# SUPPLY CHAIN ORIENTATION AND PERFORMANCE OF CLASSIFIED TOURISM ENTERPRISES IN KENYA

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International Academic Journal of Procurement and Supply Chain Management (IAJPSCM) | ISSN 2518-2404

Received: 10<sup>th</sup> March 2025

Published: 14<sup>th</sup> April 2025

Full Length Research

Available Online at: https://iajournals.org/articles/iajpscm v3 i2 394 404.pdf

Citation: Oluberoh, L., Nyaboga, Y., Motari, Y., Omondi, J. (2025). Supply chain orientation and performance of classified tourism enterprises in Kenya. *International Academic Journal of Procurement and Supply Chain Management*, 3(2), 394-404.

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#### **ABSTRACT**

Celebrity endorsement significantly influences product buying behavior by increasing brand visibility, trust, and consumer purchase intention. When there is a strong fit between the celebrity and the product, endorsements can create emotional connections, enhance brand differentiation, and boost product acceptance. However, the effectiveness depends on the celebrity's image and relevance to the product, while potential risks include negative publicity and overshadowing the brand itself. The study aimed to examine the effect of celebrity endorsement on the purchase behavior of carbonated product customers in Bansi supermarket in Migori, Kenya. The study was anchored on Herbert Simons Theory of Rational Decision making. This investigation employed a cross-sectional design, which entails research examination of data from a population or a representative sample at a specific moment in time. Bansi supermarket serves as one of the key retail locations for these carbonated beverages in Migori. In this research, the sample size of 291 participants were used. With 10 percent non-response rate the total sample is the 322 respondents. Self-

administered questionnaires was employed. The findings suggest that while celebrity endorsements are widely used in marketing, their actual impact on consumer behaviour may be limited unless supported by other persuasive factors such as product relevance, brand trust, or personal experience. It also highlights importance of conducting market-specific research before investing heavily in celebrity-driven campaigns. research could also benefit from larger and more diverse samples across different demographics and geographic locations to enhance generalizability. Since effectiveness of celebrity endorsement may vary by industry, future studies should consider sector-specific analyses—for example, comparing the impact of celebrity endorsements fashion. in health. technology, and food industries.

**Keywords:** Celebrity Endorsement, Purchase Behaviour, Carbonated Product Customers, Bansi Supermarket In Migori, Kenya.

## INTRODUCTION

Consumer behaviour, encompassing actions taken post-purchase, plays a pivotal role in shaping marketing strategies and product management, as content consumers can influence others and significantly enhance overall business performance (Eloh, Bahiroh, Diva & Rizky, 2024). Understanding consumer behaviour is essential for businesses seeking to thrive in competitive environments by addressing consumer needs and preferences, ultimately leading to improved customer satisfaction and loyalty (Subramaniya & Rajapushpam, 2020).

Empirical research indicates that celebrity endorsements play a crucial role in enhancing brand recall and fostering emotional connections with consumers, which in turn bolsters brand credibility (Namrata, Suman & Nayyar, 2024). The impact of these endorsements is further highlighted by analyzing attributes such as admiration, fame, popularity, and the physical attractiveness of the celebrities featured in marketing campaigns. In conclusion, the strategic use of celebrity endorsements can significantly boost brand equity, influence consumer perceptions, and reinforce employee loyalty.

Carbonated soft drinks, commonly referred to as sodas or fizzy beverages, are drinks that incorporate dissolved carbon dioxide gas. These products are characterized by their sweetness, effervescence, and various flavors, making them a popular and refreshing choice among consumers. They serve as a flavorful, carbonated alternative to water and other beverages such as tea. Major companies in this sector include the Coca-Cola Company, PepsiCo, Suntory, Red Bull, and Keurig Dr Pepper.

In Kenya, the sales of sugary soft drinks are experiencing a downward trend. Although direct evidence of declining sales is lacking, research suggests several factors contributing to this reduction in consumption, including the implementation of sugar-sweetened beverage (SSB) taxes (van Walbeek & Mthembu, 2022), health policies aimed at addressing non-communicable diseases (Wanjohi et al., 2021), and competitive pricing strategies among manufacturers of carbonated drinks (Waiganjo, 2022).

