CELEBRITY ENDORSEMENT AND CUSTOMER LOYALTY: EMPIRICAL EVIDENCE FROM THE NIGERIA TELECOMMUNICATION INDUSTRY

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Abstract

The high rate of customer turnover and loss of brand loyalty in the competitive telecommunications sector of Nigeria has become a serious problem to the service providers to the extent that innovative marketing tools like celebrity endorsement are required. This paper examined how customer loyalty is affected by the usage of celebrity endorsement in telecommunication companies in Lagos, Nigeria. The survey design employed was cross-sectional and 400 subscribers of four leading telecom companies were surveyed. Findings indicated that dimensions of source credibility, celebrity endorsement, source attractiveness and meaning transfer have a significant effect on customer retention, repeat purchase, brand advocacy and customer satisfaction. The findings affirmed that the strongest impact is created by the attractiveness and meaning transfer of the celebrity on the loyalty, with the credibility being secondary. The research found that the emotional connection and long-term customer loyalty can be increased through the use of celebrity endorsement when it is done strategically. The paper recommended that telecom companies should choose celebrities who have a high emotional appeal and stable public image, which are consistent with the brand image.

Keywords: Celebrity endorsement, source attractiveness, meaning transfer, customer loyalty, telecommunications.

1. Introduction

Customer loyalty is a crucial factor in the sustainability of telecom businesses worldwide, as it influences customer retention, revenue stability, and brand competitiveness. However, maintaining customer loyalty remains a significant challenge due to various industry-specific and regional factors. The telecommunications market is defined by a high level of competition and market saturation, which results in a situation where customers have numerous options of services and their switching costs are relatively low (Li et al., 2023). Similarly, price wars and low differentiation among service providers reduce the incentive for customers to remain loyal to a single brand (Mirza et al., 2021). Another major challenge is service quality and network reliability. Poor network coverage, frequent call drops, and slow data speeds often lead to customer dissatisfaction, prompting users to seek better alternatives (Mujtaba et al., 2021). Furthermore, digital disruption and the increment of over-the-top (OTT) services, including Zoom and WhatsApp, have decreased reliance on traditional telecom services, thereby weakening customer retention (Monica & Zeke, 2021). Additionally, regulatory and compliance issues present obstacles, as governments impose stringent regulations that may affect service pricing and customer experience[5]. Finally, evolving customer expectations and demand for personalisation challenge telecom providers as they struggle to offer tailored services that meet the diverse needs of consumers (Muhammad Sabbir et al., 2021).

While global challenges affect the telecom industry, different regions experience unique obstacles that impact customer loyalty. In North America, competition from digital players such as Google and Apple disrupts traditional telecom loyalty, as these companies offer alternative communication platforms (Naci, 2021). Moreover, data privacy concerns have increased skepticism towards telecom providers, with customers prioritising security when selecting a service provider (Nadia et al., 2021). The European telecom industry faces strict regulatory policies including the General Data Protection Regulation (GDPR) which complicates customer data management and targeted marketing strategies (Nadia et al., 2021). Additionally, low switching costs and a mature market allow customers to change service providers with minimal inconvenience, reducing long-term loyalty.

Nigerian telecommunications market is highly competitive with the presence of such leading service providers as MTN Nigeria, Airtel, Globacom (Glo), and 9mobile. This competition is driven by several factors, such as market saturation, aggressive pricing strategies, and rapid technological advancements (Gerpott & Berends, 2022). As of 2023, Nigeria had over 220 million mobile subscribers, with a teledensity of 115%, indicating that telecom penetration exceeds the population size (Rizwan Ullah et al., 2022). Despite the large subscriber base, customer retention remains a challenge due to frequent switching between service

providers, often driven by promotions, service quality concerns, and perceived value (Said & El-Din, 2023). Moreover, telecom companies in Nigeria operate in an environment where product differentiation is minimal. Core services such as voice calls, SMS, and data plans are largely standardised across all providers, making price sensitivity a major determinant of customer switching behaviour. Additionally, the increment of over‐the‐top (OTT) communication services like Zoom, Telegram and WhatsApp has reduced reliance on traditional telecom services, further intensifying competition. In response to these challenges, telecom companies develop innovative brand positioning strategies to enhance customer loyalty and long-term retention (Awwad, 2024).

