  |  |  |
| --- | --- | --- | --- |
| **Attractiveness** | **ATT1** | Thanh Hang has a fashionable style | (1=strongly disagree; 2=disgree; 3= neutral; 4= agree; 5= strongly agree) |
| **ATT2** | Thanh Hang is classy |
| **ATT3** | Thanh Hang has a beautiful face |
| **ATT4** | Thanh Hang looks elegant |
| **ATT5** | Thanh Hang has an attractive appearance |
| **Expertise** | **EXP1** | Thanh Hang has good knowledge about beverage |  |
| **EXP2** | Thanh Hang is qualified expertise for endorsing Aquafina |
| **EXP3** | Thanh Hang has experiences in using beverage |
| **EXP4** | Thanh Hang actively partipate in events promoting Aquafina products |
| **Trustwothiness** | **TR1** | Thanh Hang is a sincere and nice person |
| **TR2** | Thanh Hang has reliable images |
| **TR3** | Thanh Hang is a honest person |
| **TR4** | I think the information about products endorsed by Thanh Hang is credible |
| **TR5** | I trust products endorsed by Thanh Hang |
| **Attitude toward advertised products** | **PI1** | The products of Aquafina endorsed by Thanh Hang is reliable to use |  |
| **PI2** | The products of Aquafina advertised is healthy |
| **PI3** | I believe the source of water of Aquafina products is clean |
| **PI4** | I have a positive attitude and satisfied with products of Aquafina advertised |
| **Purchase Intention** | **PI1** | You would buy the products of Aquafina advertised |  |
| **PI2** | You have intention to continue buying products of Aquafina in the next time |
| **PI3** | You are willing to buy products of Aquafina even higher price than other alternatives |
| **PI4** | You would share and invite relatives and friends to buy products of Aquafina |
| **PI5** | You are willing to buy products of Aquafina despite promotion program |

**3.4 Sample population**

Data will be collected through online by mail and social media platforms such as Facebook. The respondents to this structured questionnaire are individuals who now reside in Ho Chi Minh City and have previous experience with Aquafina products. The age range will be from 15 to over 30 years old, and focus on of this study will mainly target to young consumers.

**3.5 Sample size**

According to Comrey and Lee (1992) suggested the adequacy of scale for sample size: “50 – very poor, 100 – poor, 200 – fair, 300 – good”. Therefore, the sample size for this study will be 200 which considered be reasonable.

**IV. DATA ANALYSIS AND FINDINGS**

In this study, there are two analytic tools are used to analyse data are IBM SPSS Statistics and Amos version 24. There were 201 responses received out of 210 questionnaires sent with a response rate of 95.7%

**4.1 Respondent’s profile**

According to figure 7, the sample included 84 male and 117 female respondents, representing 41.8 and 58.2 percent, respectively. This implies that there were more female respondents than male responders, totaling exactly 33 individuals. In terms of age, the majority of respondents are between the ages of 20 - 25, accounting for 69.2 percent. The age groups 26-30 and over 30 accounted for 17.9% and 4%, respectively. The smallest proportion, 9%, belongs to students aged 15-19 years old.

In terms of occupation, the majority of respondents (67,2 percent) are high school and university students. The next category is office employees, who make for 27,9% of total. Only 5% are housewives or freelancers. Their salary mostly fall into the range from 2-5 million VND (40,3%), and 25.4% of them have salary from 5-10 million VND. The next salary levels below 2 million VND and over 10 million VND, accounted for 19,9% and 13.9% respectively.

**Figure 7: Respondent’s profile**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Information** | **Frequency** | **Percentage** |
| **Gender** | Male | 84 | 41.8% |
|  | Female | 117 | 58.2% |
| **Age group** | 20-25 | 139 | 69.2% |
|  | 26-30 | 36 | 17.9% |
|  | 15-19 | 18 | 9% |
|  | Over 30 | 8 | 4% |
| **Occupation** | Students | 135 | 67.2% |
|  | Office workers | 56 | 27.9% |
|  | Housewives | 9 | 4.5% |
|  | Freelancers | 1 | 0.5% |
| **Salary** | 2 – 5 million VND | 81 | 40.3% |
|  | 5 - 10 million VND | 51 | 25.4% |
|  | Below 2 million VND | 40 | 19% |
|  | Over 10 million VND | 28 | 13.9% |