The supermarket sector in Kenya is a significant component of the broader retail industry within the country. It is important to highlight that retail outlets serve as the primary distributors of household goods in Kenya. The retail market in Kenya is recognized as one of the most advanced in Africa, ranking just behind South Africa, as noted by the Oxford Business Group. Their analysis also indicates that the growth rate of the retail sector in Kenya is the highest on the continent. Domestically, Kenyan enterprises dominate the market, with approximately 25 major retail firms believed to control 98.1% of the estimated \$7 billion market, while foreign multinationals account for a mere 1.79% (Kanoga et al., 2015; Muturi, 2018; Tanui, 2018). Reardon et al. (2008) identify several factors contributing to the proliferation and expansion of supermarkets in Kenya, including urbanization, shifts in lifestyle, market liberalization, and the emergence of a growing middle class, all of which have intensified competition within the sector.

## LITERATURE REVIEW

## **Theoretical Review**

The Rational Decision-Making Theory, introduced by Herbert Simon in 1988, provides a systematic framework for making choices aimed at solving organizational problems effectively. According to this theory, decision-making is defined as the process of selecting the most appropriate option from a range of alternatives based on logical analysis and structured evaluation. Simon emphasized that effective decision-making depends on both the ability to verify factual premises and the subjective interpretation of value-based premises (Prachaseree,

K., Ahmad, N., & Md Isa, N. (2021). The process is structured into distinct stages: identifying the problem, setting decision criteria, assigning weights to these criteria, generating possible alternatives, evaluating those alternatives, selecting the optimal solution, implementing the decision, and finally, evaluating its outcome. This theory underscores the importance of rational analysis and objective judgment in achieving effective organizational decisions (David, M. E., & Roberts, J. A. 2022).

The Theory of Reasoned Action was developed in 1975 by Martin Fishbein and Icek Ajzen to enhance the information integration theory and offer a deeper understanding of how attitudes influence behaviours. The theory aims to explain the relationship between individual attitudes and their behavioural intentions, helping psychologists and researchers to comprehend the cognitive processes that guide human actions. Fishbein and Ajzen sought to provide a structured framework to predict how and why people engage in certain behaviours based on their beliefs, attitudes, subjective norms, and intentions. The theory suggests that individuals make decisions based on rational assessments of available information, which ultimately guide their actions (Le, M. T. H. (2023).

# **Empirical Reviews**

# **Endorsement and Purchase Behaviour**

Efetobor (2022) examined the impact of celebrity endorsements on consumer buying behavior concerning Lush and Darling hair products in Nigeria. The study was anchored in Reference Group Theory and Source Credibility Theory, employing a descriptive research design and a survey method for data collection. According to the National Population Commission, the target population comprised 257,589 females living in the Umuahia metropolis, which includes the Umuahia North and Umuahia South Local Government Areas, as per the 2006 census. A sample size of 384 was calculated using the SmartSurvey online tool. Quantitative data were collected through a structured questionnaire distributed to the chosen participants. Descriptive statistics were utilized for data analysis. Findings revealed that endorsements significantly enhanced both recall and purchasing behavior for Lush and Darling hair products. The study concluded that manufacturers, wholesalers, and retailers of hair products could effectively shape consumer purchasing behavior by promoting awareness and sustainable insights through celebrity endorsements, especially when the endorsers are viewed as trustworthy, attractive, and knowledgeable. To remain competitive and successful, it was suggested that marketers in the hair product sector should actively integrate celebrity endorsement strategies into their promotional campaigns.

Ilieva, Klisarova-Belcheva, and Bratkov (2024) examined the interplay between celebrity endorsement and consumer purchasing behavior. Their research involved 376 participants who filled out an online structured questionnaire. The characteristics of celebrities were meticulously organized and categorized through a combination of traditional and advanced analytical methods. To uncover the underlying relationships among variables from the perspective of social media users, the researchers utilized Structural Equation Modeling (SEM), machine learning techniques, and multi-criteria decision-making (MCDM) strategies.

