

Online ISSN: 2717 - 4069

Homepage: https://jnssm.uk.ac.ir

Iranian Scientific Association of Sport Management

The Impact of Celebrity Endorsements on Brand Image, Brand Loyalty, and Repurchase Intentions in the Sports Industry: A Case Study of Nike Product in Tehran

Sardar Mohammadi¹ 🔀 问 | Arefeh Latifian ² 问

1. Corresponding author, Professor of Sport Management. Physical Education Faculty of Humanities and Social Sciences, University of Kurdistan, Sanandaj, Iran. Email: sardar.mohammadi@uok.ac.ir

2. Ph.D student of Sport Management, University of Kurdistan, Sanandaj, Iran. Email: arefeh.latifian0077@gmail.com

ARTICLE INFO ABSTRACT

Article type: Original article

Article history: Received: 12 March 2024 Received in revised form: 8 June 2024 Accepted: 13 June 2024 Published online: 26 October 2024

Keywords:

Celebrity Endorsement Marketing Repurchase Intention Sports Industry Nike Product This study examines the impact of celebrity endorsements on brand image, brand loyalty, and repurchase intentions within the sports industry, specifically focusing on Nike Product in Tehran, Iran. Employing a surveybased approach with 400 participants, the study utilizes a Partial Least Squares Structural Equation Modeling (PLS-SEM) technique to analyze the relationships between these key variables. The findings reveal a significant positive effect of celebrity endorsement on both brand loyalty and brand image among Nike customers in Tehran. Furthermore, the study demonstrates that brand image and brand loyalty both mediate the relationship between celebrity endorsements and repurchase intention. These results highlight the crucial role of celebrity endorsements in enhancing brand perception, fostering customer loyalty, and ultimately driving sales within the competitive sports industry.

Introduction

The global sports industry is a dynamic and fiercely competitive market, where brands are constantly striving to capture consumer attention, loyalty, and ultimately, market share. In this high-stakes arena, the utilization of celebrity endorsements has become an increasingly prominent strategy, offering brands a powerful means to establish brand identity, drive sales, and cultivate lasting consumer relationships (Abeza *et al.*, 2017). This strategy is particularly effective when leveraging the influence of athletes, who possess a unique ability to resonate with sports enthusiasts and deeply impact their purchasing decisions (Sukma *et al.*, 2024).

The sports industry's embrace of celebrity endorsements is driven by a clear understanding of the potent influence celebrities wield over consumer perceptions, beliefs, and ultimately, their purchasing behavior. This influence stems from the power of celebrities to create a unique brand personality, enhance brand image, and foster enduring customer loyalty (Yuwana & Lestari, 2024). A positive brand image, often

How to Cite: Mohammadi, S & Latifian, A. (2025). The Impact of Celebrity Endorsements on Brand Image, Brand Loyalty, and Repurchase Intentions in the Sports Industry: A Case Study of Nike Product in Tehran, *Journal of New Studies in Sport Management*, 6(2), 16-26. doi: <u>10.22103/JNSSM.2024.23090.1277</u>

cultivated through a compelling association with a beloved celebrity, can lead to increased brand awareness, consumer trust, and ultimately, a greater likelihood of repeat purchases (Barus *et al.*, 2024).

This research is specifically aimed at examining the impact of celebrity endorsements on consumer perceptions, brand loyalty, and their likelihood of making repeat purchases. By surveying Nike Product customers in Tehran, we seek to understand the specific pathways through which celebrity endorsements influence these critical dimensions of brand success. Understanding the nuances of consumer behavior in the Iranian sports industry is crucial for brands seeking to establish a foothold in this growing market. The Iranian sports landscape is marked by a passionate fanbase, a rising interest in athletic apparel and footwear, and a growing demand for high-quality sports products. This presents a significant opportunity for brands like Nike Product to establish a strong presence and cultivate loyal customer relationships.

However, navigating the Iranian sports market requires a nuanced understanding of cultural preferences, consumer trends, and the unique factors that influence purchasing decisions. This study recognizes the importance of conducting research within this specific cultural and economic context to gain valuable insights into the impact of celebrity endorsements on Iranian consumers.

Celebrity endorsements have become a crucial strategy for sports brands to establish a strong brand image. By associating with a well-known and respected celebrity, brands can leverage the influencer's positive attributes, such as success, achievement, and prestige, to enhance their own brand image. This association can contribute to a more favorable perception of the brand, influencing consumer beliefs about its quality, trustworthiness, and overall desirability. For instance, a famous athlete who embodies athletic excellence and determination can lend credibility and desirability to a sports brand, attracting new customers and strengthening the brand's appeal to existing consumers (Adiba et al., 2020; Kim et al., 2018).

Celebrity endorsements also play a significant role in fostering brand loyalty. By tapping into consumers' emotional connections with admired figures, celebrity endorsements can drive brand loyalty by creating a sense of trust and identification with the brand. This positive association can translate into stronger feelings of loyalty towards the brand and a greater likelihood of repeat purchases. Furthermore, the attractiveness of the celebrity endorser is a key driver of this effect, as consumers are more likely to be loyal to a brand endorsed by a celebrity they find appealing and relatable. This suggests that companies like Nike Product should carefully select celebrity endorsers who align with their brand image and resonate with their target audience (Hassan, 2023; Putri et al., 2023).