Given the competitive pressures in Nigeria's telecom sector, celebrity endorsement presents a strategic means of fostering brand differentiation, emotional engagement, and customer commitment (Panama et al., 2023). The impact of celebrity endorsement in marketing is supported by the source credibility theory, which suggests that consumers are engaged and trusted with brands endorsed by figures they believe as credible, attractive, and knowledgeable. Additionally, meaning transfer theory explains how consumers associate a brand with the characteristics and values of its celebrity endorser, thereby strengthening brand attachment (Tian et al., 2021; Panama et al., 2023).

In the Nigerian context, telecom brands have greatly used celebrity endorsements to enhance their market positioning. For example, MTN's endorsement deals with musicians such as Wizkid and Davido who have reinforced its brand appeal among young consumers. Similarly, Airtel's collaboration with top Nollywood actors has helped to create emotional narratives that resonate with the everyday experiences of Nigerians. These endorsements do not merely serve as advertising tools but act as psychological reinforcements that strengthen consumer-brand relationships, ultimately increasing brand loyalty (Umar et al., 2021). Furthermore, in a highly commoditised market, emotional loyalty becomes a more sustainable differentiator than price-based promotions. Celebrities serve as cultural icons whose endorsement creates a sense of belonging and identity among customers. Research indicates that consumers who emotionally feel connected to a brand are to exhibit purchase behaviour repeatedly, advocate for the brand, and remain loyal even in the presence of competitive alternatives (Lena et al., 2023).

Although there is increased interest in celebrity endorsement, no agreement has been reached concerning their impact on customer loyalty to the telecommunication sector that has experienced significant growth and competition in the past few decades. Considering this background, this research examined the role of celebrity endorsement in solving the loyalty of the customers of telecommunication companies in Lagos State, Nigeria. The specific objectives investigated the effect of source attractiveness on customer loyalty of telecom companies in Lagos State, Nigeria; evaluated the influence of source credibility on customer loyalty of telecom companies in Lagos State, Nigeria; assessed the impact of meaning transfer on customer loyalty of telecom companies in Lagos State, Nigeria; determined the effect of celebrity endorsement on customer retention among telecom companies in Lagos State, Nigeria; and investigated the influence of celebrity endorsement on brand advocacy among telecom companies in Lagos State, Nigeria.

2. Literature Review

Theoretical Framework

In the marketing literature, many models have been formulated to describe the effect of celebrity endorsements on consumer behaviour (Zhang et al., 2024). These theoretical frameworks can be used to explain why some endorsements are more convincing than others and how celebrities can bring their perceived qualities to the brands they endorse. Thus, Source Credibility Model, which was first introduced by Hovland and Weiss (1951), is one of the models that form the basis of this study. This model assumes that the success of a celebrity endorsement is highly contingent on the believed credibility of the endorser that is usually assessed in two fundamental dimensions: trustworthiness and expertise. Expertise is the degree to which the endorser is regarded as knowledgeable or skilled in a particular area whereas trustworthiness is the believed integrity and reliability of the celebrity. This model connotes that consumers will be more easily influenced by celebrities who they consider to be competent and honest.

Practically, the implications of Source Credibility Model on the telecommunications industry, where trust and technical competence are crucial, are enormous. Telecommunication firms often use celebrities who are regarded as trustworthy and are perceived to be an authority in their chosen fields. Purwanto and Praditya (2024) asserted that the compatibility between the core brand values and celebrity's personality is essential because any lack of connection can lower the perceived credibility of the endorser and the brand. Thus, telecommunications companies should be very careful when choosing endorsers whose personal image is complementary to the brand image and appeals to the target customers.