The models elucidate the essential connections that shape the reception of influencers' messages. A notable correlation between celebrity endorsement and purchasing behavior was established. The results provide specific recommendations for stakeholders within the social media marketing landscape. As a result, marketers are empowered to make informed strategic choices and enhance celebrity endorsements to increase user engagement and improve conversion rates. Through effective collaboration, marketers and celebrities can create impactful and successful marketing campaigns that resonate with their target audience, leading to significant results. This partnership ultimately benefits consumers by delivering more tailored and engaging content that aligns with their preferences, thereby deepening their relationship with brands and potentially swaying their purchasing decisions.

Sepilla and Purworini (2022) examined the impact of celebrity endorsements on consumer purchasing behavior, with a particular emphasis on Raffi Ahmad, a well-known personality featured in advertisements for Lemonilo Products across social media channels. As marketing and product selection continue to evolve towards greater liberalization, the study sought to uncover the determinants that affect the consumption of various goods and services. The research was anchored in the Stimulus-Organism-Response (SOR) theoretical framework. Utilizing a quantitative explanatory research design within a positivistic paradigm, the researchers implemented a probability sampling method to randomly select participants. Data were gathered through field research, employing surveys distributed via questionnaires. The analysis was conducted using multiple linear regression techniques. The results revealed that the effectiveness of testimonials positively influenced purchasing behavior related to Lemonilo products, underscoring the significant role of the celebrity endorser, Raffi Ahmad, in shaping consumer choices regarding these products.

Ernestivita and Suhermin (2023) identified that social media has become an essential platform for communication among individuals from diverse age groups and backgrounds. In light of this, they conducted a study aimed at examining the impact of celebrity endorsements on consumer purchasing behavior regarding herbal supplements. The research also investigated the mediating roles of social media advertising appeals and electronic word-of-mouth (eWoM). A quantitative methodology was employed, utilizing a survey with a sample of 322 social media users. The data were analyzed using Structural Equation Modeling (SEM). The findings revealed that both social media advertising appeals and eWoM had a positive effect on the purchase of health supplement products. In contrast, the influence of celebrity endorsements on purchasing behavior was found to be insignificant. These results highlight the importance of crafting effective social media advertising strategies and managing eWoM, particularly in relation to product reviews, ratings, rankings, comments, and social interactions.

Djafarova and Rushworth (2017) investigated the influence of celebrity endorsements on consumer purchasing behavior, with a particular emphasis on the credibility of influencers on Instagram. The study involved comprehensive interviews with 18 female Instagram users aged between 18 and 30 to evaluate the extent to which Instagram affects their purchasing decisions. The findings indicated that Instagram celebrities play a significant role in shaping the buying behaviors of young female consumers. Interestingly, non-traditional celebrities, such as

bloggers, YouTube influencers, and 'Instafamous' figures, were perceived as more credible and relevant to current trends than their traditional counterparts. As a result, female users exhibited a distinct inclination towards following Instagram accounts that showcased positive portrayals and provided encouraging reviews.

Elango and Suryakumar (2022) observed that businesses continue to engage celebrities for promotional activities aimed at enhancing their products and brand visibility, which in turn influences consumer buying decisions. Accordingly, the study sought to investigate the correlation between celebrity endorsements and consumer purchasing behavior. The research was carried out through a survey in Salem, Tamil Nadu, utilizing a structured questionnaire to collect data from the intended demographic. A convenience sampling technique was employed to gather responses from 168 consumers living in Salem City. To evaluate the relationship between age and the effectiveness of celebrity endorsements in an entrepreneurial context, Chisquare analysis was conducted, and the data were further analyzed using the GARRETT Ranking method. This methodology enabled an examination of the interactions between entrepreneurial celebrity endorsers and consumer purchasing behavior through correlation analysis. The findings from the GARRETT Ranking indicated that consumers regarded the factor "Who is the Celebrity" as the most critical, followed closely by the factor "I will buy the product if my favorite celebrity endorses it," which ranked second.

