

“Impact of Celebrity Endorsement on Consumer’s Attitude towards Availing Services of Commercial Banks in Rupandehi Districts, Nepal”

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Abstract

The study aims to explore the relationship between trustworthiness, expertise, attractiveness, respect, similarity, and consumer purchase intention. It seeks to identify how different dimensions of trustworthiness, expertise, attractiveness, respect, and similarity influence consumer purchase intention. The study adopted a quantitative approach, gathering responses from 284 customers of commercial banks in Rupandehi District using a structured questionnaire and employing a convenience sampling method. Data were analyzed using PLS-SEM software with various tools, including the assessment of measurement items, model fit, Importance-Performance Map Analysis (IPMA), and bootstrapping techniques for hypothesis testing. The results revealed that similarity and attractiveness of celebrity endorsements are the key predictors of consumer purchase intention. It is evident that these factors are major contributors to consumer purchase intention. Therefore, the management of commercial banks should consider these aspects to enhance consumer purchase intention. By understanding and reformulating policies based on these factors, there is a higher possibility of improving consumer purchase intention.

Keywords: *Trustworthiness, Expertise, Attractiveness, Respect, Similarity, Consumer purchase intention.*

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I. Introduction

In the competitive marketplace where consumers have limited attention and brand differentiation is becoming increasingly difficult, celebrity endorsement has emerged as an effective strategy for influencing consumer attitudes and behaviors. Celebrity endorsement is the strategy where a famous person promotes products or services to influence consumer attitudes and behavior. In the context of commercial banks, these endorsements are intended to increase brand awareness, build trust, and influence customers to choose specific banking services over rivals (Gupta et al., 2015). This strategy has been employed in consumer goods such as cosmetics, clothing, and beverages for a long time. Nowadays, it is also used in service sectors like healthcare, education, and increasingly in financial services, including commercial banks. This study examines how celebrity endorsements affect people in Rupandehi district, Nepal, in terms of their attitudes toward using the services of commercial banks. According to this study, employing well-known individuals in

marketing campaigns to change how customers perceive a bank's service offerings is known as celebrity endorsement (Ohanian, 1991). According to Tantisenepong et al. (2011), the attitude of the consumer is operationalized as the individual's overall assessment, degree of trust, and willingness to utilize the services offered by commercial banks, including opening accounts, applying for loans, or using digital banking services. The opinion of consumers regarding the use of banking services is the dependent variable, and the presence and attributes of celebrity are the independent variables.

Advertisers first realized the persuasive ability of associating products with well-known public figures in the early 20th century, which gave rise to the concept of celebrity endorsement (Kumar et al., 2010). The theoretical basis for this approach is given by the source credibility model, which states that a celebrity's trustworthiness, expertise, and attractiveness can significantly enhance the perceived value of a brand they endorse (Hovland & Weiss, 1951). This strategy has been frequently utilized across various sectors, including consumer goods and financial services due to its demonstrated capacity to influence attitudes and promote buying behavior (Wood et al., 2014).

In today's global market environment marked by rising competition, digitalization, and fast changing consumer preferences. It has become essential for brands to build a different and trustworthy identity. Celebrity endorsement acts as a strategic tool to increase awareness, build trust, and establish emotional connection with consumers and brands (Gupta et al., 2015). This strategy is also important in the service sector, such as banking, where the lack of physical products and high perceived risks demand greater levels of consumer trust. Nowadays in Nepal, the traditional banking system slowly shifts toward digital and technology driven services. Where celebrity endorsement is becoming an important branding strategy, particularly in regions like Rupandehi, where consumer exposure to media is rapidly growing.

The banking sector of Nepal has significant transformation in the last decade. Increasing competition among the commercial banks has led to intense efforts to retain customer loyalty. It can be possible only through innovation, service diversification, and diverse

promotional strategies among the competitors. The intention behind these campaigns is not just to create the bank more visibility but also to make consumers feel trust, emotional attachment, and identification among consumers. Celebrities act as a symbolic figure of reliability and inspiration

in culturally diverse and emotionally driven market like Nepal. Also bridging the psychological gap between consumer's everyday experiences and abstract financial products.

Celebrity endorsement is the effective strategy because they use the psychological process of association. Consumers often transfer their emotional attachment and admiration from the celebrity to the brand they support or endorse. The different theories like Halo Effect Theory and Transfer Model Theory describe how the positive attributes of celebrities like trustworthiness, attractiveness and expertise are projected on to the brand and influencing the consumers attitudes and intention. When well-known and respected individuals endorse their products, this makes consumers perceive the bank as more reliable, compassionate, and responsible. In similar way Similarly, sports figures like Dipendra Singh Airee represent energy, honesty, and youthfulness values that resonate with Nepal's growing young population and digital banking users. These procedures are essential to understanding why marketing communication in Nepal financial sector currently heavily depend on celebrity endorsement.

However, there are many challenges that complicate the relationship between consumer attitudes and celebrity endorsement in the banking sector. Banking is a service that depends on trust, any disparity between the celebrity's image and the bank's principles and values can destroy customer trust. This problem becomes even bigger if the celebrity faces scandals or negative news. The effectiveness of celebrity endorsement largely depends on relatability and credibility of the celebrity is to local audiences and these attributes shaped by cultural norms, social trust system, and community values (Baniya, 2017). For instance, a global celebrity might not have the same cultural resonance or influence as a local or national figure. In areas like Rupandehi especially in semi urban and rural communities, consumers often rely on personal relationships and local reputations rather than the mass media endorsements which further complicate the impact of celebrity-driven campaigns (Shrestha, 2019).

Moreover, the banking sector differs from consumer goods. in that its products are intangible and high involvement, requiring trust and perceived security rather than impulse or visually appeal. As a result, the role of celebrity endorsement in banking is not only to attract attention but also to establish confidence and reduce perceived risk. In this sense, the endorsement must go beyond mere visibility; it must align deeply with the psychological and emotional expectations of the consumer. When a bank associates with a celebrity admired for social contribution, integrity, or

professionalism, the perceived trustworthiness of the brand increases, leading to higher purchase intention.

While prior studies have examined celebrity endorsements in consumer goods and general services, there is a notable gap in literature addressing their influence within Nepal's financial services sector, particularly in regions like Rupandehi. Existing research often overlooks the specific decision-making processes involved in availing banking services, where risk perception, long-term relationships, and trust play a critical role. Moreover, the interplay between local cultural values and the effectiveness of celebrity endorsements remains insufficiently explored, highlighting the need for context-specific investigations. Studies by Baniya (2017) and Gurung (2020) highlight that while celebrity endorsements are widely used in Nepal's telecom and consumer product markets, their psychological impact on financial services consumers remains limited in understanding and empirical verification.