Adding to this is the Source Attractiveness Model, which was proposed by McGuire in 1985. The model proposes that the attractiveness of a celebrity, including physical attractiveness, likability, and resemblance to the target customers, has a significant impact on the effectiveness of their endorsement. Yang et al., (2024) stated that consumers are more open to the messages of attractive sources since they

automatically relate such people to positive traits. This may result in more focus on advertisements and a greater possibility of accepting the message. Scholars have over time added other dimensions to this model like familiarity and emotional connection, claiming that these characteristics can enhance consumer identification with the endorser (Alatas et al., 2024).

The Source Attractiveness Model has a number of strategic benefits in the telecommunications industry. Since the sector is competitive and the services are homogenous, the companies can distinguish themselves by linking their brands to charismatic and attractive endorsers. Yu (2024) averred that these partnerships are capable of improving the level of recall of the advertisement, triggering consumer interest, and establishing a good level of affective bond with the brand. Also, brand relatability and consumer loyalty can be enhanced by using celebrities who are the same to the target customers in terms of values, lifestyle, or appearance. Source Attractiveness and Source Credibility Models are a combination of two models that offer a complete picture of how celebrities can influence consumer perceptions and purchase behaviour. They are especially relevant in such areas as telecommunications, where trust and emotional attachment are key factors in brand choice. In the current media landscape, effective celebrity endorsements require a tactical combination of credibility, attractiveness, and authenticity to be the most effective (Asakdiya et al., 2024). With the ever-changing digital platforms, these models are still crucial in helping marketers to be more efficient and meaningful in their interactions with consumers.

Meaning Transfer Model (MTM) is another cultural and symbolic approach to celebrity endorsements. This model was introduced by McCracken in 1989. This model holds that celebrities bear cultural meanings, including lifestyle, status, personality, and values, which are transferred to products in the endorsement process. McCracken (1989) theorised the celebrity as a channel whereby symbolic qualities are initially linked to the product and subsequently internalised by the consumer in his/her interaction with the brand. Awah, Mfon, and Ibok (2024) asserted that the process occurs in three phases: the celebrity transfers cultural meanings to the brand; the consumers transfer the cultural meanings to the brand; and the transferred meanings affect purchasers' preferences, attitudes, and purchasing behaviour.

The MTM is especially applicable in industries where brand differentiation is essential like the telecommunications industry. Telecom providers in Nigeria have used celebrities to improve their image in the market and build their competitiveness with certain groups of customers. These brands can position themselves in a competitive market by associating themselves with celebrities who have the qualities of aspiration, like being innovative, young, or successful. Recent research by Dankwash, Kwakwa, and Ibrahim (2024) further explained MTM by determining particular celebrity characteristics that aid in the transfer of meaning such as credibility, uniqueness, and brand values. It is important to note that the mode of endorsement, be it co-branding or traditional endorsement, is also a central factor in influencing how consumers internalise these meanings.

Further studies in the MTM highlighted that the success of the transfer of meaning depends on the quality of the connection between the endorser and the brand, and the existing knowledge of the consumer about the brand. In a case these conditions are positive, the endorsement is more likely to strengthen or redefine brand perceptions. Therefore, the Meaning Transfer Model can offer a lot of insights to companies that want to use the symbolic celebrity endorsements' power to enhance consumer engagement and brand identity in the saturated markets (Pramesthi et al., 2024).

Celebrity Endorsement and Customer Retention

Recently published empirical studies have evaluated the effect of celebrity endorsement on customer retention, emphasising factors such as source attractiveness, the Meaning Transfer Model and source legitimacy. These studies indicated that celebrity endorsements, when congruent with these variables, improve customer retention positively. For instance, a research conducted in Ghana's telecommunications sector identified substantial correlations between source credibility and brand loyalty, as well as between source attractiveness and brand loyalty. This showed that customers' opinions of a celebrity endorser's credibility and appeal can bolster their allegiance to the brand. Similarly, a research in Nigeria's telecommunications sector revealed that both the attractiveness and credibility of celebrities positively and significantly influence client loyalty, showing the vital of choosing endorsers who exemplify traits that is in line with the target audience. TEARS model, which stands for Trustworthiness, Expertise, Attractiveness, Respect, and Similarity, has also been utilised to evaluate the efficacy of celebrity endorsements. Monica and Zeke (2021) revealed through this model that celebrities' allure and esteem substantially impacted consumers' propensity to buy locally manufactured footwear in Nigeria, underscoring the significance of the endorser's attributes in influencing consumer perceptions and behaviours.