Dewi et al. (2020) conducted a research study aimed at examining the influence of celebrity endorsement, brand image, and brand awareness on the purchasing decisions concerning Pantene shampoo in Surabaya, Indonesia. The researchers gathered data through surveys, utilizing a purposive sampling method to select a sample of 100 individuals. The analysis was performed using partial least squares as the statistical approach. The findings revealed that both celebrity endorsement and brand image had a significant impact on consumer purchasing behavior.

Iskamto and Rahmalia (2023) undertook a research investigation focused on the impact of consumer reviews and influencer endorsements on purchasing behavior concerning Avoskin products, while also exploring the moderating effect of brand image. The study involved 385 participants who exhibited a keen interest in skincare in Indonesia, employing a questionnaire as the primary method for data collection. The results, analyzed using multiple linear regression methods, revealed that both consumer reviews and endorsements from influencers have a significant and positive effect on the purchasing decisions associated with Avoskin products.

Suleman and Prasetyo (2022) explored the influence of celebrity endorsements and brand image on consumer purchasing behavior. Their study focused on Nature Republic products within the Kpop fan community, particularly targeting members of the Cherries group. Utilizing a quantitative research approach, data were collected from 145 participants. The analysis, performed using SPSS 25, revealed a significant positive relationship between celebrity endorsement tactics and consumer purchasing decisions. Nonetheless, it is crucial to note that the research was not carried out in a supermarket environment, which may restrict the applicability of the findings.

Lestari et al. (2021) conducted a research study aimed at investigating the influence of celebrity endorsements, brand image, and online marketing on consumer purchasing behavior. The study also sought to evaluate the mediating role of brand image in the relationship between celebrity endorsements and online marketing in shaping purchasing decisions. The research involved a sample of 115 participants, selected through an incidental sampling technique. Data analysis for this study utilized descriptive statistics, regression analysis, and path analysis, conducted with IBM SPSS version 20. The findings revealed that celebrity endorsements, online marketing, and brand image have a positive and significant effect on purchasing decisions. Furthermore, it was established that brand image acts as a mediator in the dynamics between celebrity endorsements and online marketing in relation to consumer purchasing behavior.

### RESEARCH METHODOLOGY

This study employed a cross-sectional research design, which entails the examination of data from a population or a representative sample at a specific moment in time (Pandey & Pandey, 2021).

## RESULTS AND DISCUSSIONS

This section presents the results of the regression analysis conducted to examine the relationship between celebrity endorsement and consumer purchase behaviour. The analysis was guided by the hypothesis that celebrity endorsements positively influence product buying decisions among consumers.

## **Celebrity Endorsement and Purchase Behaviour**

Table 4.1 Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate
.029ª	.001	003	.34902

The results in Table 4.1 show a very weak correlation (R = 0.029) between celebrity endorsement and purchase behaviour. The R Square value of 0.001 indicates that only 0.1% of the variation in consumer purchase behaviour can be explained by celebrity endorsement. Additionally, the adjusted R Square value is negative (-0.003), suggesting that the model does not improve the prediction of purchase behaviour beyond the mean of the dependent variable. The standard error of the estimate (0.34902) further confirms the lack of a strong predictive relationship.

These findings suggest that, in this specific context or sample, celebrity endorsement has minimal impact on consumer buying decisions. This could be due to several factors, such as a poor fit between the celebrity and the product, consumer skepticism towards endorsements, or the dominance of other influential factors like price, product quality, or peer recommendations. While celebrity endorsement remains a popular marketing tool, its effectiveness may vary significantly depending on the context, the target audience, and the nature of the product or brand.

Table 4.2 presents the results of the ANOVA test used to assess the statistical significance of the regression model examining the effect of celebrity endorsement on consumer purchase behaviour.