The context of Rupandehi District makes this study particularly significant. Rupandehi is one of Nepal's fastest-developing regions, characterized by expanding urbanization, increased financial inclusion, and rising access to media and digital communication. The growing competition among banks in this region has led to a in creative marketing strategies, including the adoption of celebrity endorsements to attract both urban and semi-urban customers. The socio-economic diversity of the population in Rupandehi also offers a fertile ground for understanding how consumer attitudes toward celebrity endorsements vary across demographics such as age, income, and education.

This study is both timely and significant. Theoretically, it contributes to the broader understanding of how celebrity endorsements function in high-trust, service-oriented industries within emerging markets. Practically, it offers actionable insights for bank marketers seeking to craft more effective communication strategies that resonate with local consumers. By examining the roles of trustworthiness, familiarity, attractiveness, respect, and similarity, the research aims to inform not only marketing practice but also policy-making and academic discourse in Nepal's dynamic banking sector. Furthermore, as financial inclusion becomes a national priority, understanding the psychological levers that drive consumer engagement is essential for fostering sustainable economic growth and social development (Bhatt & Bhatt, 2012).

In Nepal, the shift toward digital and competitive financial markets has compelled banks to use marketing strategies that go beyond traditional advertising. Celebrity endorsement provides a bridge between the institution and consumers, using admiration and social proof to enhance perceived credibility. When executed strategically by choosing endorsers whose personal brand aligns with the institution's values celebrity endorsement can help humanize banking, making it more approachable and emotionally appealing. This form of marketing not only influences customer acquisition but also strengthens long-term brand relationships.

In conclusion, this study seeks to bridge the gap between theory and practice by investigating the impact of celebrity endorsement on consumer attitudes toward commercial banks in Rupandehi District, Nepal. Through exact analysis of trust, cultural relevance, and consumer behavior, it aspires to enhance the effectiveness of marketing strategies and contribute to the ongoing evolution of Nepal's financial services industry. It highlights how endorsement attributes such as trustworthiness, expertise, attractiveness, respect, and similarity interact within the Nepalese socio-cultural setting to shape consumer purchase intentions. Furthermore, the findings are expected to benefit both academic research and managerial practice, offering guidance for banks to design culturally sensitive and psychologically resonant endorsement strategies that drive sustainable growth and customer loyalty.

Objectives of the Study

The objectives of the study are as follows:

- To analyze the perception of the respondents with regard to the attributes of celebrity endorsement Trustworthiness, Expertise, Attractiveness, Respect and similarity on Consumer Purchase Intention by examining their average response levels.
- To analyze the effect of Trustworthiness, Expertise, Attractiveness, Respect and similarity on Consumer Purchase Intention.

II. Literature Review

This section presents a literature review, focusing on the theoretical and empirical aspects relevant to the current research being pursued. The theoretical review examines related theories that support the link between the variables mentioned in the framework. Moreover, the empirical review incorporates the findings of previous research conducted on the same topic. The following theoretical and empirical reviews support the contractual framework of the study and form the basis for the development of hypotheses.

Trustworthiness and consumer Purchase Intention

The Trust Transfer proposed by (Chen et al., 2010) explains how trust established from one source can be extended to another related entity thus creating a positive psychological association that influences consumer decisions. The theory, in marketing terms, indicates that there is a strong and direct connection between trustworthiness and consumer purchase intention. If consumers find a brand, company or an endorser trustworthy, then they will be more likely to develop positive attitudes and show a higher probability of purchasing the products or services that are associated with them.

The empirical studies have consistently demonstrated a positive correlation between trustworthiness and consumer purchase intention the research conducted by Kumar (2010) state that consumers are more inclined to trust and purchase products endorsed by credible celebrities, as they tend to view these endorsers as experts or authorities in their respective fields. Additionally, Baniya (2017) found that celebrity trustworthiness positively affected brand loyalty among Nepali consumers, indicating that trustworthy endorsers can enhance customer engagement and satisfaction. This is particularly relevant for commercial banks, where trust is a cornerstone of customer relations and decision-making processes. Endorsers who can convey authenticity and reliability can significantly impact consumers' willingness to engage with banking services, positioning them as more favorable options over competitors. Furthermore, Hakimi, Abedniya and Zaeim (2011) Trustworthiness is not a factor in increasing consumers' intention to try a brand. Based on these studies, the following hypothesis can be formulated:

H1: There is significant effect of Trustworthiness's on purchase intention

Expertise and Consumer purchase Intention

The relationship between expertise and consumer purchase intention supported by Ajzen's (1991) Theory of Planned Behavior states that behavioral intentions are influenced by three factors: attitudes towards the behavior, subjective norms, and perceived behavioral control. It emphasizes the role of personal attitudes and social pressures in decision-making. Additionally, Attribution Theory, by Fritz Heider (1958), analyzes how individuals interpret and explain the behavior of others. In advertising, consumers may assess the motives behind celebrity endorsement and how these factors affect their attitudes towards a brand or service.

Additionally, The strong influence of celebrity expertise on consumer purchase intentions. Khatri (2006) found a positive relationship between celebrity expertise and consumer behavior, showing that individuals are more likely to buy products endorsed by celebrities they perceive as knowledgeable or skilled. Expertise builds credibility and trust, reducing uncertainty and making consumers feel more confident in their choices. Similarly, Wang et al. (2012) concluded that expert endorsements enhance the appeal of advertisements, which in turn strengthens consumers' willingness to purchase. When a celebrity is seen as an authority in a particular field, their endorsement carries greater persuasive power, as consumers believe the product is reliable and effective. These findings suggest that expertise not only improves the believability of marketing messages but also fosters favorable attitudes toward the brand. Overall, expert endorsements serve as a powerful tool in shaping consumer decisions and driving purchase behavior. Based on these studies, the following hypothesis can be formulated:

H2: There is significant effect of Expertise on purchase intention

Attractiveness and Consumer Purchase Intention

The relationship between Attractiveness and Consumer Purchase Intention is strongly supported by Halo Effect theory which essentially states that positive perceptions of one attribute can positively influence perceptions of other attributes, leading to additional positive traits purchase intention (Thorndike,1920).This effect states that if a consumer finds a celebrity attractive, they are more likely to attribute other desirable characteristics to that celebrity and, by extension, to the products or services they endorse. Additionally, Stimulus-Organism-Response (S-O-R) theory Russell and Mehrabian (1974b), it states that an external stimulus like a product or advertisement with an attractive element (S) can influence a consumer's perception and emotional state (O), leading to a purchase intention as a response (R).