On one hand, certain study indicated that the effect of celebrity endorsement on client retention may not be consistently beneficial. Research demonstrated that celebrity attractiveness and trustworthiness can augment consumer purchase intentions. However, efficacy of celebrity endorsements is contingent upon factors including the

congruence between the product and the celebrity, and consumer perceptions of endorsement's authenticity. A study on Econet Wireless showed that although celebrity competence and reliability strongly correlated with customer pleasure and trust. These elements did not necessarily lead to enhanced customer loyalty. In the airline sector, studies show that consumers' view of a celebrity endorser's trustworthiness markedly boosts brand credibility, thereby positively influencing purchase intentions. Muhammad Sabbir et al., (2021) further noted that although attractiveness and knowledge contribute, trustworthiness proved to be the predominant factor among low-involvement consumers. Additionally, research examining local and international celebrity endorsers in South Africa revealed that trustworthiness positively affected purchase intentions for both categories, while attractiveness and skill exhibited differing levels of influence, indicating that the efficacy of these factors may be contingent upon cultural and regional circumstances.

Research in Ghana's telecommunications sector also indicated substantial correlations between source credibility and brand loyalty, as well as between source attractiveness and brand loyalty, reinforcing significance of selecting endorsers who exemplify traits that align with the target audience. The Meaning Transfer Model asserts that the meanings linked to celebrity endorsers are conveyed to the items they promote, affecting consumer perceptions and behaviours. As argued by Naci (2021), the efficacy of this transfer depends on the believed relevance and authenticity of the celebrity to the product category. Notwithstanding these favourable correlations, certain research pointed that the effect of celebrity endorsement on customer retention is not universally advantageous. Elements are the alignment between the celebrity and company, perceived genuineness of the endorsement, and cultural factors significantly influence the efficacy of celebrity endorsements. Numerous studies have affirmed the beneficial impact of celebrity endorsements on customer retention via processes such as source attractiveness, source credibility, and the Meaning Transfer Model; nevertheless, results fluctuate across various situations. Marketers must meticulously evaluate the alignment between the brand and the celebrity endorser, guarantee legitimacy of the endorsement, and consider cultural subtleties to optimise the efficacy of celebrity endorsements.

Celebrity Endorsement and Brand Advocacy

Empirical studies in the recent past have demonstrated that celebrity endorsements, measured in terms of source attractiveness, source credibility, and the Meaning Transfer Model, positively influence brand advocacy, which is an essential measure of customer loyalty. Impressions of consumers are deeply affected by the credibility of a source that encompasses reliability and knowledge. Indicatively, Kianoosh, Bahreinizad, and Esmaeilpour (2020) found that brand legitimacy, brand attitude, and purchase intention of endorsed brands increase with the perception of the celebrity endorser's trustworthiness. Notably, credibility was the most important aspect to low-involvement customers. The meaning transfer concept also assumes that the meanings associated with celebrities are transferred to brands, which is critical in determining advocacy behaviours. Expanding on this view, Koshuke (2021) showed that brand loyalty depends on the legitimacy of the celebrity endorsers through the brand relationship quality, and the moderating variable is the celebrity-brand congruence. This study highlighted the essential of selecting endorsers whose image aligns with the brand identity to increase consumer-brand relationships.