Celebrity endorsements have a direct impact on repurchase intentions. By enhancing brand image and fostering brand loyalty, celebrity endorsements can increase the likelihood of consumers making repeat purchases. The study reveals that celebrity endorsements contribute to a more positive brand image, which then influences consumers' purchase decisions. This positive perception can inspire trust, confidence, and a sense of value in consumers, making them more likely to repurchase products from the brand. The study highlights the importance of cultivating a positive brand image as a crucial strategy to drive repeat purchases (Hassan, 2023; Riani et al., 2023; Sunarwia et al., 2023).

Nike Product is a prominent sports goods brand that has successfully leveraged celebrity endorsements to enhance its brand image and foster customer loyalty. The brand's products are known for their high quality and innovative designs, which appeal to a wide range of consumers. Nike's Product focus on athletic excellence and determination aligns with the values of many athletes and sports enthusiasts, making it an attractive brand for celebrity endorsements. The brand's products are widely available in stores and online, making it accessible to a large customer base (Ajjuguttu et al., 2023; Widiatmoko et al., 2023)

While numerous studies have explored the impact of celebrity endorsements on brand-related outcomes (Adiba et al., 2020; Hassan, 2023; Osei-Frimpong et al., 2019; Sunarwia et al., 2023), a significant gap exists in our understanding of this phenomenon within the specific context of the Iranian sports industry. Previous research has primarily focused on Western markets, overlooking the unique cultural dynamics and consumer preferences present in Iran. This study addresses this gap by providing valuable insights into the influence of celebrity endorsements on Iranian consumers, offering a more nuanced understanding of their impact on brand perceptions, loyalty, and purchasing behavior (Dwivedi *et al.*, 2015).

This study builds upon existing theoretical frameworks within marketing, particularly those focusing on the impact of celebrity endorsements on consumer behavior. We draw upon concepts of social influence, brand personality, and consumer trust to understand the mechanisms through which celebrity endorsements impact brand image, brand loyalty, and repurchase intentions.

Specifically, we explore the mediating roles of brand image and brand loyalty in the relationship between celebrity endorsement and repurchase intentions. We hypothesize that celebrity endorsement has a direct and positive impact on both brand loyalty and repurchase intentions. Furthermore, we posit that brand image and brand loyalty act as significant mediating variables, amplifying the influence of celebrity endorsements on consumer behavior.

This research contributes to the growing body of literature on celebrity endorsements, offering a deeper understanding of their impact within the context of the Iranian sports industry. The findings of this study provide valuable insights for sports brands seeking to leverage celebrity influence to enhance brand image, cultivate customer loyalty, and drive repurchase intentions. By identifying the mediating effects of brand image and brand loyalty, this study provides a more comprehensive framework for understanding the mechanisms through which celebrity endorsements translate into tangible business outcomes.

Methodology

This study is survey research supported by post-positivism worldview assumptions and considerations (Creswell, 2015). Given the nature of the study, the research approach is explanatory and predictive (Henseler, 2018), and in terms of its objective, it is of an applied nature. The statistical population of this research consisted of Nike Product brand customers in Tehran stores. This concept refers to spontaneous awareness, and its measurement is done by asking participants to mention the first brand that comes to their mind while maintaining the order of the collected items (Chiquita & Noor, 2021). To this end, prior to selecting the Nike brand, in a case study of sportswear buyers, we asked them to name the brands they were familiar with. The majority of participants mentioned Nike Product as the first brand that comes to their mind, followed by Adidas, Puma, Asics, Diadora, Afam-kit, Mel & Moj, and Majid brands, respectively, in the rankings from second to eighth.

The data collection period was from January 2023 to May 2023, and the data were collected both inperson and online. The in-person data were obtained by visiting Nike brand stores in District 3 of Tehran and distributing prepared questionnaires among the customers of this brand. For the online data collection, after visiting the aforementioned stores and obtaining the customers' information from the sellers and coordinating with them, the questionnaire link was sent to these customers via SMS.

The sample size, calculated using Cochran's formula for an infinite population, was determined to be 420 individuals with a 10% dropout rate, resulting in a final sample size of 462 individuals. After excluding incomplete questionnaires, the sample size was reduced to 400 individuals. Considering that the largest Nike Product stores are located in a specific region, the researcher selected three of the best and most suitable stores in region 3 of Tehran using random and stratified sampling methods for in-person data collection.

Data Collection tools in this research include the Brand Image questionnaire by (Kim et al., 2018) with 23 questions and 5 dimensions (perceived quality, cost-saving in information, perceived risk, engagement, product knowledge), the Brand Personality questionnaire by (Aaker, 1997) with 42 questions and 15 dimensions (action-oriented, sincere, cheerful, sophisticated, daring, spirited, imaginative, innovative, reliable, intelligent, successful, classy, likable, outgoing, tough), the Consumer Brand Loyalty questionnaire by (Punniyamoorthy & Prasanna Mohan Raj, 2007) with 25 questions and 6 dimensions (cognitive loyalty to the brand, emotional loyalty to the brand, customer relationship management, time management, level of investment resources, senior management involvement), and the Repurchase Intention questionnaire by (Hellier et al., 2003) with 19 questions and 5 dimensions (need for uniqueness, functional value, social value, emotional value, product inclination). To determine the validity of the questionnaires, content validity and structural validity were used. Content validity was assessed through the opinions of experts and specialists, while structural validity was assessed using Confirmatory Factor Analysis (CFA) and Cronbach's alpha reliability test. To ensure the quality of the results, this study employed a descriptive-predictive approach (Ghasemy et al., 2020; Hair et al., 2019) and conducted Partial Least Squares Structural Equation Modeling (PLS-SEM). This choice was based on reasons such as testing a theoretical framework from a predictive perspective and the need for latent variable scores for subsequent analyses (Hair et al., 2019). It should be noted that the evaluation of PLS-SEM followed the latest guidelines proposed by Ghasemy et al. (2020), and Smart PLS3 software was used for data analysis.