**4.2 Descriptive analysis**

The descriptive statistics shown below summarize and characterize several significant elements of the data obtained in this study. The data will be describe in terms of value of range, minimum, maxium, and mean. Mean is used to estimate the standard deviation to describe divergence. The highest mean value of this data was equal to 4.20 (ATT4), which means that respondents totally agreed Thanh Hang looks elegant. Whereas, the lowest mean value was 3.63 (EXP1), which implicates that respondents did not agree with Thanh Hang has good knowledge about average.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Figure 8: Descriptive Statistics** | | | | | |
|  | N | Minimum | Maximum | Mean | Std. Deviation |
| ATT1 | 201 | 1 | 5 | 4.17 | .742 |
| ATT2 | 201 | 1 | 5 | 4.19 | .712 |
| ATT3 | 201 | 1 | 5 | 4.10 | .755 |
| ATT4 | 201 | 1 | 5 | 4.20 | .748 |
| ATT5 | 201 | 1 | 5 | 4.12 | .732 |
| EXP1 | 201 | 1 | 5 | 3.63 | .977 |
| EXP2 | 201 | 1 | 5 | 3.68 | .979 |
| EXP3 | 201 | 1 | 5 | 3.71 | .932 |
| EXP4 | 201 | 1 | 5 | 3.93 | .761 |
| TR1 | 201 | 1 | 5 | 4.02 | .824 |
| TR2 | 201 | 1 | 5 | 4.02 | .815 |
| TR3 | 201 | 1 | 5 | 3.91 | .782 |
| TR4 | 201 | 1 | 5 | 3.87 | .833 |
| TR5 | 201 | 1 | 5 | 3.93 | .852 |
| APP1 | 201 | 1 | 5 | 4.00 | .863 |
| APP2 | 201 | 1 | 5 | 4.04 | .824 |
| APP3 | 201 | 1 | 5 | 4.08 | .754 |
| APP4 | 201 | 1 | 5 | 4.04 | .820 |
| PI1 | 201 | 1 | 5 | 4.02 | .784 |
| PI2 | 201 | 1 | 5 | 4.09 | .807 |
| PI3 | 201 | 1 | 5 | 3.72 | 1.036 |
| PI4 | 201 | 1 | 5 | 4.04 | .780 |
| PI5 | 201 | 1 | 5 | 3.90 | .851 |
| Valid N (listwise) | 201 |  |  |  |  |

**4.3 Reliability Analysis**

The objective of reliability analysis is evaluate the internal consistency of each variable in the set of factors. This analysis is required prior to doing Exploratory Factor Analysis in order to remove failed items based on the critical coefficient known as Cronbach's Alpha. Cronbach's Alpha is a coefficient that indicates the strength of a factor's dependability (or consistency). Cronbach's Alpha is proportionate to the correlation between construct items. Cronbach's Alpha is greater when there is a good correlation between the construct items. The following criteria were used to determine the reliability of this test and to exclude failed items:

**Figure 9: Rules of evaluating Cronbach’s Alpha (George and Mallery ,2003)**Table

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**4.3.1 Attractiveness**

|  |  |
| --- | --- |
| **Figure 10:Reliability Statistics** | |
| Cronbach's Alpha | N of Items |
| **.849** | 5 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Figure 11: Item-Total Statistics** | | | | |
|  | Scale Mean if Item Deleted | Scale Variance if Item Deleted | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted | |
| ATT1 | 16.61 | 5.449 | .716 | .802 |
| ATT2 | 16.59 | 5.864 | .612 | .829 |
| ATT3 | 16.68 | 5.518 | .675 | .813 |
| ATT4 | 16.58 | 5.684 | .627 | .826 |
| ATT5 | 16.66 | 5.655 | .658 | .817 |
|  |  |  |  |  |

As can be seen from figure 10, the Cronbach’s Alpha for Attractiveness is 0.849 which can be seen as excellent index. This coefficient suggests that the scale is well-designed, having a high level of internal consistency among components.

It clearly see from the figure 11, the Cronbach's Alpha coefficient cannot be increased by any omission. As a result, this scale is well-designed, with four components that demonstrate the dimension's dependability.

**4.3.2. Expertise**

|  |  |
| --- | --- |
| **Figure 12: Reliability Statistics** | |
| Cronbach's Alpha | N of Items |
| **.691** | 4 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Figure 13: Item-Total Statistics** | | | | |
|  | | | | |
|  | Scale Mean if Item Deleted | Scale Variance if Item Deleted | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
| EXP1 | 11.31 | 3.696 | .619 | .524 |
| EXP2 | 11.26 | 3.773 | .591 | .545 |
| EXP3 | 11.23 | 3.950 | .583 | .553 |
| EXP4 | 11.01 | 5.895 | .136 | .792 |

As it is clearly see from figure 12, the Cronbach’s Alpha for Expertise is 0.691 which is considered as acceptable coeffience. However, looking at the figure 13, we can see that corrected item-total correlation of EXP4 is quite low (0.136 < 0.3). Therefore, the item EXP4 need to be deleted out of measurement scale of Expertise. In addition, when this EXP4 item is rejected, the subsequent Conbach's Alpha will be greater than the previous one (0.792 > 0.691). As a consequence, by eliminating the EXP4 item, the internal connection between the measurement items is enhanced, despite the fact that Expertise factor now just five items on the measurement scale.

**4.3.3 Trustworthiness**

|  |  |
| --- | --- |
| **Figure 14: Reliability Statistics** | |
| Cronbach's Alpha | N of Items |
| **.780** | 5 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Figure 15: Item-Total Statistics** | | | | |
|  | Scale Mean if Item Deleted | Scale Variance if Item Deleted | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
| TR1 | 15.74 | 5.865 | .606 | .721 |
| TR2 | 15.73 | 5.897 | .607 | .721 |
| TR3 | 15.85 | 6.081 | .589 | .728 |
| TR4 | 15.89 | 6.982 | .293 | .821 |
| TR5 | 15.83 | 5.445 | .703 | .685 |

In terms of Trustworthiness, the Cronbach’s Alpha is 0.780 which is good coefficient. This coefficient suggests that the scale is well-designed, having a high level of internal consistency among components. As from figure 15, the Cronbach's Alpha coefficient cannot be increased by any omission. As a result, this scale is well-designed, with five components that demonstrate the dimension's dependability.