Table 4.2: ANOVA Table

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.030	1	.030	.245	.621 <sup>b</sup>
	Residual	35.814	294	.122		
	Total	35.844	295			

The regression sum of squares is 0.030 with 1 degree of freedom, while the residual (error) sum of squares is 35.814 with 294 degrees of freedom, giving a total sum of squares of 35.844. The F-statistic is 0.245, and the associated significance value (p = 0.621) is well above the conventional threshold of 0.05. This indicates that the regression model is not statistically significant and that **celebrity endorsement does not meaningfully explain variations in consumer purchase behaviour** in the sample studied. In practical terms, this means that the observed differences in purchase behaviour are likely due to chance rather than the influence of celebrity endorsement. The low F-value further supports the conclusion that the predictive power of celebrity endorsement on consumer decision-making is very weak in this context. These findings suggest that while celebrity endorsements are widely used in marketing, their actual impact on consumer behaviour may be limited unless supported by other persuasive factors such as product relevance, brand trust, or personal experience. It also highlights the importance of conducting market-specific research before investing heavily in celebrity-driven campaigns.

Table 4.3 presents the coefficients of the regression model, providing detailed insights into the effect of celebrity endorsement on consumer purchase behaviour.

Table 4.3: Coefficients Table

		Unstandardized Coefficients		Standardized Coefficients		
Mod	el	В	Std. Error	Beta	t	Sig.
1	(Constant)	3.653	.155		23.544	.000
	Celebrity Endorse	ment025	.051	029	495	.621

The unstandardized coefficient (B) for celebrity endorsement is -0.025, indicating a slight negative relationship between celebrity endorsement and purchase behaviour. However, this relationship is not statistically significant, as reflected by the p-value of 0.621, which is greater than the standard threshold of 0.05. The t-value of -0.495 further supports the insignificance of the predictor in the model. Additionally, the standardized beta coefficient (-0.029) is very close to zero, implying a negligible influence of celebrity endorsement on the dependent variable. The constant (intercept) value of **3.653** suggests that in the absence of celebrity endorsement,

the average purchase behaviour score remains relatively high. These results confirm the findings from the model summary and ANOVA table, indicating that celebrity endorsement does not significantly affect purchase decisions among consumers in the sampled population. This may be attributed to consumer skepticism, lack of relevance between the celebrity and the product, or greater emphasis on other factors such as product quality, peer influence, or brand reputation. Therefore, marketers should exercise caution when relying solely on celebrity endorsements to drive sales and instead consider a more holistic marketing strategy.

Null Hypothesis (H<sub>0</sub>): Celebrity endorsement has no significant effect on consumer purchase behaviour.

From Table 4.3, the p-value for celebrity endorsement is 0.621, which is greater than the conventional significance level of 0.05. Similarly, Table 4.2 shows that the overall regression model is not statistically significant (F = 0.245, p = 0.621). Since the p-value is significantly higher than 0.05, we fail to reject the null hypothesis. This means there is no statistically significant evidence to suggest that celebrity endorsement influences consumer purchase behaviour in this study.

# **Conclusion and Recommendation**

The hypothesis test confirms that **celebrity endorsement does not have a significant impact** on purchase behaviour among the respondents in this sample. This suggests that other factors not explored in this model may play a more important role in influencing consumer buying decisions

Given that the findings of this study reveal an insignificant relationship between celebrity endorsement and consumer purchase behaviour, it is recommended that future research expands the scope to explore additional variables that may influence buying decisions. For instance, incorporating factors such as product quality, price sensitivity, peer influence, brand trust, social media engagement, and influencer marketing may provide a more comprehensive understanding of consumer behaviour. Additionally, qualitative approaches such as focus group discussions or in-depth interviews could uncover underlying consumer perceptions and attitudes toward celebrity endorsements that are not captured by quantitative methods alone. Further research could also benefit from larger and more diverse samples across different demographics and geographic locations to enhance generalizability. Since the effectiveness of celebrity endorsement may vary by industry, future studies should consider sector-specific analyses—for example, comparing the impact of celebrity endorsements in fashion, health, technology, and food industries. Moreover, longitudinal studies examining consumer behaviour before and after exposure to celebrity endorsements over time could yield deeper insights into causal effects. Lastly, comparing traditional celebrities versus digital influencers could help clarify whether modern forms of endorsement have a stronger impact in today's digital marketing landscape.

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