Results

First, we examine the demographic information of the statistical sample, which includes: gender frequency, age percentage, level of education, and frequency percentage of customers of Nike Product stores in Tehran who completed the questionnaires. The results showed that 46% of customers (184 individuals) were female, and 54% (216 individuals) were male. Additionally, based on the age distribution of customers, 15% (60 individuals) were under 20 years old, 40% (160 individuals) were between 20 and 30 years old, 25% (100 individuals) were between 31 and 40 years old, and 20% (80 individuals) over 40 years old. In terms of education, 41% (167 individuals) had a bachelor's degree, 25% (100 individuals) had a master's degree, 20% (80 individuals) were master's students, 10% (40 individuals) were doctoral students, and 3.3% (13 individuals) had a

doctoral degree. Regarding product usage, 64% (240 individuals) of the respondents use Nike products regularly, 24% (100 individuals) use them most of the time, 8% (40 individuals) use them occasionally, and 4% (20 individuals) use them for the first time.

Measurement Model Assessment

This assessment includes indicators of reliability, internal consistency reliability, convergent validity, and discriminant validity (Ghasemy *et al.*, 2020). The reliability assessment of the indicators was conducted by examining the correlations between each item and the construct (Hair *et al.*, 2019), referred to as composite loadings or item-to-construct correlation weights (Hair *et al.*, 2019). To ensure the reliability of the indicators in line with the recommendations of Ghasemy *et al.* (2020), we considered a value above 0.70, and no cases were found below the desired threshold.

The assessment of indicator reliability was followed by assessing internal consistency reliability. We estimated both Cronbach's alpha and composite reliability (Creswell, 2015) measures, as well as the Rho_A reliability coefficient (Dijkstra & Henseler, 2015). The reliability estimates indicated that all estimates were above 0.70 and deemed satisfactory, indicating no concerns regarding internal consistency reliability.

Next, convergent validity was assessed through the examination of the extracted average variance extracted (AVE). Examining the AVE measurement generated from each construct showed that all AVEs were above 0.50, indicating no cause for concern.

Table 1. Correlation Weights, Re Construct		Item	Loading	Alpha	rho_A	CR	AVE
		PUQ1	0.738	_			0.589
Brand Image	Perceived Understanding Quality	PUQ2	0.767				
		PUQ3	0.723	0.000	0.862	0.000	
		PUQ4	0.777	0.860		0.896	
		PUQ5	0.798				
		PUQ6	0.801				
		PE1	0.884	0.805	0.895	0.927	0.760
	Product	PE2	0.882				
	Engagement	PE3	0.870	0.895			
		PE4	0.852				
		PK1	0.764		0.870		
		PK2	0.846			0.904	0.653
	Product Knowledge	PK3	0.884	0.866			
		PK4	0.846				
		PK5	0.734				
	Honesty	H1	0.724		0.939	0.945	0.609
		H2	0.759	0.936			
		H3	0.791				
		H4	0.819				
		H5	0.784				
		H6	0.780				
		H7	0.815				
		H8	0.813				
		H9	0.774				
		H10	0.783				
		H11	0.737				
	Excitement	E1	0.752	0.953	0.956	0.959	0.679
Celebrity		E2	0.743				
Endorsement		E3	0.798				
		E4	0.860				
		E5	0.832				
		E6	0.843				
		E7	0.855				
		E8	0.853				
		E9	0.853				
		E10	0.838				
		E11	0.835				
	Worthiness	W1	0.813	0.954	0.956	0.961	0.732
		W2	0.832				
		W3	0.806				
			0.815				

 Table 1. Correlation Weights, Reliability Estimates, and Convergent Validity Statistics.