**4.3.4 Attitude toward products (APP)**

|  |  |
| --- | --- |
| **Figure 15: Reliability Statistics** | |
| Cronbach's Alpha | N of Items |
| **.739** | 4 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Figure 16: Item-Total Statistics** | | | | | |
|  | Scale Mean if Item Deleted | Scale Variance if Item Deleted | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
| APP1 | 12.17 | 3.271 | .627 | .620 |
| APP2 | 12.13 | 3.597 | .544 | .672 |
| APP3 | 12.09 | 4.442 | .304 | .792 |
| APP4 | 12.13 | 3.303 | .670 | .596 |

As clearly seen from figure 15, the Cronbach’s Alpha of Attitude toward product (APP) is 0.739 > 0.7 which is considered as good coefficient. This coefficient has a high level of internal consistency between items. As from figure 16, the Cronbach's Alpha coefficient cannot be increased if any item is rejected. As a result, this scale is well-designed, with four components that demonstrate the dimension's reliability.

**4.3.5 Purchase intention (PI)**

|  |  |
| --- | --- |
| **Figure 17: Reliability Statistics** | |
| Cronbach's Alpha | N of Items |
| **.734** | 5 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Figure 18: Item-Total Statistics** | | | | |
|  | Scale Mean if Item Deleted | Scale Variance if Item Deleted | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
| PI1 | 15.74 | 6.103 | .564 | .665 |
| PI2 | 15.68 | 6.100 | .539 | .673 |
| PI3 | 16.05 | 6.718 | .206 | .818 |
| PI4 | 15.73 | 6.050 | .584 | .658 |
| PI5 | 15.87 | 5.403 | .701 | .606 |

As clearly seen from the figure 17, the Cronbach’s Alpha of Attitude toward product (APP) is 0.734 > 0.7 which is considered as good coefficient. Between items, this coefficient has a high level of internal consistency. As from figure 18, Cronbach's Alpha coefficient cannot be increased if any item is rejected. As a result, this scale is well-designed, with four components that demonstrate the dimension's reliability.

**4.4 Exploratory Factor Analysis (EFA)**

After the reliability was tested, an exploratory factor analysis (EFA) was carried out to determine the scale’s validity and classify the variables according to their degree of interdependence. When assessing EFA findings, the following factors must be taken into account:

Firstly, the value of KMO ( Kasier, 1974) should be at 0.6 or above ( greater than 0.9 is excellent, greater than 0.8 is considered as good, and greater than 0.6 is an acceptable value)

Next, the value of Barlett’s Test of Sphericity should be at 0.05 or smaller which is considered as being significant.

Thirdly, the number of eigenvalues have a value greater than 1 should be equal to the number of factors proposed in the model, and the total variance explained must be larger than

50%.

Finally, the factor loading of each factor should be greater than 0.5. If any item has a factor loading is below 0.5, that item should be rejected. Additionally, if any item has more than one factor loading, the difference in factor loadings should be greater than 0.3 (J. Hair, Anderson, R., Tatham, R. and Black, W., 1998).

|  |  |  |
| --- | --- | --- |
| * **EFA ( First round)**   **Figure 19: KMO and Bartlett's Test** | | |
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | | .814 |
| Bartlett's Test of Sphericity | Approx. Chi-Square | 1730.699 |
|  | df | 231 |
|  | Sig. | .000 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Figure 20: Total Variance Explained** | | | | | | | |
| Factor | Initial Eigenvalues | | | Extraction Sums of Squared Loadings | | | Rotation Sums of Squared Loadingsa |
|  | Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % | Total |
| 1 | 5.692 | 25.873 | 25.873 | 5.224 | 23.748 | 23.748 | 3.389 |
| 2 | 2.637 | 11.987 | 37.859 | 2.178 | 9.901 | 33.648 | 3.022 |
| 3 | 2.151 | 9.779 | 47.638 | 1.728 | 7.855 | 41.503 | 3.678 |
| 4 | 1.603 | 7.286 | 54.924 | 1.180 | 5.366 | 46.868 | 3.387 |
| 5 | 1.453 | 6.606 | 61.529 | .997 | 4.532 | 51.401 | 2.633 |
| 6 | .894 | 4.063 | 65.592 |  |  |  |  |
| 7 | .826 | 3.753 | 69.344 |  |  |  |  |
| 8 | .783 | 3.561 | 72.906 |  |  |  |  |
| 9 | .726 | 3.298 | 76.203 |  |  |  |  |
| 10 | .629 | 2.859 | 79.062 |  |  |  |  |
| 11 | .571 | 2.595 | 81.657 |  |  |  |  |
| 12 | .550 | 2.502 | 84.159 |  |  |  |  |
| 13 | .492 | 2.235 | 86.395 |  |  |  |  |
| 14 | .475 | 2.161 | 88.555 |  |  |  |  |
| 15 | .414 | 1.881 | 90.436 |  |  |  |  |
| 16 | .371 | 1.688 | 92.124 |  |  |  |  |
| 17 | .346 | 1.571 | 93.695 |  |  |  |  |
| 18 | .337 | 1.531 | 95.226 |  |  |  |  |
| 19 | .300 | 1.363 | 96.589 |  |  |  |  |
| 20 | .271 | 1.233 | 97.822 |  |  |  |  |
| 21 | .261 | 1.186 | 99.009 |  |  |  |  |
| 22 | .218 | .991 | 100.000 |  |  |  |  |
| Extraction Method: Principal Axis Factoring. | | | | | | | |
| a. When factors are correlated, sums of squared loadings cannot be added to obtain a total variance. | | | | | | | |

As we can see from figure 19, the value KMO of total items is 0.814 > 0.8 which is considered as good ( Kasier, 1974) and significance value is 0.000 which means all variable’s correlations are significant. Therefore, the data is satisfied for further analysis.