However, some studies provided different views. A survey of the Nigerian telecoms industry found that the attractiveness of the celebrity did not play a significant role in client loyalty, indicating that other factors such as cultural relevance and personal connection to the celebrity could play a bigger role in particular situations. The other study explored the effects of celebrity endorsers on customer advocacy behaviour through customisation and entertainment intentions. Krishnaprabha (2020) discovered that the consumer intentions towards customisation, entertainment, and advocacy were positively influenced by celebrity endorsers, but the intentions towards customisation and entertainment did not mediate the relationship between celebrity endorsers and advocacy intention. Moreover, the relationship between customer customisation intention and celebrity endorsers was adversely affected by entertainment intention. Despite the fact that the majority of the latest studies confirmed the positive effect of celebrity endorsement on brand advocacy using various theoretical frameworks, it is important to consider the contextual factors, including cultural relevance, consumer-endorser identification, and market-specific dynamics. These aspects may affect the effectiveness of celebrity endorsements, which means that a universal approach might not be appropriate.

Conceptual Framework

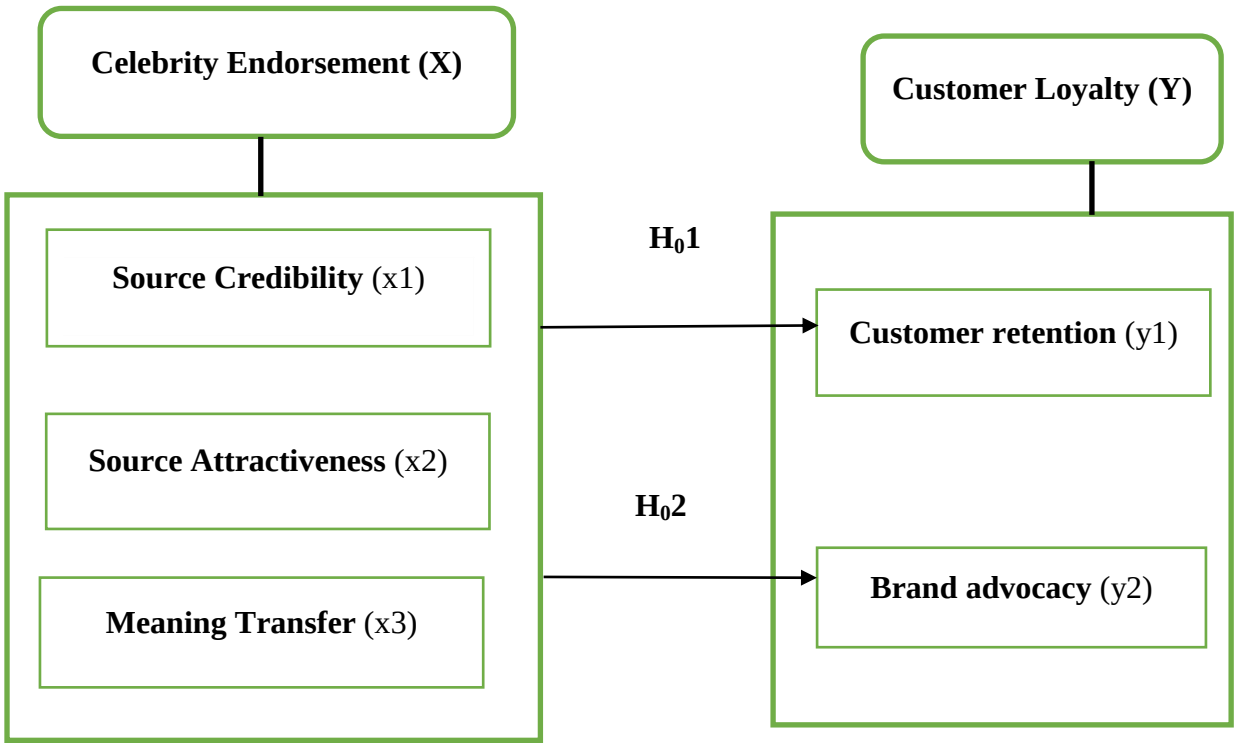


Figure 1: Conceptual Model: Celebrity Endorsement Dimensions, Customer Retention and Brand Advocacy
Source: Researcher's Model (2025)

The model summarises the study on celebrity endorsement and customer loyalty of telecom companies in Lagos State, Nigeria. The independent variable, celebrity endorsement, is measured using source attractiveness, source credibility, and meaning transfer, while the dependent variable, customer loyalty, is measured by customer retention and brand advocacy.