The studies confirm the significance of attractiveness in shaping consumer purchase intention through celebrity endorsement. Research by Kahle and Homer (1985) Attractiveness Attractive celebrity created more purchase intentions than an unattractive celebrity. Research by Baniya (2017) indicated that the attractiveness of celebrity endorsers positively influences brand loyalty among Nepali consumers. This finding is particularly applicable to the banking sector, where the trustworthiness and appeal of endorsers can impact customers' decisions to choose certain banks over others. Additionally, Pokharel and Pradhan (2017) found that direct correlation between celebrity attractiveness and consumer behavior, suggesting that consumers often feel more inclined

to trust and favor services promoted by attractive celebrities. Based on these studies, the following hypothesis can be formulated:

H3: There is significant effect of Attractiveness on purchase intention

Respect and consumer Purchase Intention

The Theory of Planned Behavior (TPB) posits that consumer purchase intention is influenced by attitude, subjective norms, and perceived behavioral control, all of which are shaped by factors like respect and trust, and it's a widely used theory in consumer behavior research with empirical support (Ajzen, 1991). Furthermore, The Source Credibility Theory posits that the effectiveness of celebrity endorsement largely depends on the perceived credibility of the celebrity, which encompasses expertise, trustworthiness, and attractiveness (Hovland & Weiss, 1951).

The empirical studies have consistently demonstrated a positive correlation between respect and consumer purchase intention the research conducted by Khatri, (2006) found a significant positive relationship between celebrity endorsement and consumer behavior, emphasizing how respect and trust in a celebrity could enhance consumers' likelihood to engage with the endorsed products or services. The research conducted by Gupta et al. (2015), where celebrity respect positively correlates with consumers' trust in the endorsed service, subsequently boosting their intentions to avail banking services. Baniya (2017) states that celebrities who possess attributes such as respect and trustworthiness can effectively influence consumer brand loyalty and decision-making in Nepalese markets. Based on these studies, the following hypothesis can be formulated:

H4: There is significant effect of Respect on purchase intention

Similarity and consumer purchase Intention

Social Comparison Theory states that individuals determine their own social and personal worth based on how they stack up against others. This theory suggests that consumers often compare themselves to celebrities, especially when those celebrities share similar traits, values, demographics, or experiences (Festinger, 1954). Similarity-Attraction Theory suggests that individuals are more likely to be attracted to and from relationships with others who are perceived as similar to them. In the context of consumer behavior, this can mean that consumers are more likely to purchase products from brands or retailers that they perceive as similar to themselves or their ideal self (Byrne, 1997).

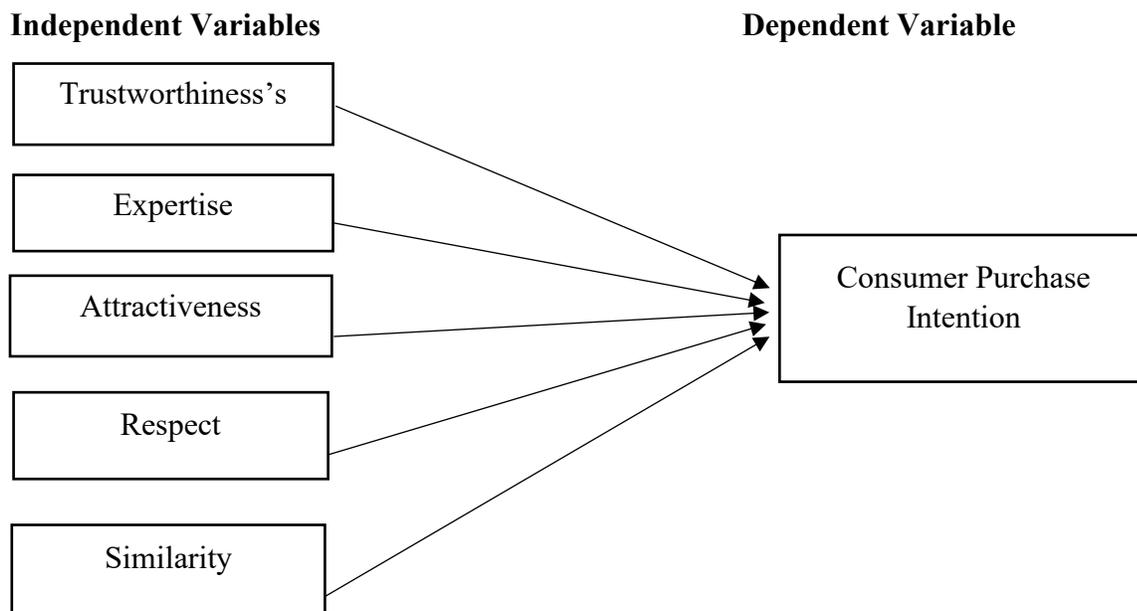
Huang and Wang (2017) found that perceived similarity with other online shoppers increased purchase intentions. Consumers expressed a greater willingness to buy products when they felt they shared characteristics or values with other consumers who had previously purchased those products. According to Bouncken et al. (2019) the results showed that consumers are more likely to trust and purchase from brands endorsed by individuals they perceive as similar to themselves, reinforcing the idea that relatability leads to stronger consumer actions. Furthermore, (Arora et al., 2019) found that perceived similarity to other users boosts consumer engagement and purchase intentions. Consumers who feel similar to other users are more inclined to act on recommendations or endorsements, increasing the likelihood of purchase. Pokharel & Pradhan (2017) Celebrity endorsement is positively related to consumer buying behavior in an advertisement. Based on these studies, the following hypothesis can be formulated:

H5: There is significant effect of Similarity on purchase intention.

Research Framework

The research framework is the structure that illustrates the relationship among various variables. In this context, Celebrity Endorsement is employed as the independent variable, measured through five key dimensions Trustworthiness's, Expertise, Attractiveness, Respect, and Similarity. Consumer Purchase Intention serves as the dependent variable. This framework explores how effective Celebrity endorsement strategies influence Consumer purchase intention. The research framework of the study is outlined below:

Figure 1 - Research Framework



Note. Adapted from (Chaddha et al., 2018)

Operationalization Variables

1. Trustworthiness: Trustworthiness refers to the extent to which consumers perceive the endorser as honest and reliable. A trustworthy celebrity can significantly enhance the consumer's belief in the authenticity of the endorsement, thereby positively influencing their attitude and increasing their likelihood to utilize the bank's services (Mishra, 2024). It is defined as the degree to which consumers perceive celebrity as honest, sincere, and dependable in promoting banking services.

