

Nestle, A Staple Brand in Everyone's Life: A Case Study on Brand Loyalty

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ABSTRACT

Nestle is one of the leading food companies in the world. We aim to investigate how product quality, brand name, advertisement, and product price influence customer loyalty. We tested our hypotheses by examining 100 Malaysian consumers. We found that product quality and advertisement are positively related to customer loyalty. We also identify that advertisement is the most significant factor influencing customer loyalty. Given that advertisement is the most significant factor influencing customer loyalty, we conducted another survey in Kuwait to determine which advertisements influence consumer behavior, in which a total of 175 Kuwait consumers participated. The findings show consumer behavior is primarily impacted by TV advertisements and celebrity endorsements in their brand preference. The main reason for preferring Nestle products is their high product quality and advertising. Thus, Nestle is recommended to maintain its high quality and deal with celebrities for its advertisements to retain brand loyalty.

Keywords: Advertising, Celebrity Endorsements, Customer Behaviour, Customer Loyalty, Product Quality, Purchase Decision.

INTRODUCTION

Founded in 1866 by Henri Nestle, Nestle started as a producer of its breakthrough infant food product for babies intolerant to their mother's milk (Nestle, 2021b; Singh & Alazmi, 2019). Following the success of the infant milk product, Nestle ventured into other product lines like infant cereal and condensed milk (Nestle, 2021a). Over the years Nestle participated in joint business ventures and developed many new brands and products that are still popular and in high demand such as Milo, Nescafe, Nestea, Maggi, and many more. The creation of these long-standing brands is propelled by the company's aggressive R&D activities (Singh & Alazmi, 2019). Today, Nestle is one of the leading brands in health, nutrition, and wellness and has firmly cemented its presence in the international markets. Nestle uses their expertise in those fields to provide the best, healthy, and quality products to the people wherever they are like their motto "Good Food, Good Life". The company owns over 2,000 brands, and its products are available in over 197 countries worldwide (Luenendonk, 2019). Nestle has established branches in many countries and manufactures products that cater to local tastes and cultures (Nestle, 2021a). By adapting and customizing products to the local community's lifestyle, Nestle products are accepted, well-received by the local consumers, and easily become every household's must-have item.

Every company should achieve adequate sales to cover its operational costs and achieve profit. Estimating sales is considered the central point in budget and profit planning. Sales decisions are not made easily. They depend on many factors including the competitive environment, consumers' income as well as consumers' demands. Therefore, taking into account the significance of sales for the business survival and the relationship between sales and consumers, Nestle should incorporate programs and approaches which can affect the decision of consumers to buy the products (Tripathi, 2018). Consumers now are aware of their responsibilities and attempt to gather all information needed for making their decisions concerning buying certain products or services, turning the market today from the seller's market to the consumer's market. The failure or success of businesses relies upon their effectiveness in influencing the consumer. The marketing process starts with the consumers and ends with the consumers too, thus advertisers and marketers work on attracting the consumers. Consumers are regarded as the engine of the economic activity and the fulcrum on which the business works (Kaynak, 2013).

Our study assumes consumers are active parties and have different roles in the market. Therefore, it is important to study their behaviors and know how to influence them. Marketers should understand the consumers' decision-making process. They also should understand consumer features like behavioral variables, psychographics, and demographics in order to understand and meet their needs. Studying and knowing consumer behavior enables businesses to determine the strategies to be adopted and the best way to offer the products. Many matters affect the consumer's psyche and their decisions such as income, religion, age, culture, how the consumers feel, and how they choose between different options. Marketers also should take into consideration the consumers' environment like family, media, and customs to understand to which extent the consumers' behaviors are influenced by such factors (Reyes, 2014). They also should know

the limitations in consumers' information processing capabilities that affect their purchase decisions and, therefore, the marketing outcomes.

