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## **BRAND IMAGE, PRODUCT QUALITY AND CELEBRITY ENDORSEMENT AFFECTING CUSTOMER LOYALTY FOR THE BASKETBALL SHOE BRANDS IN CHINA'S GUANGZHOU, GUANGDONG PROVINCE**

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### **Abstract**

This study explores the impact of brand image, product quality, and celebrity endorsement on customer loyalty in the basketball shoe market in Guangzhou, China. The research uses quantitative methods with an online survey distributed to 400 respondents from various demographics. The questionnaire contained multiple-choice questions and Likert five-point scales. The study focuses on three independent variables: brand image (awareness, experience, reputation), product quality (aesthetics, safety, innovation), and celebrity endorsement (expertise, brand match-up, popularity). The findings reveal that brand reputation and celebrity popularity significantly influence customer loyalty, whereas other factors such as brand awareness, experience, and product quality do not show a strong impact. The results highlight the importance of maintaining a strong brand reputation and leveraging popular celebrities to enhance customer loyalty.

**Keywords:** Customer Loyalty, Brand Image, Product Quality, Celebrity Endorsement

### **Introduction**

This study focuses on how brand image, product quality, and celebrity endorsements influence customer loyalty in the rapidly growing basketball shoe market in Guangzhou, China. The basketball shoe market in China, particularly in major cities like Guangzhou, has grown rapidly, with brands striving to secure customer loyalty through strong brand image, high product quality, and celebrity endorsements. Research indicates these factors play significant roles in shaping consumer loyalty. Aaker's (1991) brand equity theory emphasizes that a strong brand image, including elements like brand awareness and reputation, builds trust and fosters loyalty. Additionally, Zeithaml, Parasuraman, and Berry (2013) highlight that perceived product quality, particularly regarding innovation and safety, can drive satisfaction and loyalty, even as consumers increasingly expect high standards across brands.

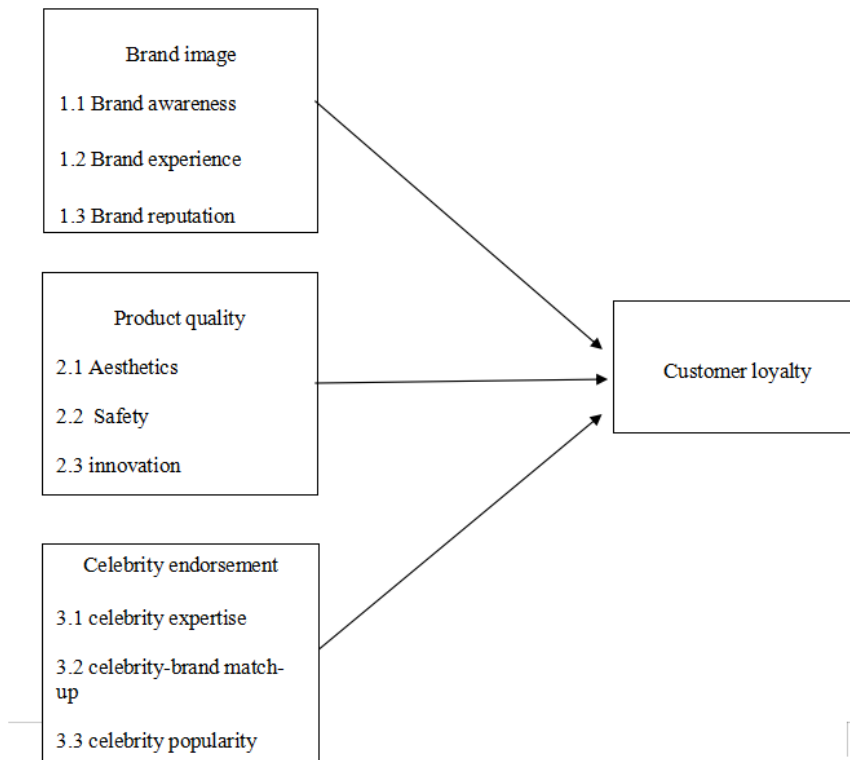
In China, where celebrities hold strong social influence, McCracken's (1986) Meaning Transfer Model suggests that a celebrity's image can effectively transfer desirable qualities to a brand, enhancing its appeal and consumer loyalty. Despite the existing literature on these factors, there is a notable gap in research specifically addressing their combined effects within the unique context of China's basketball shoe market. As consumer behavior continues to evolve in response to cultural influences and digital marketing strategies, understanding how brand image, product quality, and celebrity endorsements interact to shape customer loyalty is essential for brands seeking to thrive in this competitive landscape. This study aims to bridge this gap by examining how these factors collectively impact loyalty among basketball shoe consumers in China.