To validate this conceptual model, the study is guided by the following specific objectives: to examine the effect of source attractiveness on customer loyalty; to evaluate the influence of source credibility on customer loyalty; to assess the impact of meaning transfer on customer loyalty; to determine the effect of celebrity endorsement on customer retention; and to investigate the influence of celebrity endorsement on brand advocacy among telecom companies in Lagos State, Nigeria.

3. Methodology

The population of this research was 25,957,074 active voice subscribers of the four leading telecommunication firms in Lagos State, Nigeria. This figure was taken out of the 2025 National Communication Commission (NCC) report. The geographical location of the study area is the Lagos State because it is the location of the key operators and it has a large and urbanised population of over 20 million, which offers a rich and diverse customer base.

The sample frame was based on the sample size. The sample size for this study was determined using the Taro Yamane statistical formula as shown below.

$$n = \frac{N}{1 + e^2 (N)}$$

Where, **N**= Population; **n**= Sample size; **e**= Level of significance (0.05)

$$n = \frac{25,957,074}{1+0.05^2(25,957,074)} = \frac{25,957,074}{1+0.0025(25,957,074)} = \frac{25,957,074}{1+64,892.685} = \frac{25,957,074}{64,893.685}$$

$n = 399.9938360720307 = 400$ approximately

This study's sample size was four hundred (400) respondents. The research design for this study was the cross-sectional survey which was to evaluate the connection between the dimensions of celebrity endorsement and customer loyalty proxies. The main data collection tool was a structured and closed-ended questionnaire. The tool was based on the existing and previously tested scales that were used by Yang et al. (2024), Veda and Sathish (2024), and Onamusi and Ayo (2021), who investigated similar constructs in various countries and industries. These measures were adapted to make sure that the concepts were conceptually consistent with previous empirical studies and made to suit the current study. In line with the literature, data was collected through a six-point Likert-type scale that spans between 1 and 6,

thus eliminating a neutral point and promoting more assertive answers.

Expert validation was done by reviewing the content by senior academics in the Department of Management and Accounting at Lead City University, Ibadan, and practitioners engaged in a pilot study, resulting in minor changes to make the content more understandable and contextually relevant. The number of questionnaires sent was 460, while 451 were returned. Following the completeness and consistency screening, 432 questionnaires were considered to be useful in analysis. This is a response rate of 93.9 percent, which shows that there was a high rate of participation and reliability of the data.

Independent variable is celebrity endorsement in terms of source credibility, source attractiveness, meaning transfer. The dependent variable is customer loyalty in terms of customer retention and brand advocacy. In line with the available literature, scales in the current research were adapted to this study. Whereas the source attractiveness, source credibility, and meaning transfer were assessed with measures in Yang et al. (2024); and Veda and Sathish (2024), customer retention and brand advocacy were assessed with standard measures in Onamusi and Ayo (2021).

4. Result

Validity and Reliability

Table 1 presents the discriminant validity results using the Heterotrait–Monotrait Ratio (HTMT), indicating that all construct correlations fall below the recommended threshold of 0.90, thereby suggesting an acceptable discriminant validity among the study variables. However, a more critical examination revealed that the relatively moderate HTMT value between meaning transfer and source credibility (0.58) pointed to potential conceptual overlap, implying that respondents may not clearly differentiate between these constructs in practice. This weakens the theoretical distinctiveness despite statistical compliance. Additionally, the study's reliance on HTMT as a proxy for both discriminant and convergent validity reflects a methodological limitation, as convergent validity is more appropriately assessed using Average Variance Extracted (AVE).