The celebrities' attributes play a great role in influencing consumer behavior, which in return encourages customers to be loyal to a brand. Celebrity endorsements can influence the consumers' purchase decisions, persuading them to purchase the company's products (Peighambari, 2018). This can lead to increasing the company's sales and extending its market shares. Celebrity endorsements will help Nestle to increase the product attractiveness and brand appeal as well as bring magic to the brand. However, Nestle should make sure the celebrity's image matches the brand, whether the celebrity is popular and has a huge number of fans, and whether she or he is a credible figure. Our study aims at studying the factors behind consumer loyalty toward Nestle's different products (Roy, 2018). It also aims at understanding how consumer loyalty is influenced by advertising and especially celebrity endorsements (Lake, 2013).

LITERATURE REVIEW

Studying consumer behavior and brand loyalty has always been an area of great concern for researchers, witnessing an explosion over the last five decades. According to this, literature regarding the two aspects has been the focus of attention in many studies. Literature on this topic is extensive and diverse because of the way consumer loyalty is influenced by the changes in economics, society, and technology. Researchers and scholars see that there are different reasons why consumer behavior has been an area of interest. One of these reasons is that understanding consumer loyalty has a substantial effect on the business lifespan.

Advertising also has a fundamental role in the formation of consumer loyalty. As a type of communication, its role lies in persuading the potential consumers to buy or consume a service or product and is very beneficial for attracting the first-time purchase. If consumers like the product, they will buy it again. If the advertising paints a good image of the brand, the company will guarantee the repurchase of the product. Thus, advertising is not only a tool used for stimulating sales. However, its main mission is positioning the brand or the business in the perceptual space in terms of the competition in order to achieve differentiation and uniqueness (Maphosa, 2018).

In the urban markets, the promotion of consumer sales for distinguishing one's offer from others is common. The big-budget assigned for the promotional activities plays a role in luring the consumers. So, it is important to understand consumers' decisions and what influences their choices since there are a lot of different brands that the consumers can choose as well as what the consumers prefer in terms of sales promotion offers so marketers can satisfy them and persuade them to buy their products. Kumar (2011) pays attention to the Indian consumers' perception of celebrity endorsements. Celebrity attributes largely affect consumer buying decisions. Nowadays, the dependence on celebrity endorsements has become a pervasive factor in the advertising industry, particularly in India. They are used for influencing the buying decision of consumers to increase business sales and market shares (Kumar, 2011). Another research carried out in this area by Gupta (2007) aimed at describing and understanding how celebrity endorsements play a big role in increasing product attractiveness to the consumers. He found celebrity

endorsement makes the products more appealing and attractive especially when the celebrity is popular and credible.

Product Quality

Product quality comprises all features and characteristics a product possesses that enable it to fulfill customer needs and requirements. It refers to a product's ability to deliver what end users want and perceive as value (MBA Skool, 2019). A product that is deemed as excellent quality is reliable and able to perform all its functions without fault or interruption. A product that has quality meets the predetermined standards of quality. Quality is a continually changing condition with the ever-changing consumer tastes or expectations of a product. The product's quality will influence the loyalty of customers towards a brand. If Nestle can ensure high-quality products consistently for their customers, there is a high likelihood that customers will stick to the brand for a long time. A study by Minar and Safitri (2017) has proven that customer loyalty is significantly impacted by product quality. Another study by Khoironi, Syah, and Dongoran (2018) has also revealed similar results where product quality directly influences customer loyalty. Thus, we have formed a hypothesis as follows:

H1: Product quality is positively related to customer loyalty.

Brand Name

A brand can be defined as "a name, term, sign, symbol, or design, or combination of them which is intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competitors" (Kotler, 1991, p. 442). A brand name is the foundation of a brand image. With a strong image, a brand can influence consumer choices and gain an edge in the marketplace. The brand image consists of three aspects which are the strength of brand association, brand associations advantage, and uniqueness of brand associations. The strength of brand associations leads to various advantages held by pertinent brands which have the character of physicality that is not present in other products. Brand association advantage refers to the ease or advantage of a brand or product to be remembered by customers. Brand should be unique and attractive so that it can cause a strong association in the data sensory consumer (Keller, 2003, p.3). A study conducted by Hussein (2018) has also found that there is a positive relationship between brand image and customer loyalty. "We enable healthier and happier lives through our brands, drawing on over 150 years of passion for nutrition to bring people tastier and healthier choices" (Nestle Pakistan, 2021). Nestlé is an established brand as well as leading nutrition, health, and wellness company globally. Nestle has constructed a powerful image around the brand after being in the industry for over 100 years and its products are purchased and used by millions of customers every day. Thus, we hypothesized that:

H2: Brand name is positively related to customer loyalty.

