

CHAPTER I

INTRODUCTION

Walk into any teenager's room and we are likely to come across posters of their teen idols and celebrities wearing too much makeup and too little clothing. We may also spot an item of our child's clothing lying around and we wonder, "How did I ever let my kid purchase such a thing?" Modern day, with powerful television and media exposure and peer pressure that teens are faced with, it's no wonder that they dress, act and look the way their idol do and purchases products their idol endorsed.

According to Dr. Amy Beth Taublieb, a clinical psychologist in Buffalo, New York (Weiss, Tamar 1999-2000) – "Children choose models for themselves as early as the preschool years and the type of models changes with the developmental level of the child." For example, a teen that perceives herself as unattractive may choose a supermodel as a role model. Teens today also have an impossible standard of "look great, be trendy, and be accepted like any teen around town.

Such teen's behavior and attitude creates huge business potentials and marketers are most eager to tap into this lucrative market segment. It has been indicated that teenage consumer's represents a strong market and this market develop brand awareness and product loyalty in its formative years.

The Malaysian Teens Market

The teenage market in Malaysia is rather small compared to the bigger US markets. However, comparing to other existing market segments it still represents a tremendous opportunity for marketers. Recent figures estimate that out of the total Malaysian population of twenty-three million, sixty-per cent (60%) is comprised of age group under twenty-nine (29) years old (Malaysian Business Guide). It's still a sizeable market in Malaysian standard and marketers keenly targets the teens because they influence their parents' spending, they will spend a lot of money in the future and they are trendsetters

Trends

Teenagers are more involved with trends than probably any other age group. They are not only trendsetters for one another, but also trendsetters for the population at large. Current trends in clothing and music, for example are results of teens perceiving an idea or brand accepted.

According to Zollo (1995), some of the top reasons that make a brand a 'accepted brand' among teens are: "quality", "it's for people my age", "advertising", "if friends or peers use it", and "if a celebrity uses it". Thus, it appears that advertising, peers, and celebrities/role models have the potential to contribute to brand choice among teens.

Malaysian People & Culture

Malaysia, a fast developing and multiracial society have a small population of slightly over twenty-three millions. Out of which three major ethnic groups dominate the total population. The largest being the Malay race, comprising of 62%, Chinese 26%, Indian 8% and others 4% (Malaysian Business Guide). Islam is the established religion and practiced by the majority of Malaysians, and almost all ethnic Malays. Buddhism is prevalent among the Chinese community, whereas Hinduism, Sikhism, Islam, Buddhism and Christianity are all practiced by various segments of the local Indian community. Christianity is also practiced, especially among non-Malays. Traditional faiths are widely practiced among the non-peninsula communities of Sabah and Sarawak.

The multi-racialism society brings about different family and household structure across the three main ethnic groups and other minorities. Household structure in Malaysian communities is predominantly nuclear, although household composition is quite fluid, and often complex, as members move in and out depending on need. Even when adult children do not co reside with parents, they often live nearby. There is also significance different in the buying and consumption patterns among ethnic groups. Consumption of foods for example, the Malays because of religious requirement would only purchases foods that had been certified to be "tanggung halal" (free from pork contents). Individual religion and cultural beliefs and practices among the Chinese, Indian and other minorities also exhibit their own buying and consumption patterns and preferences. Therefore, marketers may find it useful to view and fully understand the implications on ethnicity as a determinant of consumption patterns and purchase intentions.

Objectives of the Study

Celebrity endorsements are an omnipresent feature of present day marketing. The modern corporation invests significant amounts of money to align itself and its products with big-name celebrities in the belief that they will (a) draw attention to the endorsed products/ services and (b) transfer image values to these products/services by virtue of their celebrity profile and engaging attributes (O'Mahony and Meenaghan 1997/98). Despite its popularity as an advertising technique, advertisers and market researchers were inconclusive as to whether celebrity ethnicity is important and which source characteristics are most effective in influencing consumers to purchase endorsed products/services. Resulting in this study to examine the general acceptance among the urban Malaysian teenager towards products endorsed by their idols/celebrity. Specifically, the objectives are as follows:

1. To determine teen's acceptance of celebrity endorsements
2. Which source characteristics have the impact on teen's purchase intentions
3. To examine the importance of teen's own ethnicity with ethnicity of celebrity endorser

Significance of the Study

As there are not much research being done locally on teenage acceptance of products endorsed by celebrity, this study is an important step towards explaining the teenager purchase intentions behavior and which source attributes marketers should ensure celebrity must possessed to make a more effective products endorsement. The findings obtained from this study could also help marketers and advertisers in their future marketing strategy so as to gain competitive advantage.

Scope of the Study

The research was conducted using convenience sampling and restricted to selected schools and tertiary institutions centered in the states of Selangor and Wilayah Persekutuan. However, the sampling from the tertiary institution provides a small fraction of respondents from the other states. The respondents of this study are of both gender and mostly from the age groups of 16 years to 19 years old.

Limitations of the Study

As with most studies, this study is subject to certain limitations. It should be noted that the study is preliminary and cross-section in nature. The main limitation confronting this study is a lack of representativeness among the ethnicity of the respondents. The findings of this research should be interpreted within the limits of the sample size ($n = 295$ urban students), sample space (mostly Selangor and Wilayah Persekutuan) and time (the data was collected over two weeks during an Educational Roadshow). The study was also subjected to time and cost constraints. Despite the shortcomings, findings of this study can provide some insights towards teenage acceptance of products endorsed by local celebrity.

Organization of the Study

This study is organized into five main chapters. The first chapter serves as an introduction to the Malaysian teens market. It also presents the objectives and significance of the study, its scope and study limitations. The next chapter deals with the literature review on conceptual foundation on how teenagers learn to consume, ethnicity and consumer behavior, endorsement

as a marketing strategy and who is the celebrity endorser and endorsement process. In Chapter Three, the research hypotheses, sampling design, research instruments, data collection procedure and statistical analysis methods are presented. Chapter Four presents the overall findings of the study, followed by a discussion of research results. The last Chapter concludes the study by summarizing the findings and provides implications of the study. Some recommendations for future research are also presented.