In figure 20, the percentage of total variance explained is 51,401% > 50 %, which is totally qualified with the requirement ((Anderson & Gerbing, 1988). In additon, the number of factors that have eigenvalue is greater than 1 equal to number of 5 variables proposed.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Figure 21: Pattern Matrixa** | | | | | |
|  | Factor | | | | |
|  | 1 | 2 | 3 | 4 | 5 |
| ATT1 | .816 |  |  |  |  |
| ATT3 | .737 |  |  |  |  |
| ATT2 | .708 |  |  |  |  |
| ATT5 | .699 |  |  |  |  |
| ATT4 | .671 |  |  |  |  |
| TR5 |  | .895 |  |  |  |
| TR1 |  | .739 |  |  |  |
| TR2 |  | .675 |  |  |  |
| TR3 |  | .599 |  |  |  |
| PI5 |  |  | .817 |  |  |
| PI1 |  |  | .745 |  |  |
| PI4 |  |  | .735 |  |  |
| PI2 |  |  | .571 |  |  |
| APP3 |  |  | .312 | .237 |  |
| APP1 |  |  |  | .822 |  |
| APP4 |  |  |  | .750 |  |
| APP2 |  |  |  | .612 |  |
| PI3 |  |  |  | .414 |  |
| TR4 |  | .203 |  | .238 |  |
| EXP3 |  |  |  |  | .826 |
| EXP1 |  |  |  |  | .708 |
| EXP2 |  |  |  |  | .705 |
| Extraction Method: Principal Axis Factoring.  Rotation Method: Promax with Kaiser Normalization. | | | | | |
| a. Rotation converged in 5 iterations. | | | | | |

In figure 21, there are 3 items have loading factor is less than 0.5: APP3 (0.237), PI3 (0.414), TR4 (0.238). As suggested, these items should be rejected.

**\*EFA ( Second round)**

|  |  |  |
| --- | --- | --- |
| **Figure 22: KMO and Bartlett's Test** | | |
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | | .815 |
| Bartlett's Test of Sphericity | Approx. Chi-Square | 1568.899 |
| df | 171 |
| Sig. | .000 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Total Variance Explained** | | | | | | | |
| Factor | Initial Eigenvalues | | | Extraction Sums of Squared Loadings | | | Rotation Sums of Squared Loadingsa |
| Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % | Total |
| 1 | 5.287 | 27.824 | 27.824 | 4.850 | 25.527 | 25.527 | 3.359 |
| 2 | 2.493 | 13.122 | 40.946 | 2.061 | 10.848 | 36.374 | 2.835 |
| 3 | 2.121 | 11.162 | 52.108 | 1.706 | 8.980 | 45.354 | 3.435 |
| 4 | 1.550 | 8.157 | 60.266 | 1.157 | 6.089 | 51.444 | 2.415 |
| 5 | 1.346 | 7.085 | 67.351 | .942 | 4.957 | 56.401 | 2.917 |
| 6 | .764 | 4.020 | 71.371 |  |  |  |  |
| 7 | .649 | 3.417 | 74.788 |  |  |  |  |
| 8 | .593 | 3.123 | 77.911 |  |  |  |  |
| 9 | .556 | 2.925 | 80.836 |  |  |  |  |
| 10 | .509 | 2.682 | 83.518 |  |  |  |  |
| 11 | .498 | 2.620 | 86.137 |  |  |  |  |
| 12 | .424 | 2.234 | 88.371 |  |  |  |  |
| 13 | .384 | 2.023 | 90.394 |  |  |  |  |
| 14 | .360 | 1.895 | 92.289 |  |  |  |  |
| 15 | .342 | 1.801 | 94.090 |  |  |  |  |
| 16 | .328 | 1.728 | 95.818 |  |  |  |  |
| 17 | .290 | 1.525 | 97.342 |  |  |  |  |
| 18 | .273 | 1.435 | 98.777 |  |  |  |  |
| 19 | .232 | 1.223 | 100.000 |  |  |  |  |
| Extraction Method: Principal Axis Factoring. | | | | | | | |
| a. When factors are correlated, sums of squared loadings cannot be added to obtain a total variance. | | | | | | | |

As we can see from figure 22, the value KMO of total items is 0.815 > 0.8 which is considered as good ( Kasier, 1974) and the significance value is 0.000 which means all variable correlations are significant. Therefore, the data is satisfied for further analysis.