2. Expertise: Expertise refers to the perception of the celebrity's knowledge, skill, and competence related to banking and financial matters. A high level of perceived expertise enhances the credibility of the endorsement and positively affects consumer attitudes (Wang et al., 2012). Expertise is characterized by the perceived skills and knowledge that the celebrity possesses regarding banking and financial services.

3. Attractiveness: Attractiveness is the part of the physical appearance, charm, and general charisma of a celebrity which draws the consumer's eye and creates a good feeling to the endorsed banking products. In celebrity endorsement, attractiveness is one of the most recognizable and significant aspects, as it deals with how appealing, likable, and friendly the celebrity is to the target audience. Khatri (2006) stated that attractiveness makes advertisements more persuasive by involving the audience emotionally and by attracting the interest of the consumers.

4. Respect: Respect is essentially the admiration, honor, and esteem that consumers, one might say, hold toward a celebrity, on the basis of their accomplishments, honesty, and being a part of society. When a celebrity is considered as a decent one, people are willing to see such positive moral and ethical characters in that celebrity's brand which then becomes a trusted agent in the eyes of the consumers (Prasad, 2012).

5. Similarity: Similarity is the degree to which consumers see a celebrity as having similar characteristics, values, lifestyles, or social identities as their own. If consumers feel this link, they will consider the celebrity more relatable and genuine, which, in turn, elevates the credibility and effectiveness of the endorsement (Tantisenepong et al., 2012).

III. Research Methodology

This chapter deals with the research methods adopted by the researcher in conducting the research. It looks at the various methods and procedures of the research study adopted in conducting the study in order to address and answer the research problems and questions stipulated by the researcher. In this regard, it deals with different components of research design which guides researcher to decide the population and sample from the desired research area, techniques of approaching the sampled respondent, sources of data collection, research instrument used for data collection and different types of tools used to analyze the collected data. Thus, this section is organized in the following structure: research design, population, sample size, sampling technique, sources of data collection, data collection methods, tools used for data analysis.

Research design:

A research design is a structured plan that guides data collection and analysis, shaping the study (Cooper & Schindler, 2003). This study adopts descriptive research design and explanatory research design to achieve its objectives.

Descriptive Research Design systematically presents characteristics, behaviors, or phenomena without altering variables. It identifies trends, patterns, and relationships within a population (Creswell, 2014). Explanatory Research Design examines cause-and-effect relationships by comparing groups with existing differences, analyzing the impact of independent variables on dependent variables without direct manipulation (Fraenkel & Wallen, 2009). By combining descriptive and explanatory designs, this study effectively examines variable relationships and their impact (Kerlinger, 1986), ensuring a structured and systematic approach.

Population and sample size

The research area for this study is Rupandehi Districts. The population consists of customers who avail themselves of commercial banking services in Rupandehi. However, the total number of customers using these services cannot be precisely determined, making the population unknown. To address this, the sample size for an unknown population is calculated using Cochran's formula (Cochran, 1977).

$n = \frac{Z^2 p (1 - p)}{e^2}$ Where, Z = Given Z-value based on the confidence level ($z = 2.576$ for 99% level of confidence, 1.96 for 95% level of confidence, 1.645 for 90% level of confidence).

- p = Proportion of event of interest for the study (0.5)
- e = margin of error (it depends upon confidence level)

Thus, the calculated sample size of the study $n = 384$

Sampling method

The impact of celebrity endorsement on consumer attitudes towards banking services in Rupandehi Districts, Nepal, can be effectively studied using convenience sampling. This method allows researchers to gather data from a readily available population, which is particularly useful in a context where specific demographic characteristics are essential for understanding consumer behavior. Convenience sampling involves selecting respondents who are easily accessible to the researcher, making it a practical choice for studies with limited resources or time constraints. In the context of celebrity endorsement, studies have successfully utilized convenience sampling to gather insights from diverse consumer groups, such as youth and bank customers in Nepal. This method allows for a broad representation of opinions, capturing variations in attitudes based on factors like age, gender, and income, which are crucial for understanding the influence of celebrity endorsements on banking services.

Nature and Sources of Data Collection

This study primarily relies on quantitative data, which were collected from primary sources. A structured questionnaire was designed to gather first-hand information directly from respondents.

Survey Instrument

A self-structured questionnaire was used as the survey instrument for data collection. It was developed based on operational definitions from previous literature. The questionnaire employs Seven-point Likert scale (7= Strongly Agree, 6= Agree, 5 = Somewhat Agree, 4= Neutral, 3 = Somewhat Disagree, 2=Disagree and 1 = Strongly Disagree) to gather responses from participants.

A set of questions was designed to measure each independent, dependent variable, totaling 30 items. To ensure clarity and accuracy, a pilot test was conducted by distributing the questionnaire to a sample of 30 respondents. Out of 400 distributed questionnaires were distributed among the target population. Based on the required sample size of 384 (determined using Cochran's formula), 284 valid responses were received, representing an effective response rate of 71%.

Statistical Tools

The study utilized various statistical tools based on the nature of the data. Descriptive statistics, including mean and standard deviation (SD), were computed to analyze and interpret customer responses. Additionally, a reliability test was conducted to assess the consistency of the research

instrument. Furthermore, correlation analysis was used to measure the relationship between variables, while regression analysis examined the effect of independent variables on the dependent variable

IV. Results and Analysis

Measurement Items Assessment

Table 1 - *Assessment of measurement scale items*

Variables	Items	Outer loadings	VIF	Mean	Standard deviation
Attractiveness	AT1	0.898	3.133	4.739	1.885
	AT2	0.883	3.102	4.363	1.98
	AT3	0.845	2.408	4.373	2.071
	AT4	0.807	2.284	3.912	1.958
	AT5	0.92	4.154	4.246	1.965
Consumer purchase intention	CP1	0.894	3.167	5.651	1.417
	CP2	0.903	3.662	5.155	1.698
	CP3	0.774	2.374	5.032	1.763
	CP4	0.849	2.542	5.151	1.839
	CP5	0.825	2.217	5.577	1.436
Expertise	EX1	0.718	1.502	5.176	1.69
	EX2	0.891	3.285	5.158	1.527
	EX3	0.785	2.115	4.732	1.78
	EX4	0.877	3.018	5.127	1.498
	EX5	0.855	2.61	5.144	1.669
Respect	RP1	0.804	2.715	4.401	1.95
	RP2	0.817	2.914	4.838	1.873
	RP3	0.914	3.998	4.229	1.892
	RP4	0.888	3.432	4.19	1.964
	RP5	0.826	1.907	3.261	1.885
Similarity	SM1	0.871	2.961	5.965	1.396
	SM2	0.912	3.947	5.82	1.492
	SM3	0.912	4.161	5.711	1.63
	SM4	0.723	1.803	5.028	1.772
	SM5	0.773	1.723	5.507	1.702
Trustworthiness	TW1	0.726	1.479	5.176	1.69
	TW2	0.884	3.133	5.158	1.527
	TW3	0.792	2.118	4.732	1.78
	TW4	0.863	2.605	5.127	1.498
	TW5	0.693	1.486	4.849	1.775