Advertisement

Thorson and Rodgers (2012) stated advertising can be broadly defined as any form of paid strategic communication by an identified sponsor that aims at informing and/or persuading receivers about an advertising object (e.g., product, service, brand, organization, or idea), and traditionally conveyed in mass media. Advertising serves to attract the interest of consumers and actively engage the product or service in order to encourage customer purchases. Ads should also influence consumer information processing processes and reactions to

advertisements which eventually prompts purchase repetition and promote customer loyalty to the brand (Monfared, 2015). Since advertisements shape customer expectations and perceptions of the brand and its products, their role should be regarded when studying consumer and brand loyalty. Advertising comes in many forms, among them are television, internet, print (magazines, newspapers, journals), radio, sponsorships, events, contests, and even people (celebrity and/or influencer endorsement). The range of places where Nestlé is advertised increases public awareness of the brand. Since Nestlé's product range is so wide, each product uses a different strategy to grab the attention of its audience. Thus, we hypothesized that:

H3: Advertisement is positively related to customer loyalty.

Product Price

Historically, the price has been a major factor in influencing purchasing decisions and is still one of the most important elements in marketing. This can significantly determine a company's market share and profitability. "Price is the amount of money charged for a product or a service; the sum of the values that customers exchange for the benefits of having or using a product or service" (Kotler & Armstrong, 2012). Bei and Chiao (2001) defined price as forgoing something to acquire a product or a service. In a broad sense, price is the sum of values that a customer gives up to profit from owning or using a product or service. Product price is a vital factor in creating value for and building relationships with customers. If consumers feel that Nestle products are cheaper than its competitors, consumers are more likely to buy from Nestle over competitors' goods. A study by Kee et al. (2021) unveiled Nestle product prices are affordable, allowing people from different income groups and walks of life to purchase Nestle goods and eventually turn into regular users of Nestle products. In Malaysia, Nestle (Malaysia) Bhd as the largest food and beverage company in the nation is committed to meeting the needs of households by providing the most affordable price for its products despite the increasing cost of commodities and the weakening ringgit (Kee et al., 2021). Therefore, we developed a hypothesis as follows:

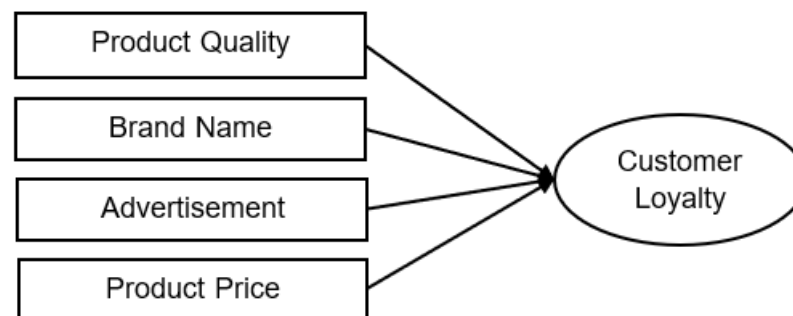
H4: Product price is positively related to customer loyalty.

Customer Loyalty

Kandampully, Zhang, and Bilgihan (2015) regard customer loyalty as a long-term asset when loyal customers grow attached and become devoted to the brand, at the same time are not attracted to competitor's offerings. Loyal customers would pay more, exhibit higher buying intentions, and are less likely to switch brands (Kandampully et al., 2015). It can also mean the likelihood of consumers spending more on the company's products and recommending the company (Cretu & Brodie, 2009). Besides, consumer loyalty is a key outcome for all kinds of businesses (Ali, Kim, Li, & Joen, 2016). It is also more cost-effective for the company to retain existing customers than obtain new ones (Santouridis & Trivellas, 2010). According to Jacoby and Kyner (1973), in order to establish customer loyalty, it must meet six required conditions indicated as follows:

- 1) biased, that is non-randomized
- 2) behavioral response, that is purchase
- 3) expressed in time
- 4) by several decision-making units
- 5) in respect of one or more brands, than a set of such brands
- 6) the function of psychological processes or decision-making assessment.