		W5	0.895				
		W6	0.910	-			
		W7	0.906	-			
		W8	0.883	-			
			0.831	-			
		P1					
	Perfection		0.883	-			
		<u>P2</u>	0.887	-			0.780
		P3	0.879	- 0.944	0.944	0.955	
		P4	0.885		0.711		
		P5	0.880				
		P6	0.885				
	Resilience	R1	0.895		0.931	0.946	0.780
		R2	0.900	-			
		R3	0.901	0.929			
	Resilience		0.871				
		R5		-			
			0.848				
		CL1	0.881	-	0.921		
		CL2	0.866	-			0.759
	Cognitive loyalty	CL3	0.879	0.920		0.940	
		CL4	0.892	-			
		CL5	0.836				
		EL1	0.796	-	0.906	0.927	0.680
	Emotional loyalty	EL2	0.835				
		EL3	0.846	-			
		EL4	0.833	- 0.906			
				-			
		EL5	0.819	-			
		EL6	0.817				
Brand	Customer	CRM1	0.908	_	0.903	0.939	0.837
Loyalty	Relationship	CRM2	0.926	0.903			
	Management	CRM3	0.912	_			
	Time	TM1	0.921	0.020			
	Management	TM2	0.927	0.829			
	The Amount of	AICR1	0.805				
	Invested Capital	AICR1	0.909	0.859	0.859	0.914	0.781
	Resources	AICR3	0.876				
		SMP1	0.906	0.948	0.949	0.958	0.794
	Senior	SMP2	0.911				
	Management Participation	SMP3	0.907				
		SMP4	0.905				
		SMP5	0.893				
		01 (D)					
		SMP6	0.819	_			
		SMP6 NFU1	0.819	-			
	Need for	NFU1	0.894	-			
	Need for	NFU1 NFU2	0.894 0.941	- 0.947	0.948	0.962	0.864
	Need for Uniqueness	NFU1 NFU2 NFU3	0.894 0.941 0.937	- 0.947	0.948	0.962	0.864
		NFU1 NFU2 NFU3 NFU4	0.894 0.941 0.937 0.946	- 0.947	0.948	0.962	0.864
		NFU1 NFU2 NFU3 NFU4 FV1	0.894 0.941 0.937 0.946 0.922	- 0.947	0.948	0.962	0.864
	Uniqueness	NFU1 NFU2 NFU3 NFU4 FV1 FV2	0.894 0.941 0.937 0.946 0.922 0.942	-			
		NFU1 NFU2 NFU3 NFU4 FV1	0.894 0.941 0.937 0.946 0.922	- 0.947 - 0.947 - 0.949	0.948	0.962	
	Uniqueness	NFU1 NFU2 NFU3 NFU4 FV1 FV2	0.894 0.941 0.937 0.946 0.922 0.942	-			
	Uniqueness	NFU1 NFU2 NFU3 NFU4 FV1 FV2 FV3	0.894 0.941 0.937 0.946 0.922 0.942 0.942 0.928	-			
Repurchase	Uniqueness Functional Value	NFU1 NFU2 NFU3 NFU4 FV1 FV2 FV3 FV4 SV1	0.894 0.941 0.937 0.946 0.922 0.942 0.942 0.928 0.934 0.905	- - 0.949 -	0.949	0.963	0.868
Repurchase Intentions	Uniqueness	NFU1 NFU2 NFU3 NFU4 FV1 FV2 FV3 FV4 SV1 SV2	0.894 0.941 0.937 0.946 0.922 0.942 0.928 0.928 0.934 0.905 0.927	-			0.868
	Uniqueness Functional Value	NFU1 NFU2 NFU3 NFU4 FV1 FV2 FV3 FV4 SV1 SV2 SV3	0.894 0.941 0.937 0.946 0.922 0.942 0.928 0.928 0.928 0.934 0.905 0.927 0.876	- - 0.949 -	0.949	0.963	0.868
	Uniqueness Functional Value	NFU1 NFU2 NFU3 NFU4 FV1 FV2 FV3 FV4 SV1 SV2 SV3 EV1	0.894 0.941 0.937 0.946 0.922 0.942 0.928 0.928 0.934 0.905 0.927 0.876 0.889	- - 0.949 -	0.949	0.963	0.868
	Uniqueness Functional Value Social Value	NFU1 NFU2 NFU3 NFU4 FV1 FV2 FV3 FV4 SV1 SV2 SV3 EV1 EV2	0.894 0.941 0.937 0.946 0.922 0.942 0.928 0.934 0.905 0.927 0.876 0.889 0.928	0.949	0.949	0.963	0.868
	Uniqueness Functional Value	NFU1 NFU2 NFU3 NFU4 FV1 FV2 FV3 FV4 SV1 SV2 SV3 EV1 EV2 EV3	0.894 0.941 0.937 0.946 0.922 0.942 0.928 0.934 0.905 0.927 0.876 0.889 0.928 0.928 0.928	- - 0.949 -	0.949	0.963	0.868
	Uniqueness Functional Value Social Value	NFU1 NFU2 NFU3 NFU4 FV1 FV2 FV3 FV4 SV1 SV2 SV3 EV1 EV2 EV3	0.894 0.941 0.937 0.946 0.922 0.942 0.928 0.928 0.934 0.905 0.927 0.876 0.889 0.928 0.928 0.928 0.929 0.907	0.949	0.949	0.963	0.868
	Uniqueness Functional Value Social Value	NFU1 NFU2 NFU3 NFU4 FV1 FV2 FV3 FV4 SV1 SV2 SV3 EV1 EV2 EV3	0.894 0.941 0.937 0.946 0.922 0.942 0.928 0.934 0.905 0.927 0.876 0.889 0.928 0.928 0.928	0.949	0.949	0.963	0.868
	Uniqueness Functional Value Social Value Emotional Value	NFU1 NFU2 NFU3 NFU4 FV1 FV2 FV3 FV4 SV1 SV2 SV3 EV1 EV2 EV3	0.894 0.941 0.937 0.946 0.922 0.942 0.928 0.928 0.934 0.905 0.927 0.876 0.889 0.928 0.928 0.928 0.929 0.907	0.949	0.949	0.963	0.864 0.868 0.816 0.833
	Uniqueness Functional Value Social Value	NFU1 NFU2 NFU3 NFU4 FV1 FV2 FV3 FV4 SV1 SV2 SV3 EV1 EV2 EV3 EV1 EV2 EV3 EV4	0.894 0.941 0.937 0.946 0.922 0.942 0.928 0.928 0.928 0.927 0.876 0.889 0.928 0.928 0.928 0.929 0.907 0.907	0.949	0.949	0.963	0.868

Finally, based on the Heterotrait-Monotrait (HTMT) ratio as a measure of discriminant validity (Henseler *et al.*, 2015), it was assessed following the recommendations provided by Ghasemy *et al.* (2020). We adopted

m 11

the evaluation guidelines proposed by (Franke & Sarstedt, 2019) for assessing HTMT values. The acceptable threshold for the HTMT criterion ranges from 0.85 to 0.90. If the values of this criterion are below 0.90, it indicates acceptable discriminant validity (Henseler *et al.*, 2015). Our evaluation results in Table 2 showed that all HTMT values were below 0.90.