In the figure 23, the percentage of total variance explained is 56,401% > 50 %, which is qualified with the requirement (Anderson & Gerbing, 1988). In addition, the number of factors that have an eigenvalue is greater than 1 equal to the number of 5 variables proposed.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Figure 24: Pattern Matrixa** | | | | | |
|  | Factor | | | | |
|  | 1 | 2 | 3 | 4 | 5 |
| ATT1 | .819 |  |  |  |  |
| ATT3 | .740 |  |  |  |  |
| ATT2 | .698 |  |  |  |  |
| ATT5 | .692 |  |  |  |  |
| ATT4 | .683 |  |  |  |  |
| TR5 |  | .895 |  |  |  |
| TR1 |  | .730 |  |  |  |
| TR2 |  | .681 |  |  |  |
| TR3 |  | .596 |  |  |  |
| PI5 |  |  | .867 |  |  |
| PI4 |  |  | .735 |  |  |
| PI1 |  |  | .709 |  |  |
| PI2 |  |  | .551 |  |  |
| EXP3 |  |  |  | .838 |  |
| EXP1 |  |  |  | .696 |  |
| EXP2 |  |  |  | .695 |  |
| APP1 |  |  |  |  | .869 |
| APP4 |  |  |  |  | .722 |
| APP2 |  |  |  |  | .600 |
| Extraction Method: Principal Axis Factoring.  Rotation Method: Promax with Kaiser Normalization. | | | | | |
| a. Rotation converged in 5 iterations. | | | | | |

As shown in Table 7, there are no items that should be eliminated, as all items have factor loading values are more than 0.5. All of them are satisfied with requirement.

**4.5 Confirmatory factor analysis (CFA)**

**4.5.1 Testing Model Fit - CFA**

CFA model is used to estimate the structure-designated factor loading by assessing the validity and fit of the gathered data and the suggested theoretical framework, using AMOS 24 structural equation modeling. Using CFA is a better way to see if the measuring model is compatible with the data from a survey, which EFA is not designedd to measure. A number of models were evaluated using the following indices: chi-square/df ratio, comparative fit index (CFI), standard root mean square residual (SRMR), residual mean square error (RMSEA), and the p-value for close fitting (PCLOSE). Here is a list of criteria for the measuring model:

**Figure 25: Criterion for measurement mode**

Table

Description automatically generated

Table

Description automatically generated

**Source: Gaskin and Lim (2016)**

In this research, the CFA model was tested , and results are shown below:

**Figure 26: Confirmatory factor analysis (CFA) model**

Diagram

Description automatically generated

**Figure 27: Model fit indices - CFA**

|  |  |  |  |
| --- | --- | --- | --- |
| **Measure** | **Estimate** | **Threshold** | **Interpretation** |
| **CMIN** | 217.046 | - |  |
| **DF** | 142 | - |  |
| **CMIN/DF** | 1.528 | Between 1 and 3 | Excellent |
| **CFI** | 0.902 | <0.95 | Acceptable |
| **SRMR** | 0.0543 | < 0.08 | Excellent |
| **RMSEA** | 0.051 | < 0.06 | Excellent |

Looking at the figure 27, we can clearly see that structual intergrity of study framework was fitted as no items in the measurement scale was under recommended threshold. All of indexes to evaluate model fit is excellent: CMIN/DF = 1.528 < 3; CFI= 0.902 < 0.95; SRMR = 0.0543 <0.08; RMSEA= 0.051 < 0.06. This data shows that it fit well with hypothesized measured model.

**4.5.2 Testing the validity**

The convergent and discriminant validity, as well as the reliability, must be demonstrated in CFA (J.F. Hair, Black, Babin, & Anderson, 2010). In the context of converging and discriminant validity, "indicators of a specific construct" and "the amount to which a construct is actually unique from other constructs" are two different concepts (J.F. Hair et al., 2010, pp. 708-709). Composite Reliability (CR) and Average Variance Extracted (AVE) which are two of the most essential tests for determining the validity of a model that has been assessed. There is no correlation between the observable and latent variables if the validity conditions are not met. These values must meet the following standards:

* Reliability: Composite Reliability > 0.7 (Chin & Marcoulides, 1998)
* Convergent Validity: Average Variance Extracted > 0.5 (Fornell & Larcker, 1981)
* Discriminant Validity: Inter-construct Correlations < square root of AVE (J.F Hair,

Sarstedt, Hopkins, & Volker, 2014)

**Figure 28: The validity test**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **CR** | **AVE** | **MSV** | **MaxR(H)** | **EXP** | **ATT** | **PI** | **TR** | **APP** |
| **EXP** | 0.791 | 0.558 | 0.161 | 0.796 | **0.747** |  |  |  |  |
| **ATT** | 0.849 | 0.531 | 0.117 | 0.855 | 0.098 | **0.729** |  |  |  |
| **PI** | 0.820 | 0.534 | 0.307 | 0.829 | 0.401 | 0.342 | **0.731** |  |  |
| **TR** | 0.825 | 0.543 | 0.086 | 0.842 | 0.270 | 0.283 | 0.293 | **0.737** |  |
| **APP** | 0.794 | 0.562 | 0.307 | 0.799 | 0.367 | 0.330 | 0.554 | 0.241 | **0.750** |

As clearly seen from figure 28, all of Composite Reliablity indexes is greater than 0.7, and average variance extracted is greater than 0.5 which is considered as good coeffience (Chin & Marcoulides, 1998). Additionally, all of values of variables’ factor loading above 0.5 which is significant for covergent reliablity (J.F. Hair et al., 2010). Therefore, the measurement model is proved that data is fit well.