Figure 1. Research Framework



RESEARCH METHOD

Sample and Procedure

We employed a sequential embedded design in this paper. In this sequential embedded design, the supplemental data set is collected (Study 2) after collecting and analyzing the dominant data type in Study 1. Study 2 is then conducted to explain the results of Study 1. We collected data from two countries, Malaysia and Kuwait, given that the people there grew up with Nestle products. Study 1 aims to answer if product quality, brand name, advertisement, and product price could impact customer loyalty. We tested our hypotheses with 100 consumers in Malaysia via an online survey. After identifying the results of Study 1, Study 2 is undertaken to explore further how the results can influence consumer loyalty. A total of 175 consumers in Kuwait participated in Study 2.

Measures

The questionnaire for Study 1 was adapted from a research paper on brand loyalty conducted by Khraim (2011). Unless otherwise stated, all measures employed a 5-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). The questionnaire was categorized into six sections, allowing a thorough assessment of the variables identified for this study. The details of these six sections are described below:

Demographic

We use single statement items to determine respondent demographics, including age, gender, nationality, ethnicity, monthly income, occupation, type of Nestlé product purchased, and its frequency as well as how long the consumers use Nestlé products. In addition, respondents were required to answer which Nestlé products were most preferred and why.

Product Quality

Product quality refers to characteristics a product or service possesses which satisfy customer needs, either stated or implied (Kotler & Armstrong, 2012). This section focuses on understanding consumers' knowledge of the nature of the materials or ingredients of Nestlé products, the safety of Nestlé products, quality measures undertaken by Nestle to ensure safety, and the product variety offered by Nestle.

Brand Name

Aaker and Biel (1993) mentioned that the perception of brand image is very crucial because consumers will analyze the personality of the brand, and then extract meaning from the brand information. This section consists of 4 items related to

brand name such as whether the Nestlé brand is renowned, attractive, presents a good image, and is popular to the respondents.

Advertisement

Advertising acts as the main tool in raising product awareness and conditioning the consumers' minds to make the purchase decision (Singh, 2018). This section focuses on consumers' responses to Nestlé advertisements, whether the ads are engaging, informative, attractive, or enjoyable. We can know whether respondents enjoy drinking Milo from the Milo van.

Product Price

According to Fetter (1912), price is a comparable exchangeable value. In this section, 3 items were presented to consumers about whether the price of Nestlé products is reasonable, providing good value for money, and whether the price of the product is affordable for them.

Customer Loyalty

The items were developed based on respondent's experience with Nestlé, whether Nestlé was the respondent's first choice, whether respondents would recommend Nestlé to friends and family and buy Nestlé products in the future. Consumer loyalty refers to the cumulative experience of the customer since the first interaction with a brand, and it led to the overall outcome (Brunner, Stöcklin, & Opwis, 2008).

RESULTS

In our first study, we discover these findings below.

Table 1. Summary of Respondent's Demography

	Frequency
Age	
20 and below	22
21-30	54
31-40	9
41-50	6
51 and above	9
Gender	
Male	25
Female	75
Nationality	
Malaysian	100
Monthly Income	
Less than \$500	66
\$500-\$1000	3
\$1001-\$2000	15
\$2001-\$3000	6
\$3001 and above	10
Occupation	
Student	64
Private Sector	22
Government Sector	3
Self-employed	7
Unemployed	4
Types of Nestle products purchased	
Foods	71
Chocolate and Confectionary	60
Coffee	54