Table 2. Discriminant Validity Based on HTMT.						
Construct	1	2	3	4		
1. Brand Image	0.751					
2. Celebrity Endorsement	0.454	0.902				
3. Brand Loyalty	0.434	0.809	0.839			
4. Repurchase Intentions	0.437	0.785	0.783	0.812		

Structural Model Evaluation

As recommended by Ghasemy *et al.* (2020), the structural model assessment in this study included examining the interrelationships among exogenous constructs, testing for significance, and examining path coefficients, as well as indirect effects, assessing the predictive power of the within-sample and out-of-sample models, investigating f^2 effect size, and examining the unique contribution of predictor variables to R^2 of endogenous constructs.

The Variance Inflation Factor (VIF) is commonly used to assess multicollinearity among formative indicators. Ideally, VIF values should be close to 3 or less (Hair *et al.*, 2019). However, issues related to multicollinearity can arise even with VIF values below 3, and when VIF is 5 or higher, it indicates severe linear issues among the measured constructs (Becker *et al.*, 2015). Our evaluation results in Table 3 showed that there were no critical issues present.

In the next step, a bootstrapping test with a significant level of 5% and 10,000 subsamples (Streukens & Leroi-Werelds, 2016) was conducted to test the hypotheses. Our evaluation of the hypothesis test results indicated that H1, H3, H4, H5, and H6 were empirically supported, while H2 and H6 were not statistically significant. It is worth mentioning that among the influential predictor variables of repurchase intention, brand loyalty (0.751) had a stronger impact compared to other variables. For the effects of predictor variables on repurchase intention, Celebrity Endorsement (0.170) and Brand Image (0.023) were identified. Additionally, it was found that Celebrity Endorsement had an impact on Brand Image (0.426) and Celebrity Endorsement had an impact on Brand Loyalty (0.803).

By evaluating the predictive power of the model based on R^2 values, considering the cutoff points (0.25 = weak, 0.50 = moderate, 0.75 = substantial) suggested by Hair *et al.* (2019), it was determined that the explanatory power of the model in terms of predictor variables simultaneously (%81.7 R^2) is substantial, moderate to low in terms of Celebrity Endorsement (18.2% R^2) in relation to Brand Image, and moderate to high in terms of Celebrity Endorsement (42.2% R^2) in relation to Brand Loyalty. Furthermore, the effect size evaluation using f^2 and comparing it with the cutoff points (0.02, 0.15, and

Furthermore, the effect size evaluation using f^2 and comparing it with the cutoff points (0.02, 0.15, and 0.35) indicated a weak to moderate positive effect size of Celebrity Endorsement (0.56 f2) on Repurchase Intentions, a weak effect size of Brand Image (0.02 f^2) on Repurchase Intentions, a moderate to high positive effect size of Brand Loyalty (0.256 f^2) on Repurchase Intentions, a moderate positive effect size of Celebrity Endorsement (0.181 f^2) on Brand Image, and a strong effect size of Celebrity Endorsement (0.422 f^2) on Brand Loyalty.

Table 3. Structural Model Evaluation Results.									
Path/hypothesis	Coefficient	<i>t</i> statistic	P value	Sig? / Supported?	VIF	f^2	\mathbf{R}^2		
H1: Celebrity Endorsement → Repurchase Intentions	0.170	3.332	<.001	Yes	2.857	0.056			
H2: Brand Image \rightarrow Repurchase Intentions	0.023	1.047	>.05	No	1.271	0.002	0.817		
H3: Brand Loyalty \rightarrow Repurchase Intentions	0.751	15.596	<.001	Yes	2.925	0.256			
H4: Celebrity Endorsement → Brand Image	0.426	8.823	<.001	Yes	1.000	0.181	0.182		
H5: Celebrity Endorsement \rightarrow Brand Loyalty	0.803	31.084	<.001	Yes	1.000	0.422	0.644		
H6: Celebrity Endorsement → Brand Image → Repurchase Intentions	0.010	1.049	>.05	No					
H7: Celebrity Endorsement \rightarrow Brand Loyalty \rightarrow Repurchase	0.603	15.510	<.001	Yes					

Intentions

It is worth mentioning that, in addition to the aforementioned indicators, the Goodness of Fit (GOF) measure was also used to evaluate the structural model and its value was as:

$$GOF = \sqrt{\text{Communality} \times R^2} = \sqrt{0.562 \times 0.548 \times} = 0.308$$

Considering the values of 0.10, 0.25, and 0.36 as the thresholds for weak, moderate, and strong levels of GOF, obtaining a value of 0.308 for GOF indicates a moderately high overall fit of the model in the current study. The final model, which demonstrates factor loadings, path coefficients, and the explanatory power of the model for the endogenous constructs, is presented in Figure 1.