Then came to the Fornell-Larcker Criterion Analysis. This test requires that each factor's square root of AVE be bigger than all other square roots AVE in the relevant row and column. As we clearly see from figure 28, the data met this condition, proving their discriminant validity. Also, any correlations between pair variables must be smaller than one. Therefore, testing validity of all factors is totally satisfied with requirements.

**4.6. Structural Equation Modeling – SEM**

**4.6.1 Model fit**

A conceptual model's linkages are tested using structural equation modeling (SEM). SEM uses the same model fit criterion as CFA. The first SEM result is as follows:

**Figure 29: SEM result**

Diagram, schematic

Description automatically generated

**Figure 30: Model fit indices – SEM (**J.F. Hair et al. ,2010)

|  |  |  |  |
| --- | --- | --- | --- |
| **Measure** | **Estimate** | **Threshold** | **Interpretation** |
| **CMIN** | 217.046 | - |  |
| **DF** | 142 | - |  |
| **CMIN/DF** | 1.582 | Between 1 and 3 | Excellent |
| **CFI** | 0.948 | <0.95 | Acceptable |
| **SRMR** | 0.0543 | <0.08 | Excellent |
| **RMSEA** | 0.051 | <0.06 | Excellent |

Looking at the figure 30, we can clearly see that structual intergrity of study framework was fitted as no items in the measurement scale was under recommended threshold. All of indexes to evaluate model fit is excellent: CMIN/DF = 1.582 < 3; CFI= 0.948 < 0.95; SRMR = 0.0543 < 0.08; RMSEA= 0.051 < 0.06. This data shows SEM results was totally satisfied with the requirements.

**4.6.2 Hypotheses testing**

Each of hypothesis is examined, and the results of SEM test are shown as below:

**Figure 31: Hypotheses testing results**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Estimate | S.E. | C.R. | P | Label |
| H1:APP | <--- | ATT | .308 | .096 | 3.196 | .001 | Support |
| H2:APP | <--- | TR | .070 | .080 | .868 | .385 | **Reject** |
| H3:APP | <--- | EXP | .311 | .089 | 3.483 | \*\*\* | Support |
| H4:PI | <--- | ATT | .191 | .095 | 2.005 | .045 | Support |
| H5:PI | <--- | TR | .090 | .077 | 1.166 | .244 | **Reject** |
| H6:PI | <--- | EXP | .219 | .089 | 2.459 | .014 | Support |
| H7:PI | <--- | APP | .421 | .100 | 4.229 | \*\*\* | Support |

In figure 21, there are five hypotheses have p-value < 0.05, which means they are significantly impact on each other. However, there are two hypotheses: H2: APP 🡨 TP; H5: PI 🡨 TR have p-value >0.05 which means they are insignificant, so they should be rejected away. This aslo implies that Trustworthiness factor (TR) has no significant impact on Attitude toward products (APP) and Purchase Intention factor (PI).

##### Figure 32: Standardized Regression Weights

|  |  |  |  |
| --- | --- | --- | --- |
|  |  |  | Estimate |
| APP | <--- | ATT | .277 |
| **APP** | **<---** | **TR (REJECTED)** | **.077** |
| APP | <--- | EXP | .319 |
| PI | <--- | ATT | .163 |
| **PI** | **<---** | **TR (REJECTED)** | **.093** |
| PI | <--- | EXP | .214 |
| PI | <--- | APP | .399 |

Next, looking at Standardized Regression Weights table, we will examine Estimate coefficient to test the level impact of independent variables to dependent ones. In terms of Attitude toward product factor (APP), Expertise (EXP) variable has highest estimate coefficient (0.319), which means it has largest impact on Attitude toward products (APP). The following factors such as Attractiveness (0.277) will have lower impact on Attitude toward products (APP). Similarly, Attitude toward products (APP) will have largest impact on Purchase intention (0.399). The following factors such as Expertise (EXP), Attractiveness (ATT) will have lower impact, respectively (0.214; 0.163)

**V. DISCUSSION AND RECOMMENDATION**

**5.1. Discussion**

The objective of this study is to evaluate the effectiveness of Celebrity endorsement on customer’s attitudes toward products as well as their purchase intention for Aquafina products in Ho chi minh City. Based on the Source of Credibility model, researcher can examine whether those factors such as Expertise (EXP), Attractiveness (ATT) and Trustworthiness (TR) have influence on Purchase Intention (PI) through the mediation of Attitude toward products (APP). The concept of using the Source of Credibility has been widely used to examine its factors influence on customer’s purchase intention, but few studies have been conducted to apply in Vietnamese context, especially in purified bottled water. Therefore, the researcher decided to conduct this study to apply it to the Vietnamese market which is an emerging market has been using celebrity endorsement strategy in advertising. Thanks to 201 respondents who live in Ho Chi Minh of different ages, genders, occupations and income levels, the data was gathered to serve for the purpose of this study. Through the data, the research has gained several crucial insights from customers’ perspectives about celebrity endorsers as well as endorsed products. These findings are consistent with the literature review section, but there are also some significant differences.