Breakfast Cereal	58
Infant	8
Ice cream and dairy	74
Health & Nutrition	19
How often do you purchase Nestle Products	
Daily	6
Weekly	30
Monthly	46
Once in a while	18
How long have you been consuming Nestle's products?	
Less than 1 year	5
1-10 years	38
11-20 years	38
21-30 years	9
More than 30 years	10
What is your most favorite Nestle product?	
Biscuits	1
Cornflakes	3
Honey Stars	2
Ice cream	16
Kit Kat	5
Koko Krunch	5
Maggi	4
Milk	1
Milo	38
Nescafe	14
Nestle Omega	1
Nestum	3

The table above shows the summary of the respondent's demography. Most respondents were between 21 and 30 years old (54%). The majority of the respondents were female which is 75%. Malaysian (100%) is the highest number for nationality. In terms of ethnicity, Chinese has the highest number which is 52%, followed by Malay (39%) and Indian (2%), and the remaining 7% are Others. In terms of monthly income, a monthly income of less than RM500 is the highest number (59%) because most of the respondents were students (64%). The types of Nestle products purchased by the respondents the most are ice cream and dairy products (74). 46% of respondents purchase Nestle products monthly, 30% of respondents purchase Nestle products weekly, followed by 18% that purchase once in a while, and 6% purchase daily. The major duration time that respondents have been consuming Nestle's products is between 1 to 10 years (38%) and between 11 to 20 years (38%). In addition, the majority of the respondents have stated that their favorite Nestle product is Milo (38). Meanwhile, the survey also shows the reason respondents like to purchase Nestle products is mainly that they are delicious.

Table 2. Descriptive Statistics, Cronbach's Coefficients Alpha, and Zero-order Correlations of All Study Variables

Variable	1	2	3	4	5
Product Quality	0.927				
Brand Name	0.711**	0.797			
Advertisement	0.520**	0.502**	0.914		
Product Price	0.610**	0.583**	0.597**	0.924	

Customer Loyalty	0.616**	0.562**	0.595**	0.570**	0.931
M	4.43	4.44	4.08	4.30	4.31
SD	0.60	0.57	0.82	0.67	0.67
Number of items	5	4	3	3	5

*Note: N = 100; *p < .05, **p < .01, ***p < .001. Diagonal entries indicate Cronbach's coefficient alpha; M = Mean; SD = Standard Deviation. Item 1 and 5 under the Advertisement variable are deleted*

Table 2 summarizes the descriptive, correlation, and reliability results. The Cronbach's Alpha is based on the standardized items which are quality ($\alpha = 0.927$), brand name ($\alpha = 0.797$), advertisement ($\alpha = 0.914$), price ($\alpha = 0.924$), and consumer loyalty ($\alpha = 0.931$). The highest value is consumer loyalty which is 0.931 and the lowest value is the brand name which is 0.797. Product quality, advertisement, and product price are highly reliable predictors of customer loyalty whereas brand name is moderately reliable in predicting customer loyalty towards Nestle. Overall, the correlation coefficient is positive in all of the relationships.

Table 3. Summary of Multiple Regression Analysis

Variables	Customer Loyalty
Product Quality	0.281**
Brand Name	0.128
Advertisement	0.298**
Product Price	0.147
R Square	0.506
Adjusted R Square	0.485
F Value	24.313
Durbin-Watson Statistic	1.565

*Note: N=100, *p < 0.05, **p < 0.01, ***p < 0.001*

Based on Table 3, customer loyalty towards a brand is significantly influenced by the quality of the brand's products and advertisements by the brand, which is illustrated by the beta values 0.281 and 0.298 respectively. Thus, there is strong evidence to support H1 and H3. Advertisement has the highest beta value among all the independent variables, 0.298, which makes it the most dominant predictor of customer loyalty towards Nestle. However, H2 and H4 received no support. It means that brand name and product price were not associated with customer loyalty. According to the value of R Square which is 0.506, it means that 50.6% of the variation in customer loyalty towards Nestle can be explained by the four independent variables that are studied.