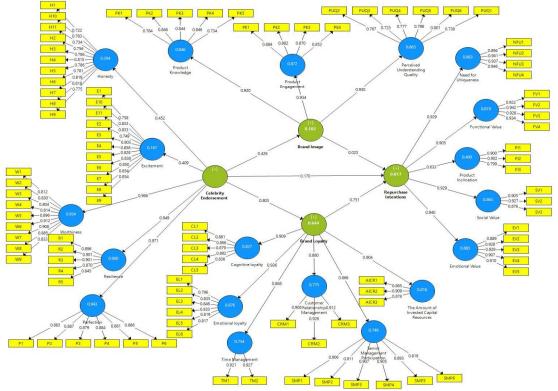


Figure 1. Final partial least squares model.

Discussion and Conclusion

This study investigated the impact of celebrity endorsements on brand image, brand loyalty, and repurchase intentions within the context of Nike Product, a prominent sports goods brand, in Tehran, Iran. The findings provide valuable insights into the complex interplay between celebrity influence, brand perception, and consumer behavior, particularly within the dynamic sports industry.

Celebrity Endorsement and Brand Loyalty

The results strongly support the first hypothesis, demonstrating a positive and significant effect of celebrity endorsement on brand loyalty among Nike Product customers in Tehran. This finding aligns with previous research highlighting the link between athlete endorsements and brand loyalty towards sports products(Oguru & Nwikinaka, 2024). The study's findings suggest that celebrity endorsements effectively drive brand loyalty by tapping into consumers' emotional connections with admired figures. This is particularly relevant in the sports industry, where fans often develop strong emotional bonds with their favorite athletes. When a consumer sees a beloved athlete endorsing a specific brand, it can trigger a sense of trust and identification with that brand. This positive association can translate into stronger feelings of loyalty towards the brand and a greater likelihood of repeat purchases. Furthermore, the study suggests that the attractiveness of the celebrity endorser is a key driver of this effect. Consumers are more likely to be loyal to a brand endorsed by a celebrity they find appealing and relatable. This suggests that companies like Nike Product should carefully select celebrity endorsers who align with their brand image and resonate with their target audience.

Celebrity Endorsement and Brand Image

The study's findings reveal that celebrity endorsements also exert a significant influence on brand image, supporting the second hypothesis. The research demonstrates that the use of celebrity endorsers can contribute to a more positive and favorable brand perception among consumers. This finding is consistent with previous research emphasizing the role of celebrity endorsements in shaping brand image (Asakdiyah et al., 2024; Li et al., 2023).

Celebrities can enhance brand image by associating the brand with positive attributes such as success, achievement, and prestige (Dwivedi *et al.*, 2015). For example, a well-known athlete who embodies athletic excellence and determination can lend credibility and desirability to a sports brand. This, in turn, can attract new customers and strengthen the brand's appeal to existing consumers (Carlson & Donavan, 2013). This positive association can influence consumer perceptions of the brand's quality, trustworthiness, and overall desirability (Mateen Khan, 2019).

Brand Image and Repurchase Intentions

The study further reveals that brand image plays a mediating role in the relationship between celebrity endorsement and repurchase intentions, confirming the third hypothesis. This finding signifies that the positive impact of celebrity endorsements on repurchase intentions is mediated through their influence on brand image. Essentially, celebrities contribute to a more positive brand image, which then influences consumers' purchase decisions (Roshan & Sudiksa, 2019).

The research suggests that consumers are more likely to repurchase products from brands they perceive positively. A strong brand image can inspire trust, confidence, and a sense of value in consumers. This positive perception can outweigh other considerations, such as price or availability, when consumers make purchase decisions (Azad & Sadeghifar, 2019). This emphasizes the importance of cultivating a positive brand image as a crucial strategy to drive repeat purchases (Ozdemir *et al.*, 2020).

Brand Loyalty and Repurchase Intentions

The study also confirms the fourth hypothesis, demonstrating that brand loyalty serves as a mediator in the relationship between celebrity endorsement and repurchase intentions. This finding highlights the importance of cultivating brand loyalty as a strategy to drive customer repurchase behavior. The study reveals that celebrity endorsements can foster brand loyalty, which in turn increases the likelihood of repeat purchase.

Consumers who are loyal to a brand are more likely to continue purchasing its products, even when faced with alternatives. This loyalty can stem from a variety of factors, such as positive experiences with the brand, emotional connection with the brand, or a perceived sense of value. The study suggests that celebrity endorsements can contribute to this loyalty by enhancing brand image and creating positive associations in the minds of consumers. This finding emphasizes the need for companies to invest in building strong brand loyalty as a crucial strategy to drive sustainable business growth.

Conclusion

This study provides valuable insights into the impact of celebrity endorsements on consumer behavior within the sports industry. The findings highlight the significant influence of celebrity endorsements on brand image and brand loyalty, ultimately leading to increased repurchase intentions. The research underscores the importance of considering celebrity endorsements as a powerful tool for enhancing brand perception, fostering customer loyalty, and driving sales within the dynamic sports market.

By understanding the complex interplay between celebrity influence, brand perception, and consumer behavior, marketers can develop more effective strategies to leverage the power of celebrity endorsements and achieve sustainable success. The study's findings offer valuable guidance for brands seeking to leverage the power of celebrity endorsements to achieve their marketing objectives (Dwivedi *et al.*, 2016).