Note. Derived from IBM SPSS Statistics version 20@LBC digital library

Table 1 presents the outer standardized loadings and Variance Inflation Factor (VIF) values of the items used to measure the variables of interest in this study. According to Sarstedt et al. (2017), an item's outer loading should exceed 0.708 to indicate a significant contribution to the measurement of the corresponding construct. However, an outer loading value slightly below 0.708 may still be acceptable if the Average Variance Extracted (AVE) of the respective variable is greater than 0.50. In this study, only one item, TW5, has an outer loading below 0.70. Nonetheless, the AVE values of the variables associated with all items, including TW5, are above the 0.50 threshold. Therefore, all 30 scale items were retained for further analysis. Additionally, the VIF values for all items are below 5, indicating the absence of multicollinearity among the scale items (Sarstedt et al., 2014). The mean value of items is more on the higher side of the scale which reflects most of the responses towards agreeable side. The standard values are small which indicates less deviation in the responses. This indicated the data is suitable for the further analysis.

Quality Criteria Assessment

Table2 - Construct Reliability and Validity

Variables	Alpha	CR (rho a)	CR (rho c)	AVE
Attractiveness	0.921	0.933	0.94	0.76
Consumer purchase intention	0.904	0.917	0.929	0.723
Expertise	0.883	0.884	0.915	0.685
Respect	0.908	0.96	0.929	0.724
Similarity	0.895	0.904	0.923	0.708
Trustworthiness	0.852	0.86	0.895	0.632

Note. Derived from IBM SPSS Statistics version 20@LBC digital library

Table 2 presents the values of Cronbach's Alpha, Composite Reliability (CR), and Average Variance Extracted (AVE) to assess the convergent validity of the variables used in this study. All items have Cronbach's Alpha values above the recommended threshold of 0.705, indicating acceptable internal reliability and the adequate contribution of each item to measuring the associated construct (Bland & Altman, 1997). Furthermore, the CR values—represented by both rho_A and rho_C—exceed the cut-off value of 0.70, which demonstrates a strong level of internal consistency (Saari et al., 2021; Hair et al., 2022). Additionally, all AVE values are greater than the critical value of 0.50, indicating that more than 50% of the variance in each construct is explained by its indicators. This confirms the establishment of convergent validity (Hair et al., 2022). Subsequently, the outcomes depicted in the table as mentioned above satisfy all requisite of quality criteria measures.

Discriminant Validity

Table 3 - Heterotrait-Monotrait Ratio of correlations

Variables	AT	CP	EX	RP	SM	TW
AT						
CP	0.474					
EX	0.439	0.728				
RP	0.89	0.378	0.464			
SM	0.537	0.806	0.747	0.471		
TW	0.397	0.738	0.737	0.414	0.761	

Note. Derived from IBM SPSS Statistics version 20@LBC digital library

Table 3 contains the HTMT ratio of the correlation matrix, which evaluates the discriminant validity of the latent variables. The values of the HTMT ratio vary from 0.171 to 0.898. The HTMT ratio values need to remain below the critical threshold of 0.85; nevertheless, a range extending up to 0.90 is deemed acceptable, as posited by Henseler et al. (2014). Consequently, the presence of discriminant validity is confirmed among the reflective constructs (Hair & Alamer, 2022).

Table 4 - Fornell – Larcker Criterion

Variables	AT	CPI	EP	RP	SL	TW
AT	0.872					
CP	0.455	0.85				
EX	0.397	0.663	0.828			
RP	-0.852	-0.389	-0.43	0.851		
SM	0.501	0.743	0.664	-0.459	0.842	
TW	0.36	0.66	0.776	-0.384	0.665	0.795

Note. Derived from IBM SPSS Statistics version 20@LBC digital library

Table 4 shows the Fornell-Larcker Criterion, an important discriminant validity test in a structural equation model (SEM) (Fornell & Larcker, 1981). The criterion is satisfied if the average variance extracted (AVE) for every construct is larger than the squared correlation between the construct and any other construct in the model. The diagonal values, the square root of AVE of every construct, must be higher than the off-diagonal values in their columns and rows. As is evident from Table 4, diagonal values (in bold) of Attractiveness (0.872), Consumer Purchase Intention (0.85), Expertise (0.828), Respect (0.851), Similarity (0.842), and Trustworthiness (0.795) are all higher than their inter-construct correlations. This provides the discriminant validity of the measurement model, implying that each construct is

unique and measures a distinct segment of variance (Hair et al., 2010). This guarantees that the constructs are not overlapping and the measures are measuring what they are intended to measure.

Table 5 - Cross Loadings

Variables	Attractiveness	Consumer purchase intention	Expertise	Respect	Similarity	Trustworthiness
AT1	0.898	0.459	0.393	-0.826	0.509	0.354
AT2	0.883	0.406	0.356	-0.702	0.462	0.325
AT3	0.845	0.363	0.294	-0.686	0.366	0.268
AT4	0.807	0.311	0.329	-0.729	0.393	0.284
AT5	0.92	0.418	0.351	-0.763	0.433	0.325
CP1	0.506	0.894	0.586	-0.407	0.7	0.582
CP2	0.357	0.903	0.554	-0.314	0.621	0.562
CP3	0.191	0.774	0.41	-0.136	0.458	0.431
CP4	0.349	0.849	0.553	-0.282	0.596	0.541
CP5	0.457	0.825	0.663	-0.441	0.728	0.65
EX1	0.275	0.559	0.718	-0.356	0.556	0.726
EX2	0.352	0.559	0.891	-0.354	0.567	0.884
EX3	0.308	0.511	0.785	-0.262	0.516	0.792
EX4	0.309	0.552	0.877	-0.344	0.53	0.863
EX5	0.395	0.551	0.855	-0.453	0.57	0.763
RP1	-0.602	-0.186	-0.299	0.804	-0.268	-0.258
RP2	-0.567	-0.265	-0.34	0.817	-0.303	-0.3
RP3	-0.701	-0.332	-0.418	0.914	-0.4	-0.388
RP4	-0.705	-0.283	-0.335	0.888	-0.353	-0.283
RP5	-0.898	-0.459	-0.393	0.826	-0.509	-0.354
SM1	0.433	0.624	0.541	-0.357	0.871	0.545
SM2	0.472	0.661	0.568	-0.417	0.912	0.573
SM3	0.393	0.655	0.558	-0.359	0.912	0.571
SM4	0.228	0.486	0.509	-0.272	0.723	0.507
SM5	0.533	0.673	0.61	-0.499	0.773	0.594
TW1	0.275	0.559	0.711	-0.356	0.556	0.726