In the second study, we discover that:

The participants' profile: regarding gender, males were 100 (57%) and females were 75 (43%). Regarding age, most of the participants were above 30 years old. Their occupations include business, service, students, and others. When consumers were asked about factors influencing consumer buying behavior towards Nestle products, most of them reported product quality (M=3.7, SD=1.1) and advertisement (M=4.1, SD=0.95). 102 participants (58.2%) know about Nestle products from TV advertisements, while 38 participants (21.7%) know about Nestle products from newspapers, and 35 participants (20%) know about the product from magazines. The main reasons for Nestle's preference are its high-quality products of good taste, effective marketing strategy, creative advertisements (celebrity endorsement), and the company's free gifts. Nestle is far ahead of other

competitors such as Parle and Cadbury in terms of emotion/value and message. The main factors affecting consumer behavior are advertisements, then followed by product quality. From the aspects of features of advertisements that affect consumer behavior toward Nestle's products, the celebrity endorsements feature in advertisements ($M=4.19$, $SD=0.93$) has the highest influence on consumer behavior towards buying Nestle's products, then followed by creativity ($M=4.17$, $SD=0.89$) and presentation ($M=3.17$, $SD=1.58$).

DISCUSSION

The findings of Study 1 show that Nestle's product quality has a significant positive relationship with customer loyalty. In Study 2, one of the main reasons consumers prefer Nestle products is the high-quality products by the company. A study conducted by Jahanshahi, Gashti, Mirdamadi, Nawaser, and Khaksar (2011) on the effects of customer service and product quality on customer satisfaction and loyalty has also arrived at the same conclusion where the quality of the products has a significant effect on customer loyalty. Another study by Halim et al. (2014) has also shown similar findings on quality and customer loyalty. Product quality forms the basis of customer loyalty toward a brand as it maintains customer satisfaction and boosts customer loyalty (Sitanggang, Sinulingga, & Fachruddin, 2019). Nestle has introduced policies and implemented numerous measures in ensuring food quality and safety such as the Quality Management System in all Nestle manufacturing plants around the world. The system has been verified as proof of conforming to international quality standards by various certification bodies (Chung et al., 2020). Nestle has been transparent about prioritizing their products' quality to the public with in-depth elaborations of their quality policies and systems on their official website, which reassures the customers that their products are of excellent quality (Nestle, 2021b). Thus, the company's priority in providing quality products has encouraged consumers to stay loyal to the brand to this day. If the products offered by Nestle are defective and unsafe for consumption, customers may be averse to the brand for good.

It is important as well to acknowledge that the quality of the product is also seen from the eyes of the customers, which raised two important aspects that affect the quality of the product, which are the expected product quality and the perceived product quality. If the perceived product quality is synonymous with customer expectations, the customers will consider the product as good quality and feel satisfied. Contrarily, the quality of the product is qualified as bad product quality by the customer if the perceived product quality is not as expected. Therefore, the qualification of both bad and good quality products also relies on the ability of the company in meeting customer expectations (Razak, Nirwanto, & Triamanto, 2016). The alignment of the two factors, expected product quality and perceived product quality, will have customers becoming devoted to the brand and making repeat purchases. The results from the study imply that Nestle's products are perceived by its customers as good quality products and fulfill their expectations, thus customers stay loyal to the brand.

From the results of Study 1, it is also proven that advertisement is significantly related to customer loyalty and appears to be the most dominant variable that predicts customer loyalty to Nestle. Results from Study 2 have also revealed that consumers opt for Nestle products because of the effective marketing strategy and

creative advertisements. Advertising as a form of promotion helps communicate Nestle's products and convey information to the customers. Communication elements mix like publicity, personal selling, sponsorships, and also including advertisements are crucial in cultivating strong loyalty relationships between customers and the brand (Odoom, 2016). Strategic utilization of these marketing elements is vital in convincing consumers about product attributes in order to gain and impact consumer loyalty, making the brand stand firm and rooted in the market (Odoom, 2016). According to Bui and Martinez (2019), promotional strategies not only boost product sales but also bring critical positive effects to the company in the long run, these effects range from encouraging consumers to switch brands and acquiring new users, to nurturing customers and brand loyalty.