According to the data analysis result, three independent variables exist, but only two of them, Attractiveness (ATT) and Expertise (EXP), have a significant impact on both purchase intention (PI) and the customer's attitude toward items (APP). And Trustworthiness (TR) has a negligible effect on purchase intention and attitude toward a product, even if it receives a high rating from customers. This implies that customers in purified bottled water do not rely on celebrity endorsers’ trustworthiness to make a decision to purchase products. In addition, the data result also implies that celebrity endorse’s attractiveness and expertise are two factors that affect mainly customer’s attitude toward products and their purchase intention. Therefore, marketers should notice on this to choose celebrity endorsers who have a good-looking appearance as well as have good knowledge about products rather than those who have credible images.

Lastly, the data analysis result also figures out that celebrity endorsers’ expertise has the strongest influence on customer’s attitudes toward product. Meanwhile, attitude toward products has the most significant effect on purchase intention. This implies that marketers should choose celebrity endorsers who have much more expertise about products than attractiveness to strongly influence customers’ purchase intention through the mediation of their attitude toward products.

**5.2 Limitations and recommendations**

Due to the Covid-19 outbreak, the researcher could not collect data offline by mailing paper questionnaires to all responders from various backgrounds and regions, hence the acquired data was not as expected. This study is also limited by region because all respondents are from Ho Chi Minh City. Moreover, this study concentrates on young customers aged 15 to 30, rather than older age groups. To get a more thorough conclusion, further research should be done in other regions, especially in the Central and North, and with a broader age range, especially middle-aged and older consumers.

As a recommendation, brands and marketers should carefully select celebrity endorsers for their products to ensure they align with customer perception. In other words, the better the connection between celebrity endorsers and products, the more probable target customers will notice. To do so, marketers should thoroughly study the celebrity's personality and the product's features. Otherwise, choosing celebrity endorsers may pose problems for the brand and supported items.

A second recommendation is that the marketers should conduct some preliminary research to better understand customers’ perceptions about celebrity endorsers for choosing the right one. This process allows them to determine which aspects of the celebrity's persona influence customers' attitudes toward endorsed products and their buying intention.

As the last recommendation, marketers should choose celebrity endorsers with relevant skill and experience, as data shows that expertise has the largest impact on their purchase intention via attitude toward items. In practice, purchasers tend to choose celebrity endorsers who have substantial knowledge and experience with the products they represent. Therefore,  before choosing the most acceptable celebrity endorser, marketers should examine their expertise or knowledge of the products they are endorsing.

In conclusion, celebrity endorsement is an effective strategy for attracting the target customer’s attention. However, the marketer or brand should carefully select a suitable celebrity to match with customer’s perception. If they succeed in doing so, the celebrity endorsement strategy will increase the brand’s potential customers, as well as improve the sales volume.

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**Appendix 1: Similarity index**

**Table

Description automatically generated with low confidence**

**Appendix 2: Ethics Approval Form**

**Ethics Approval Form**

Business Project Ethics Assessment Form: To be completed and emailed to your supervisor for approval. Students should include a signed copy of this – or the sign-off from the full FREC process - in the appendices of your business project.

|  |  |
| --- | --- |
| Name of student (applicant): | Nguyen Van Nhan |
| Student number | **21078427** |
| Student’s email address: | [nhann0709@gmail.com](mailto:nhann0709@gmail.com) |
| Faculty and Department: | Business Administration with Marketing |
| Name of supervisor: | Phan Ngoc Anh |
| Supervisor’s email address: | pnanh@hcmiu.edu.vn |
| Supervisor’s telephone number: | 0989942870 |
| Project title | Factors of celebrity endorsement affecting to customer purchase intention – The case study of Thanh Hang endorse Aquafina Vietnam |

Your first question is: “is my research ‘high risk’?” Please answer these questions:

|  |  |
| --- | --- |
| Does your research involve….? | Yes/No |
| Children | NO |
| Other vulnerable groups, including those who lack mental capacity | NO |
| Sensitive topics, e.g. sexual behaviour, experience of violence | NO |
| Human tissue, such as body parts | NO |
| Administrative data which is secured or not publicly available | NO |
| Deception of the participants (e.g. Not saying what the research is really about) | NO |
| Accessing sensitive information (e.g. personal or confidential data) | NO |
| Potential harm or stress to participants and/or yourself | NO |
| Methods which place physical or mental strain on participants | NO |
| Potentially sharing data beyond the scope of consent given | NO |

|  |  |  |  |
| --- | --- | --- | --- |
| **CHECKLIST QUESTIONS** | | **Y/N** | **Explanation** |
|  | Will you inform participants about the nature and purpose of the research and how data will be used? | YES |  |
|  | Will participants be clearly asked to give consent to take part in the research? | YES |  |
|  | Can participants withdraw themselves and their data from the research project at any time if they choose? Are they told this? | YES |  |
|  | Are measures in place to provide confidentiality for participants? | YES |  |
|  | Have you ensured secure management of data, (e.g. ideally stored *only* on UWE computers with passwords)? | YES |  |
|  | Is it clear to participants for how long their data will be kept, and that it will be destroyed after that time? | YES |  |

If you have answered ‘no’ to any of these questions please work with your supervisor to amend your research design.

|  |  |
| --- | --- |
| Signature of applicant | Date |
| Diagram  Description automatically generated | 24/04/2022 |
| Signature of supervisor | Date |
|  | 24/04/2022 |