TW2	0.352	0.559	0.518	-0.354	0.567	0.884
TW3	0.308	0.511	0.705	-0.262	0.516	0.792
TW4	0.309	0.552	0.389	-0.344	0.53	0.863
TW5	0.16	0.423	0.568	-0.178	0.462	0.793

Note. Derived from IBM SPSS Statistics version 20@LBC digital library

Table 5 presents the value of cross loadings for all items and variables used in this research. As per the common recommendation in measurement of cross-loading, it is advisable to make sure that an indicator variable loads not lower than 0.70 on its own construct and does not load any cross-loading on another construct in order to be used in the measurement model. This is as per the study by Hair et al. (2014). To establish the discriminant validity of the constructs in the measurement model, Table 5 indicates the loading values of each construct, which demonstrate that each construct has a loading value greater than 0.70 on the construct it is related to. Furthermore, the loading values of the items for variables are greater than other items that do not relate to it. Therefore, this table provides evidence of discriminant validity of the constructs of the measurement model.

Model Fit Assessment

The SRMR fit indices evaluate the model's explanatory efficacy. The model's SRMR value is 0.087, below the acceptable threshold of 0.10 (Bollen & Stine, 1992). Consequently, this finding suggests that the model exhibits adequate explanatory capability.

Moreover, the F-square value of Trustworthiness (0.042), Expertise (0.034), Attractiveness (0.031), Respect (0.026) is small effect on Consumer Purchase Intention. The F-square value of Similarity (0.306) is moderate effect on Consumer Purchase Intention (Cohen, 2013). Finally, the r-square values corresponding to Consumer purchase Intention is 0.609. This signifies that Consumer purchase Intention possess moderate predictive power (Hair et al., 2013).

Structural Equation Model

Figure 2: Path Relationship Diagram

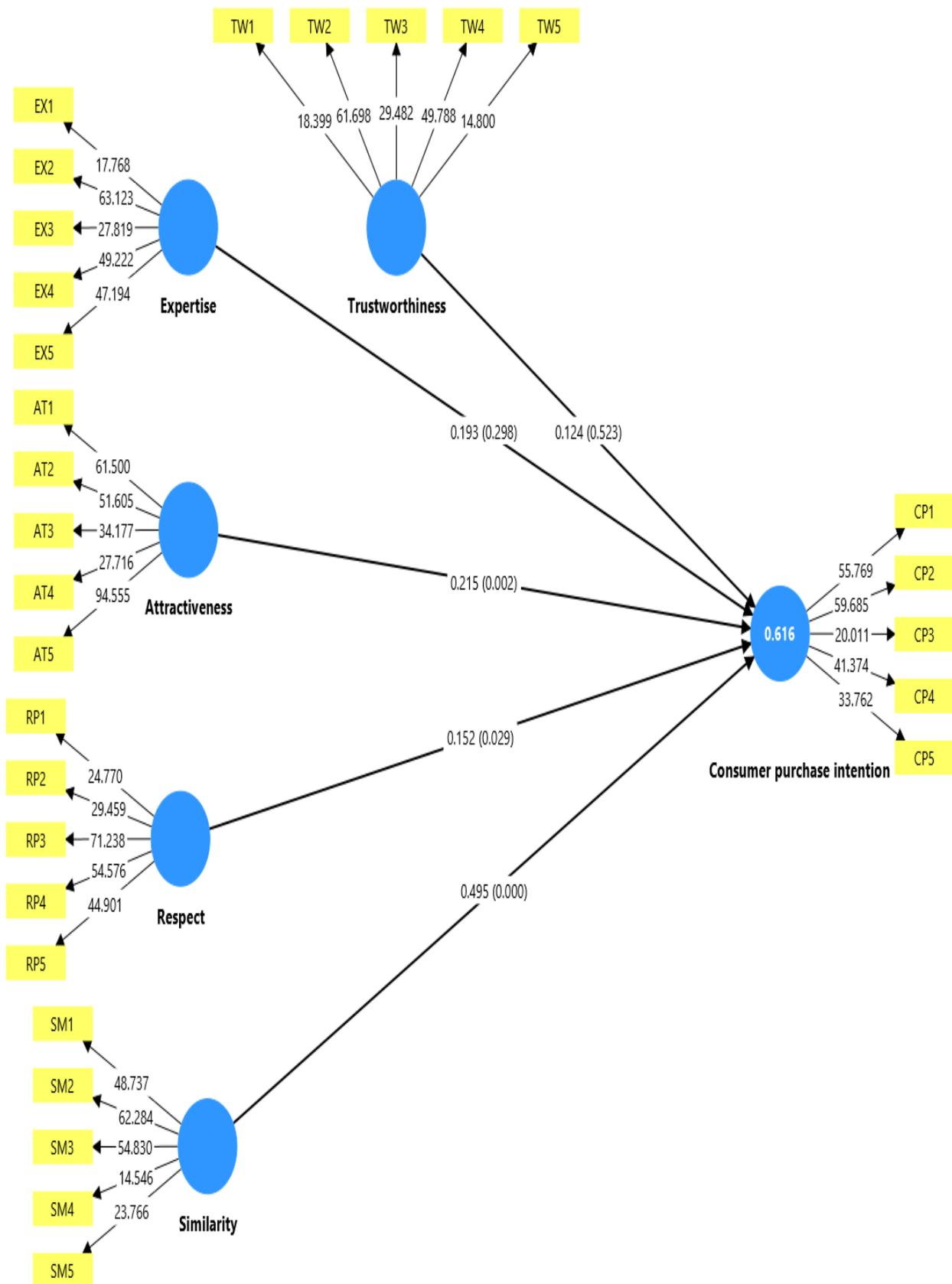


Table 6 - Hypothesis Testing Using Bootstrapping

Hypothesis	β	SM	SD	CI		T statistics	P values	Dec
				2.50%	97.50%			
H ₁ :TW>CP	0.12	0.125	0.194	-0.263	0.495	0.638	0.523	Rejected
H ₂ :EX>CP	0.19	0.188	0.185	-0.173	0.549	1.041	0.298	Rejected
H ₃ :AT>CP	0.22	0.212	0.071	0.074	0.351	3.028	0.002	Accepted
H ₄ :RP>CP	0.15	0.15	0.069	0.017	0.29	2.183	0.029	Accepted
H ₅ :SM>CP	0.5	0.5	0.077	0.351	0.654	6.463	0	Accepted