The advancement in technology has allowed companies to publicize their brands through many forms of media, either printed or electronic, and also on various online platforms, namely social media. Nestle has implemented diverse promotion methods in efforts to publicize the company and social media stands to be one of its leading promotional channels to remain successful (Singh et al., 2021). More and more consumers are logged into the internet and social media nowadays, thus focusing advertising activities on these platforms has allowed Nestle to communicate the brand and its products across the internet to all internet users as well as where its targeted customers are. New, engaging, and innovative advertisements displayed in mass media that give a fresh take on the brand can attract and persuade consumers to choose their products and convince them to stay loyal to Nestle.

The results of the research have proven that brand name and product price are not significant predictors of customer loyalty toward Nestle. Price differences do little to affect customers' loyalty to the brand. This is because the price and affordability of a product are subjective and dependent on the customers' perspectives and backgrounds (Kee et al., 2021). Even though Nestle is a very renowned brand in the food and beverage market, its famous reputation does not impact much on customer loyalty towards the company.

Based on Study 2 results, many respondents agree that celebrity endorsement is the main feature of advertisements that affect consumer purchase decisions utmost, with the highest mean value compared to other features that were being studied. Celebrity endorsements are a marketing strategy or advertising campaign that uses the social status or the fame of a celebrity for promoting a product or service, and to increase consumers' awareness of the brand. This strategy is very effective as celebrities are able to reach a big number of potential customers. The company should focus on selecting a trustworthy and credible celebrity to endorse its products. It should also relate the celebrity's power, public image, and attractiveness with the company's image. Celebrity endorsements may contribute to building brand equity. The company can sponsor track athletes to expand its market shares and increase sales or use a celebrity's image for promoting its brand recognition and uniqueness. It can display the celebrity in its advertisements where the celebrity is seen using the company product. Therefore, the consumers will associate the celebrity with the brand. The company can rely on celebrity PR events to show its support for the brand. The company also can depend on celebrities that have a huge following on social media. They can promote company

products through Facebook, Instagram, and Snapchat, which can contribute to targeting the celebrities' followers and achieving brand recognition.

On the other hand, there are some risks related to applying this idea. When a company depends on a celebrity for promoting the products, there may be miscommunication between the representation of the product and the consumer. Moreover, there may be no connection between the celebrity and the product which may lead to effective or defective results because of the relevance and position of the product. The company may be exposed to financial risk in case of dealing with celebrity endorsers, whether the right celebrity endorser is selected for representing the brand and the favor is returned with increasing the sales, or for the company to be famous globally. The company also takes the risk in hoping that the brand will be portrayed by the celebrity properly, as any kind of mistake will lead to negative consequences. This may be because of miscommunication between the company and the celebrity advertising the product. In addition, the company should have confidence in the celebrity endorser to maintain acting in a proper way that does not negatively affect the company's image and reputation otherwise there may be a negative effect on the way of interpreting the message from the brand by the consumer.

CONCLUSION

In conclusion, consumers are regarded the engine of the economic activity. They now are more aware of their responsibilities and try to gather all information needed for making their decisions concerning buying certain products or services. After over a century since it was founded, Nestle still stands to be one of the prominent brands in the industry, its products remain essential items for households' everyday consumption. Understanding the factors behind their preference and loyalty to Nestle and knowing how to influence them is very important since the failure or success of businesses relies upon their effectiveness in influencing consumers. From our study, we have concluded that the main factors that stimulate consumers to buy Nestle products are product quality and advertisements. However, advertisement is the most effective tool used by the company for attracting and retaining consumers in the severe competition that the market witnesses today. Results from our studies have also shown customers are more drawn to a brand when they have incorporated celebrity endorsements in the advertisements. This gives some valuable insights on what Nestle should focus on in promotional activities and increase attractive offers to secure a significant position in the market for the long haul. Nestle should select a credible and trustworthy celebrity for endorsing its products in order to avoid the endorsement risks. It should balance the celebrity's public image and attractiveness with its brand image. To maximize the benefits, it should choose the best way the celebrities promote the products, whether through TV advertisements or social media.

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