Research Limitations and Implications

This study, while offering valuable insights into the impact of celebrity endorsements on consumer behavior within the Iranian sports industry, is subject to certain limitations. Acknowledging these limitations is crucial for understanding the scope and generalizability of the findings.

Firstly, the research focused exclusively on the Nike Product brand and its customers in Tehran, limiting the generalizability of the findings to other brands or geographic locations. Future research

23

should explore the influence of celebrity endorsements across a broader range of sports brands and diverse geographical contexts to assess the robustness of these findings.

Secondly, the cross-sectional nature of the study design restricts the ability to establish causal relationships or temporal sequences between variables. Longitudinal studies are recommended for investigating the dynamic interplay between celebrity endorsements, brand image, brand loyalty, and repurchase intention over time.

Thirdly, reliance on self-reported data through questionnaires introduces the potential for social desirability bias. Future research could explore alternative data collection methods, such as interviews or observational studies, to mitigate this bias and obtain a more nuanced understanding of consumer attitudes and behaviors.

Despite these limitations, the study offers significant implications for both sports brands and marketing professionals. The findings underscore the potent influence of strategic celebrity endorsements in enhancing brand image, fostering customer loyalty, and driving repurchase intentions. This suggests that brands should prioritize selecting credible and impactful celebrity endorsers who resonate with their target audience and contribute to a positive brand perception.

Furthermore, the study emphasizes the interconnectedness of brand image, brand loyalty, and repurchase intention. Building a strong brand image and cultivating customer loyalty serve as essential prerequisites for maximizing the effectiveness of celebrity endorsements. Brands should invest in cultivating these elements alongside strategic celebrity partnerships to ensure long-term success.

Finally, the study highlights the importance of considering cultural context when exploring the impact of celebrity endorsements. Future research should delve deeper into the nuances of cultural influences on consumer perceptions and behaviors, enabling brands to tailor their endorsement strategies for maximum impact within specific cultural environments.

Ethical Considerations

Compliance with ethical guidelines: Ethical points have been observed.

Funding: This research did not receive any specific grant from funding agencies in the public, commercial, or not-for-profit sectors.

Authors' contribution: All authors have contributed to the design and implementation of this study.

Conflict of interest: There is no conflict of interest.

Acknowledgments: The authors of this article express their gratitude to all the individuals who contributed their insights and experiences, facilitating the successful completion of this study and the attainment of its objectives.

References

- Aaker, J. L. (1997). Dimensions of brand personality. *Journal of marketing research*, 34(3), 347-356.
- Abeza, G., O'Reilly, N., Séguin, B., & Nzindukiyimana, O. (2017). The world's highest-paid athletes, product endorsement, and Twitter. *Sport, Business and Management: An International Journal*, 7(3), 332-355.
- Adiba, S. T., Suroso, A., & Afif, N. C. (2020). The effect of celebrity endorsement on brand image in determining purchase intention. *Journal of Accounting, Business and Management (JABM)*, 27(2), 60-73.
- Ajjuguttu, M. R., Colak, A., & Fredendall, L. (2023). Do Global Review Sharing Impact Online Business? Evidence from Nike Products on Amazon. Evidence from Nike Products on Amazon (August 24, 2023).
- Asakdiyah, S., Bonaga, J. K., Maheswari, U., Prastowo, I., & Salampessy, A. P. (2024). The mediating role of customer loyalty on the effect of celebrity endorsement to impulse buying behavior. *Jurnal Fokus Manajemen Bisnis*, 14(1), 124-135.