**APPENDIX 3: FIRST MEETING**

|  |  |
| --- | --- |
| Name : Nguyen Van Nhan | Student number : 21078427 |
| UWE email: Nhan8.Nguyen@live.uwe.ac.uk | |
| This form is to assist students and supervisors to manage agreed outline of actions and  to signpost students to the support offered in the module | |
| Meetings: You have the opportunity to have up to 4 meetings with your supervisor.  Please note: It is your responsibility to arrange meetings.  Please mark with an x for which meeting this form addresses and the date  **Meeting 1 Date: 05/12/2021** Meeting 2 p Date  Meeting 3 p Date Meeting 4 p Date | |
| Preparation for meeting   * Reading carefully about requirements of assigments (research proposal + business project ) in module hanbook * Identitfy all questions wants to ask supervisors related to topic issues * Identify contemporary business issue and do some intial research by reading some research papers | |
| Agreed action points from the meeting between yourself and your supervisor:   * Agree topic about celebrity endorsement, however my supervisor requires me need to narrow down my topic more specifically * My supervisor asks me to read more research paper to find out research gap * My supervisor suggest me a methodology is suitable for this topic | |
| Signposting to others to assist + example of area suggested by supervisor to focus your efforts  Area suggested for improving your study:   * How to find out research gap * How to narrow down my topic to be more specific | |
| **Date of next meeting: 20/12/2021**  **Signature of supervisor:** | |

**APPENDIX 4: SECOND MEETING**

|  |  |
| --- | --- |
| Name : Nguyen Van Nhan | Student number : 21078427 |
| UWE email: Nhan8.Nguyen@live.uwe.ac.uk | |
| This form is to assist students and supervisors to manage agreed outline of actions and  to signpost students to the support offered in the module | |
| Meetings: You have the opportunity to have up to 4 meetings with your supervisor.  Please note: It is your responsibility to arrange meetings.  Please mark with an x for which meeting this form addresses and the date  Meeting 1 p Date **Meeting 2 p Date: 20/12/2021**  Meeting 3 p Date Meeting 4 p Date | |
| Preparation for meeting:   * Asking questions about topic issues, and the case study for this research * Preparing on research method, and how to collect data   Please see the Module Handbook for guidance on how to prepare for a supervisor meeting. | |
| Agreed action points from the meeting between yourself and your supervisor:   * Agreed on specific topic: Factors of celebrity endorsement affecting to customer purchase intention * Focus on the specific case study, especially in beverage industry: The case study of Thanh Hang endorse Aquafina product * Agreed on methodology for this study: Quantitative method, collect data method by designing questionnaires | |
| Signposting to others to assist + example of area suggested by supervisor to focus your efforts  Area suggested for improving your study: Reading and understanding thoroughly about quantitative methods, and how to collect data | |
| **Date of next meeting: 25/2/2022**  **Signature of supervisor:** | |

**APPENDIX 5: THIRD MEETING**

|  |  |
| --- | --- |
| Name : Nguyen Van Nhan | Student number : 20178427 |
| UWE email: Nhan8.Nguyen@live.uwe.ac.uk | |
| This form is to assist students and supervisors to manage agreed outline of actions and  to signpost students to the support offered in the module | |
| Meetings: You have the opportunity to have up to 4 meetings with your supervisor.  Please note: It is your responsibility to arrange meetings.  Please mark with an x for which meeting this form addresses and the date  Meeting 1 p Date Meeting 2 p Date  **Meeting 3 p Date: 25/02/2022** Meeting 4 p Date | |
| Preparation for meeting:   * Review about research proposal with my supervisor * Review on collect data method, sample size and sample population   Please see the Module Handbook for guidance on how to prepare for a supervisor meeting. | |
| Agreed action points from the meeting between yourself and your supervisor:   * Methodology issues of collecting data of my project * Reviewing and give feedback on my literature review * Agreed on data analyis method through SPSS and AMOS * How to run data and method on analysis data | |
| Signposting to others to assist + example of area suggested by supervisor to focus your efforts  Area suggested for improving your study: Knowledge for how to make data analysis on SPSS and Amos | |
| **Date of next meeting: 15/04/2022**  **Signature of supervisor:** | |

**APPENDIX 6: FOURTH MEETING**

|  |  |
| --- | --- |
| Name : Nguyen Van Nhan | Student number : 21078427 |
| UWE email: Nhan8.Nguyen@live.uwe.ac.uk | |
| This form is to assist students and supervisors to manage agreed outline of actions and  to signpost students to the support offered in the module | |
| Meetings: You have the opportunity to have up to 4 meetings with your supervisor.  Please note: It is your responsibility to arrange meetings.  Please mark with an x for which meeting this form addresses and the date  Meeting 1 p Date Meeting 2 p Date  Meeting 3 p Date **Meeting 4 p Date: 15/04/2022** | |
| Preparation for meeting  Thoroughly review the feedback on your draft and identify where I think improvements might be made  Please see the Module Handbook for guidance on how to prepare for a supervisor meeting. | |
| Agreed action points from the meeting between yourself and your supervisor:   * Give out feedback on my draft version * Identify on some points that I need to improve * Discuss about data analysis findings and recommendation | |
| Signposting to others to assist + example of area suggested by supervisor to focus your efforts  Area suggested for improving your study: | |
| **Signature of supervisor:** | |