### Objective of the study

1. To study the impact of brand image factors (awareness, experience, reputation) on customer loyalty.
2. To study the impact of product quality factors (aesthetics, safety, innovation) on customer loyalty.
3. To study the impact of celebrity endorsement factors (celebrity expertise, celebrity-brand match-up and celebrity popularity) on customer loyalty.

### Scope of the study

#### Conceptual Framework



### Hypotheses Test

1. H1 is the impact of Brand image factor(awareness, experience, reputation) on customer loyalty.
2. H2 is the impact of product quality factors (aesthetics, safety, innovation) on customer loyalty.
3. H3 is the impact of celebrity endorsement factors (celebrity expertise, celebrity-brand match-up and celebrity popularity) on customer loyalty.

### Literature Review

Item no.	Authors (Year)	Finding	Variables
1	Xinping Fu (2023)	Brand image significantly impacts customer loyalty in sports markets.	Brand Image

Item no.	Authors (Year)	Finding	Variables
2	Zeithaml et al. (2013)	Product quality directly influences customer satisfaction.	Product Quality
3	Loureiro and Sarmiento (2018)	Celebrity endorsements significantly impact brand perception and loyalty in online markets.	Celebrity Endorsement
4	Zhang et al. (2009)	Brand reputation is strongly linked to customer loyalty in competitive markets.	Brand Reputation
5	Kim et al. (2020)	Perceived safety in product quality enhances trust and customer loyalty.	Product Safety
6	Erdogan (1999)	A good match between a celebrity and a brand strengthens the effectiveness of the endorsement.	Celebrity-Brand Match-up

## Methodology

### Population and Sample

The population for this study includes consumers of basketball shoes in Guangzhou, Guangdong Province, China. Based on Yamane's table for sample size, selecting over 100,000 populations with 400 sample sizes is required to be collected with a precision level of +5% for reliability.

### Type of Research and Tool

Quantitative research was adopted to collect the data from the 400 respondents, and the convenience sampling technique, which is a non-probability sampling method was used to collect the data by using a Chinese application called WENJUANXING. The questionnaire included 5 parts-Part 1: Demographic data (5 questions for gender, age, income, education, and occupation.), Part 2: brand image factor (9 questions for brand awareness, experience, and reputation), Part 3: Product quality factor (9 questions for aesthetics, safety, and innovation.), Part 4: celebrity Endorsement factor (9 questions for expertise, brand match-up, and popularity.), and Part 5: Customer Loyalty (9 questions) by using nominal, and ordinal scale for Part 1, and interval scale (The least 1 to the most 5) for Part 2-5.

### Validity Test

The online questionnaire was checked for validity and approved by the advisor Asst. Prof. Dr. Nathanicha Na Nakorn.

### Reliability Test

30 samples, The data from the questionnaires were analyzed by using Cronbach's Alpha in the statistical software, with total reliability of 0.960. The required value to be accepted is 0.7-1.00.

### Statistics

1. Descriptive statistics consisted of frequency, mean, and standard deviation.
2. Inferential statistics consisted of multiple regression analysis tests.

## Result

### Demographic Data

The majority of the respondents in this study were male (50.7%), closely followed up with 49.3% of females. Most of the respondents were aged 22 to 26 years old (38.3%) and the majority of the respondents hold a bachelor's degree (42.0%), and most of the respondents had monthly incomes of about 5001-7000 CNY (39.8%). The highest percentage of respondents' occupations were teachers (28.2%).