Note. Derived from IBM SPSS Statistics version 20@LBC digital library

Figure 2 and Table 6 report the results of a bootstrapping analysis performed with 10,000 subsamples, which examine decisions regarding the proposed hypotheses. Hypotheses H₃, H₄, H₅ have achieved acceptance at a significance threshold of 0.05. However, H₁ and H₂ are rejected as their p-value is above 0.05. There is positive and significant impact of Attractiveness, Respect and Similarity on Consumer Purchase Intention. However, there is a positive and insignificant impact of Trustworthiness and Expertise on Consumer Purchase Intention.

Table 7 - Importance Performance map Analysis

Variables	LV performance	Importance
Attractiveness	55.999	0.169
Expertise	67.993	0.195
Respect	50.92	0.127
Similarity	77.617	0.505
Trustworthiness	67.192	0.129
Mean	63.9442	0.225

Note. Derived from IBM SPSS Statistics version 20@LBC digital library

Figure 3 - Importance Performance Analysis

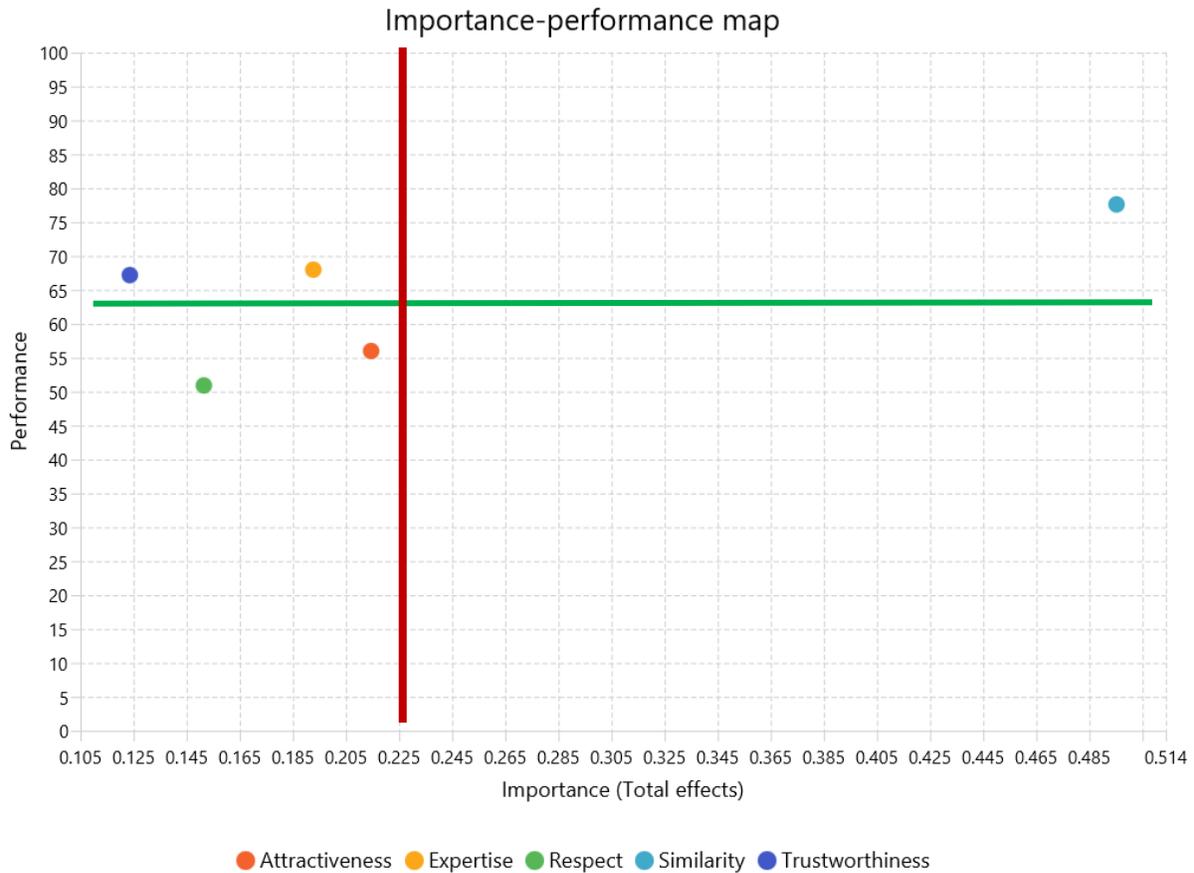


Table 7 shows the total effects of Attractiveness, Expertise, Respect, Similarity and Trustworthiness on Consumer Purchase Intention for the unstandardized effects. These effects are the same as the unstandardized weights of ordinary least square regression modelling (Hair et al. 2010). Furthermore, the performance of Consumer Purchase Intention was calculated as 72.877.

Notably, we derived the four quadrants successfully based on the mean values of the constructs' importance and performance value. As per Fig.3, if we increase 1 unit in similarity from 77.617 to 78.617, Consumer Purchase Intention increases from 72.877 to 73.372. Similarly, if we increased 1 unit in performance of Respect from 50.92 to 51.92, then Consumer Purchase Intention grew to increase from 72.877 to 73.004. Therefore, out of the five determinants of Consumer Purchase Intention, the most critical factor was noted to be Similarity.