Table 1: Discriminant Validity using Heterotrait-Monotrait Ratio (HTMT)

Construct	BIM	BID	BRP	BRR	CUL	CUP	CRP	CUS
Source credibility								
Source attractiveness	0.05							
Meaning transfer	0.58	0.22						
Brand advocacy	0.18	0.28	0.27					
Customer retention	0.12	0.30	0.18	0.11				

Source: Computed from Pilot Study, 2025

Complementing this, Table 2 reports the validity statistics, where KMO values ranged from 0.626 to 0.843, indicating acceptable but uneven sampling adequacy. Constructs such as source credibility, with lower KMO values, suggested marginal factorability, while customer retention demonstrated strong internal coherence. The consistently significant Bartlett's test results ($p < 0.001$) confirmed sufficient inter-item correlations for factor analysis. Overall, while the measurement model met minimum statistical requirements, variations in KMO values and moderate HTMT scores suggested that construct validity is adequate but not entirely robust, necessitating cautious interpretation.

Table 2: Validity Statistics Process

Variable	No. Items	KMO	Bart.	Sig	Remark
Source credibility	6	.626	58.408	(0.000)	Accepted
Source attractiveness	6	.641	28.174	(0.000)	Accepted
Source meaning transfer	6	.689	40.851	(0.000)	Accepted
Brand advocacy	6	.749	58.841	(0.000)	Accepted
Customer retention	6	.843	104.681	(0.000)	Accepted

Source: Computed from Pilot Study through SPSS V25, 2025

Test of Hypotheses

Ho1: Celebrity endorsement has no statistically significant positive effect on customer retention among telecommunication companies in Lagos, Nigeria.

Table 3a: Multiple Regression Analysis for the Effect of Celebrity Endorsement on Customer Retention of Telecommunication Companies in Lagos State, Nigeria

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.456[a]	.208	.202	.79710

Source: Field Survey Results (2025)

The multiple regression results indicated a moderate relationship between celebrity endorsement and customer retention among telecommunication companies in Lagos State, Nigeria, as shown by the correlation co-efficient (R = 0.456). The co-efficient of determination (R^2 = 0.208) implies that approximately 20.8% of the variation in customer retention is explained by celebrity endorsement variables (source attractiveness, source credibility, and meaning transfer), while the remaining 79.2% is influenced by other factors not captured in the model. The adjusted R^2 value of 0.202 suggested that the model retains good explanatory power even after adjusting for the number of predictors, indicating minimal overestimation. Furthermore, the standard error of the estimate (0.79710) reflected a relatively low level of prediction error, suggesting that the model provides a reasonable fit to the data. Overall, the findings reveal that celebrity endorsement has a modest but meaningful influence on customer retention.

Table 3b: ANOVA for the Effect of Celebrity Endorsement on Customer Retention of Telecommunication Companies in Lagos State, Nigeria

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	71.373	3	23.791	37.444	.000[b]
	Residual	271.938	428	.635		
	Total	343.310	431			

Source: Field Survey Results (2025)

The ANOVA table indicated the model is statistically significant in totality. The F-statistic is 37.444 and the p-value is.000 that is below 0.05. This implies that the regression model fits the data better than the model that does not have any independent variables. Essentially, the customer retention is a major predictor of the celebrity endorsement in all its aspects.

Table 3c: Co-efficient for the Effect of Celebrity Endorsement on Customer Retention of Telecommunication Companies in Lagos State, Nigeria

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.199	.236		9.316	.000
	NewSC	-.043	.066	-.043	-.651	.515
	NewSA	.189	.066	.173	2.879	.004
	NewMT	.351	.055	.369	6.429	.000

Source: Field Survey Results (2025)

The unstandardised regression findings indicated the connection between each component of celebrity endorsement and customer retention. The intercept value of 2.199 is the level of customer retention at the base when all the explanatory variables are zeroed and this is used to interpret the model. The co-efficient of source credibility (NewSC) is negative and equals -0.043, and the p-value of 0.515 indicates that this correlation is insignificant. This implies that perceived credibility of a celebrity endorser in this model has no significant effect on customer retention to a telecom brand. Conversely, source attractiveness (NewSA) has a positive co-efficient of 0.189 and a statistically

significant p-value of 0.004, which means that it has a significant positive connection with customer retention. This observation means that customers will be more willing to stick to a telecom service when the brand is promoted by a celebrity whom they consider attractive. This means that attractiveness has a greater persuasive power than credibility in this case.