### Mean and Standard Deviation

- Brand image Factors: ( $\bar{x}$  = 3.89, SD = 0.899), More Agree
- Product quality Factors: ( $\bar{x}$  = 3.89, SD = 0.860), More Agree
- Celebrity endorsement Factors: ( $\bar{x}$  = 3.89, SD = 0.845), More Agree
- Job Satisfaction: ( $\bar{x}$  = 3.70, SD = 0.993), More Agree

### Multiple linear regression

**1. Brand image vs Customer loyalty:** Rejected with Adjusted R-square = .082, F = 12.850, \*P ≤ 0.05 (Brand awareness = .195, insignificance, Brand experience = .374, insignificance, and Retirement plan = .003, significance)

**2. Product quality vs Customer loyalty:** Rejected with Adjusted R-square = .060, F = 9.545, \*P ≤ 0.05 (Aesthetic = .052, insignificance, Safety = .143, insignificance, and Innovation = 0.835, insignificance)

**3. Celebrity endorsement vs Customer loyalty:** Rejected with Adjusted R-square = .063, F = 9.963, \*P ≤ 0.05 (Celebrity expertise = .286, insignificance, Celebrity brand match-up = .821, insignificance, and Celebrity popularity = .009, significance)

## Conclusion

### Demographic Data

Most of the respondents were female in the age range 22 – 26 years old who had a bachelor's degree. Most of the respondents had monthly incomes of about 5001-7000 CNY. Most of the respondents' occupations were teachers.

### Attitudes towards variables

• **Independent Variable 1: Brand image Factors,** The most respondents more agree with brand awareness, brand experience, brand reputation. Overall, participants more agree with brand image' factors.

• **Independent Variable 2: Product quality Factors,** The most respondents more agree with aesthetics, innovation, safety. Overall, participants more agree with product quality' factors.

• **Independent Variable 3: Celebrity endorsement Factors,** The most respondents more agree with the celebrity expertise, celebrity-brand match-up, celebrity popularity. Overall, participants more agree the Celebrity endorsement Factors.

### Hypotheses

• H1: Brand image (brand reputation) have a significant impact on customer loyalty, while Brand image (brand awareness and brand experience) does not have a significant impact on customer loyalty.

• H2: Product quality (aesthetics, innovation, safety) dose not have a significant impact on customer loyalty.

- H3: Celebrity endorsement (celebrity popularity) have a significant impact on customer loyalty, while Celebrity endorsement (celebrity expertise and celebrity-brand match-up) does not have a significant impact on customer loyalty.

### **Recommendation**

The study suggests that companies should prioritize building and maintaining a strong brand reputation through consistent product quality, positive public relations, and aligning their messaging with consumer values. Brand reputation can be strengthened through trust-building strategies such as corporate social responsibility and transparent communication, aligning with findings by Aaker (1991) and Fombrun & Van Riel (1997) on reputation's role in fostering loyalty. Leveraging celebrity endorsements effectively is also crucial, especially in creating collaborative marketing campaigns that resonate emotionally with the target audience. Brown, Dacin, Pratt, and Whetten (2006) emphasize that a strong reputation is a critical asset in fostering loyalty, particularly when the brand's values align with those of its target audience. This alignment helps establish an emotional connection with consumers, which Keller (1993) notes is essential in differentiating the brand from competitors. By investing in initiatives that reinforce ethical standards and community engagement, companies can cultivate a brand image that resonates with Chinese consumers' expectations, particularly those who value corporate integrity and responsibility.

McCracken's (1986) Meaning Transfer Model highlights that celebrities can transfer positive cultural meanings to brands, especially when their personal appeal aligns with consumer interests. Although product quality is essential, it should be highlighted through strategic marketing to differentiate it from competitors, as Zeithaml, Parasuraman, and Berry (2013) emphasize the role of perceived value in customer satisfaction and loyalty. Utilizing digital platforms and data-driven strategies can further enhance brand visibility and consumer engagement, making the brand more accessible and appealing. According to Agrawal and Kamakura (1995), celebrity endorsements can increase brand recall, enhance perceptions of quality, and lead to higher brand loyalty, particularly when the endorser is viewed as a credible figure. This suggests that brands should carefully select celebrities whose public personas align with their brand identity and consumer base, maximizing the effectiveness of their endorsements.

For future research, expanding the geographic scope beyond Guangzhou to capture loyalty trends in other regions of China would provide a broader understanding of consumer behavior. Each region may have its own distinct economic and cultural influences that shape brand perception and loyalty differently. A broader study could reveal regional differences and commonalities, helping brands design more targeted strategies for each market segment. Cross-cultural studies could also provide valuable insights by comparing consumer loyalty drivers across different regions or countries, highlighting how local context influences consumer expectations and brand preferences. Additionally, future studies could investigate the evolving role of digital and social media in fostering loyalty, especially as online platforms play an increasing role in shaping consumer interactions with brands. Researching how digital engagement affects loyalty can help brands refine their online strategies to effectively reach and retain customers in a rapidly changing digital landscape.



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