- Azad, N., & Sadeghifar, M. (2019). The effect of service quality on customer loyalty, given the mediating role of customer engagement and perceived value (case study: Taban Airline, Mashhad, Iran). *International Journal of Business Innovation and Research*, 20(1), 129-144.
- Barus, H. B., Fadhilah, M., & Cahyani, P. D. (2024). The Role of Celebrity Endorsers and Brand Awareness on Purchasing Decision through Trust in E-Commerce Consumers in Yogyakarta. *Jurnal Manajemen Bisnis*, 11(1), 290-305.
- Becker, J.-M., Ringle, C. M., Sarstedt, M., & Völckner, F. (2015). How collinearity affects mixture regression results. *Marketing letters*, 26, 643-659.
- Carlson, B. D., & Donavan, D. T. (2013). Human brands in sport: athlete brand personality and identification. *Journal of Sport Management*, 27(3).
- Chiquita, M., & Noor, Y. L. (2021). The effect of celebrity endorser on repurchase intention of cosmetic products in millenial generation. *Russian Journal of Agricultural and Socio-Economic Sciences*, 112(4), 65-71.
- Creswell, J. W. (2015). Educational research: Planning, conducting, and evaluating quantitative and qualitative research. pearson.
- Dijkstra, T. K., & Henseler, J. (2015). Consistent partial least squares path modeling. *MIS quarterly*, 39(2), 297-316.
- Dwivedi, A., Johnson, L. W., & McDonald, R. (2016). Celebrity endorsements, self-brand connection and relationship quality. *International Journal of Advertising*, 35(3), 486-503.
- Dwivedi, A., Johnson, L. W., & McDonald, R. E. (2015). Celebrity endorsement, self-brand connection and consumer-based brand equity. *Journal of Product & Brand Management*, 24(5), 449-461.
- Franke, G., & Sarstedt, M. (2019). Heuristics versus statistics in discriminant validity testing: a comparison of four procedures. *Internet research*, 29(3), 430-447.
- Ghasemy, M., Teeroovengadum, V., Becker, J.-M., & Ringle, C. M. (2020). This fast car can move faster: A review of PLS-SEM application in higher education research. *Higher education*, 80(6), 1121-1152.
- Hair, J. F., Risher, J. J., Sarstedt, M., & Ringle, C. M. (2019). When to use and how to report the results of PLS-SEM. *European business review*, 31(1), 2-24.
- Hassan, M. (2023). The Effect of Celebrity Endorsement, Perceived Quality, and Brand Loyalty on Purchase Intention. *RADS Journal of Business Management*, 5(2), 145-157.
- Hellier, P., Geursen, G., Carr, R., & Rickard, J. (2003). Customer Repurchase Intention: A General Structural Equation Model. *European Journal of Marketing*, 37, 1762-1800. https://doi.org/10.1108/03090560310495456
- Henseler, J. (2018). Partial least squares path modeling: Quo vadis? Quality & Quantity, 52(1), 1-8.
- Henseler, J., Ringle, C. M., & Sarstedt, M. (2015). A new criterion for assessing discriminant validity in variance-based structural equation modeling. *Journal of the academy of marketing science*, 43, 115-135.
- Kim, S. S., Choe, J. Y. J., & Petrick, J. F. (2018). The effect of celebrity on brand awareness, perceived quality, brand image, brand loyalty, and destination attachment to a literary festival. *Journal of destination marketing & management*, 9, 320-329.
- Li, S., Suhari, U., Shidiqqi, M. F., Aras, M., & Mani, L. (2023). The Role of Celebrity Endorsement on Impulse Buying Behavior with Customer Loyalty as a Moderating in the E-Commerce Industry. *Business Economic, Communication, and Social Sciences Journal (BECOSS)*, 5(1), 59-72.
- Mateen Khan, M. (2019). Celebrity endorsement and purchase intention: The role of perceived quality and brand loyalty. *Khan, MM, Memon, Z., & Kumar, S.,(2019). Celebrity Endorsement and Purchase Intention: The Role of Perceived Quality and Brand Loyalty. Market Forces*, 14(2), 99-120.
- Oguru, P. G. P., & Nwikinaka, L. B. P. (2024). Celebrity Attachment and Brand Loyalty amongst Breweries Firms in Rivers States. *International Academic Journal of Management and Marketing*, 11(1), 14.

- Osei-Frimpong, K., Donkor, G., & Owusu-Frimpong, N. (2019). The impact of celebrity endorsement on consumer purchase intention: An emerging market perspective. *Journal of marketing theory and practice*, 27(1), 103-121.
- Ozdemir, S., Zhang, S., Gupta, S., & Bebek, G. (2020). The effects of trust and peer influence on corporate brand—Consumer relationships and consumer loyalty. *Journal of Business Research*, 117, 791-805.
- Punniyamoorthy, M., & Prasanna Mohan Raj, M. (2007). An empirical model for brand loyalty measurement. *Journal of Targeting, Measurement and Analysis for Marketing*, 15(4), 222-233. <u>https://doi.org/10.1057/palgrave.jt.5750044</u>
- Putri, A. S., Ong, L., & Pratama, S. (2023). The effect of Korean celebrity endorsement on perceived product quality and brand loyalty: case of Indonesian skincare brand in DKI Jakarta. *International Journal of Business Studies*, 7(1), 28-37.
- Riani, O., Wijayanto, G., & Rosyetti, R. (2023). Pengaruh Brand Image Dan Celebrity Endorser Terhadap Brand Loyalty Dan Repurchase Intention Pada Konsumen Produk Maybeline Di Kota Pekanbaru. *Management Studies and Entrepreneurship Journal (MSEJ)*, 4(1), 104-116.
- Roshan, P. A. A., & Sudiksa, I. B. (2019). Peran Brand Image Memediasi Pengaruh Celebrity Endorser Terhadap Purchase Intention Udayana University.
- Streukens, S., & Leroi-Werelds, S. (2016). Bootstrapping and PLS-SEM: A step-by-step guide to get more out of your bootstrap results. *European management journal*, 34(6), 618-632.
- Sukma, A., Kaniawati, K., & Oktaviani, D. (2024). The Influence of Brand Equity, Celebrity Endorsements, and Sales Promotions on Purchasing Decisions Through Purchase Intention. *Management Studies and Entrepreneurship Journal (MSEJ)*, 5(2), 3687-3697.
- Sunarwia, A. A., Kadir, A. R., Maming, D., Kadir, N., Parawansa, D. A., & Mustafa, F. (2023). The Effect of Celebrity Endorsement on Repurchase Intention With Brand Attitude, Brand Credibility, and Brand Image as Intervening Variables on Product Somethinc. *Economics and Business Journal (ECBIS)*, 1(5), 773-784.
- Widiatmoko, D. P., Karyatun, S., & Digdowiseiso, K. (2023). Influence Quality Product, Image Brand, and Promotion Regarding The Decision to Purchase Nike Shoes in Jakarta East. *Jurnal Syntax Admiration*, 4(4), 679-688.
- Yuwana, W. N. H. P., & Lestari, W. D. (2024). The Influence of Celebrity Endorsement and Brand Image on Purchase Intention with Brand Awareness as An Intervening Variable: Case Study of Scarlett Whitening Products in Soloraya. *Indonesian Interdisciplinary Journal of Sharia Economics (IIJSE)*, 7(1), 546-561.