Table 8 - Necessary Condition Analysis (NCA)-Bottleneck Values

	LV scores-CP	LV scores - Attractiveness	LV scores - Expertise	LV scores - Respect	LV scores - Similarity	LV scores - Trustworthiness
0.00%	18%	NN	NN	NN	NN	NN
10.00%	26%	NN	NN	NN	NN	NN
20.00%	34%	NN	25%	NN	NN	25%
30.00%	43%	NN	29%	NN	32%	29%
40.00%	51%	NN	29%	NN	32%	29%
50.00%	59%	NN	29%	NN	32%	29%
60.00%	67%	NN	29%	NN	32%	29%
70.00%	75%	NN	31%	NN	32%	35%
80.00%	84%	NN	31%	NN	32%	35%
90.00%	92%	23%	31%	NN	32%	36%
100.00%	100%	23%	31%	21%	32%	36%

Note. Derived from IBM SPSS Statistics version 20@LBC digital library

Table 8 represents Bottleneck values of Latent Variables, using Necessary Condition Analysis (NCA). To achieve 26% of Consumer purchase intention, no factor necessary. Further, to achieve 34% of Consumer Purchase Intention, 25% of Expertise and 25% of Trustworthiness are necessary. Similarly, 43% of Consumer Purchase Intention, 29% of Expertise, 32% of Similarity and 29% of Trustworthiness are necessary. Similarly, 75% of Consumer Purchase Intention, 31% of Expertise, 32% of similarity and 35% of Trustworthiness are necessary. Similarly, 90% of Consumer Purchase Intention, 23% of Attractiveness, 31% of Expertise, 32% of Similarity and 36% of Trustworthiness are necessary. Similarly, 100% of Consumer Purchase Intention, 23% of Attractiveness, 31% of Expertise, 21% of Respect, 32% of similarity and 36% of Trustworthiness are necessary.

Findings of the Study

The result of this study indicates that Attractiveness has positive and significant impact on Consumer purchase intention. Similarly, Respect has positive and significant impact on Consumer purchase intention. Alike, Similarity has positive and significant impact on Consumer purchase intention. The result indicates that Trustworthiness has positive and insignificant impact on Consumer purchase intention. Similarly, Expertise has positive and insignificant impact on Consumer purchase intention.

V. Discussion, Implication and Conclusion

Discussion

The findings of this study indicate that celebrity endorser attributes attractiveness, respect, and similarity positively and significantly influence consumer purchase intentions in the context of banking services in Rupandehi District, Nepal. The popularity of celebrity endorsers particularly in terms of attractiveness positively and significantly influences consumer purchase intention toward utilizing the services of commercial banks. This finding is well supported by the Halo Effect Theory (Thorndike, 1920), which suggests that when a consumer perceives a celebrity as attractive, they tend to attribute other favorable traits such as credibility, success, and likability to that individual. In Nepal's service-oriented banking industry, where emotional indicators such as trust and reliability play a crucial role, celebrity attractiveness functions as a powerful stimulus influencing consumer intention. These findings align with Baniya (2017), who emphasized the role of celebrity attractiveness in building brand loyalty among Nepali consumers.

Similarly, respect for celebrity endorsers has a positive and significant effect on consumer purchase intention. This result is consistent with the Theory of Planned Behavior (Ajzen, 1991), which posits that behavioral intentions are shaped by attitudes grounded in social norms and personal beliefs. When a celebrity is highly respected by the public, their endorsement generates a positive social influence that enhances consumers' attitudes toward the promoted banking service. This is supported by previous studies such as Khatri (2006), who argued that admired celebrities have a greater impact on consumer behavior, and Gupta et al. (2015), who found that celebrity respect enhances consumer trust and their willingness to engage with endorsed services. The findings of this study reinforce the idea that respect functions not only as a moral or cultural value but also as an effective marketing strategy capable of influencing consumer decisions in adoption in financial service.

Furthermore, research indicates that similarity between consumers and celebrity endorsers has a positive and significant impact on consumer purchase intention. This observation is grounded in Social Comparison Theory (Festinger, 1954), which suggests that individuals evaluate their choices and behaviors by comparing themselves with those they perceive as similar. When consumers identify shared characteristics such as cultural background, values, or lifestyle with a celebrity endorser, they are more likely to trust the message and act on it. This is confirmed by

Arora et al. (2019), who demonstrated that perceived similarity with endorsers enhances consumer engagement, and Bai et al. (2020), who found that consumers are more inclined to purchase from brands endorsed by relatable figures. These findings support the notion that perceived similarity fosters emotional connection and trust, which are especially influential in service-based industries like banking.

Conversely, the study reveals that trustworthiness and expertise of the celebrity endorser have a positive but insignificant impact on consumer purchase intention. This result aligns with Trust Transfer Theory (Chen et al., 2010), which explains that trust in an endorser can be transferred to the endorsed brand, and the Elaboration Likelihood Model (Petty & Cacioppo, 1986), which highlights that trustworthy endorsers can prompt central-route information processing. Additionally, the Theory of Planned Behavior and Attribution Theory (Heider, 1958) suggests that perceived expertise should positively influence behavioral intentions. Despite this, my findings mirror those of Shrestha (2019), who reported that trust and expertise did not significantly affect purchase intentions in a structural equation model analysis of celebrity endorsements in Kathmandu. Collectively, these results suggest that in the South Asian service context, cognitive credibility lead such as trustworthiness and expertise may lack sufficient influence on their own and require the reinforcement of emotional or identity-based factors like attractiveness, respect, and similarity to meaningfully shape consumer purchase intentions.

Implication

This empirical study, conducted in Rupandehi District, Nepal, has strong theoretical and practical implications for the field of consumer behavior and service marketing. Theoretically, the research integrates and reinforces psychological and behavioral theories Trust Transfer Theory, Halo Effect Theory, Elaboration Likelihood Model, Attribution Theory, Stimulus-Organism-Response (S-O-R), and Social Comparison Theory by empirically validating their utility in the context of celebrity endorsement and consumer attitudes toward financial services. It emphasizes the extent to which emotional and identity-based indicators like attractiveness, respect, and similarity play a major role in influencing purchase intentions, whereas cognitive credibility traits like trustworthiness and expertise might fall short on their own. In practice, the findings provide marketing professionals in Nepal's banking industry with useful takeaways. Banks should select celebrity endorsers strategically, not only on the basis of popularity but also in terms of emotional connection to the target group because similarity and respect are discovered to have an impact on more active

behavior as consumers. It can enhance brand placement and strengthen endorsement-based promotion in a competitive services environment.

ConclusionThe study concludes that though there is a significant relationship between Similarity, Attractiveness and Respect. This study examined how celebrity endorsement affects consumer attitudes toward commercial banking services in Rupandehi, Nepal. It found that similarity, attractiveness, and respect are the most influential traits, as consumers connect more deeply with celebrities who reflect their values and lifestyles. These emotional and identity-based attributes foster trust and engagement, making banking services feel more relatable. In contrast, trustworthiness and expertise had little impact, suggesting that professional credibility is less persuasive in this context. For better consumer purchase intention, marketers and banks should focus on endorsers who are relatable, admired, and visually appealing, using culturally sensitive and emotionally driven campaigns to strengthen brand loyalty and service adoption. This suggests that marketers in the banking sector should focus more on designing such advertisements which can make consumers informed about their benefits and value-added services as compared to their competitors.

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