The most significant effect is that of NewMT (Meaning transfer) with a co-efficient of 0.351 and a p-value of 0.000, is significant. That shows that there is a strong positive connection between customer retention meaning and celebrity-brand congruence that a match between the celebrity and the brand customers are to stick. The null hypothesis (Ho1) that the positive and significant effect of celebrity endorsement on customer retention is not significant is rejected according to the regression analysis. The model demonstrates that the dimensions of celebrity endorsement in general have a great effect on customer retention. The effect is however not consistent across the dimensions. Source attractiveness and meaning transfer are significant predictors of customer retention, but source credibility is not.

Ho2: Celebrity endorsement has no positive and significant effect on brand advocacy of telecommunication companies in Lagos, Nigeria

Table 4a: Model Summary Analysis for the Effect of Celebrity Endorsement on Brand Advocacy of Telecommunication Companies in Lagos State, Nigeria

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.611[a]	.373	.369	.81438

Source: Field Survey Results (2025)

As indicated in the model summary, multiple regression model yielded an R value of 0.611, which is a moderately strong positive correlation between the predictor variables (aspects of celebrity endorsement: NewSC-Source Credibility, NewSA-Source Attractiveness and NewMT- Meaning Transfer) and the dependent variable (Brand Advocacy). The value of R 2 of 0.373 implies that the joint impact of the three elements of celebrity endorsement explains about 37.3 percent of the difference in brand advocacy among customers of telecom companies in Lagos. The adjusted R 2 of 0.369 also justifies the model as it remedies the possibility of overfitting, considering the number of predictors.

Table 4b: ANOVA for the Effect of Celebrity Endorsement on Brand Advocacy of Telecommunication Companies in Lagos State, Nigeria

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	169.062	3	56.354	84.970	.000[b]
	Residual	283.857	428	.663		
	Total	452.919	431			

Source: Field Survey Results (2025)

The ANOVA table shows the F-statistic of 84.970 and the level of significance (p-value) of 0.000. This implies that the general regression equation is statistically significant. That is, the two dimensions of celebrity endorsement are a strong predictor of brand advocacy and the relationship is not likely to be attributed to mere chance.

Table 4c: Co-efficient for the Effect of Celebrity Endorsement on Brand Advocacy of Telecommunication Companies in Lagos State, Nigeria

Co-efficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.965	.241		4.003	.000
	NewSC	-.003	.067	-.003	-.051	.960
	NewSA	.202	.067	.161	3.013	.003
	NewMT	.556	.056	.509	9.983	.000

Source: Field Survey Results (2025)

The regression coefficients also give more information on the contribution of each predictor. The B coefficient of NewMT (Meaning Transfer) is 0.556, the standardized beta is 0.509, and the t-value is 9.983 with the p-value of 0.000. This indicates that meaning transfer; the correspondence of the image and values of the celebrity with the brand is a strong, positive, and statistically significant predictor of brand advocacy. It means that customers will be more inclined to promote telecom brands when the celebrity endorsers symbolically project their meaning and personal identity onto the brand.

The B coefficient of NewSA (Source Attractiveness) is 0.202, the standardised beta of 0.161, and the t-value of 3.013 with the p-value of 0.003. It means that the physical or personal attractiveness of the celebrity positively and statistically significantly influences brand advocacy, but its impact is less than that of the meaning transfer. Celebrities who are considered attractive are to affect customers to promote the brand, as they make them more willing to do so.

NewSC (Source Credibility) on the other hand has a B coefficient of -0.003, a standardised beta of -0.003, a p-value of 0.960 and t-value of -0.051. This shows that the credibility of the source does not affect brand advocacy statistically significantly in this model. It implies that in the environment of the telecom industry in Lagos, the perceived experience or reliability of the celebrity does not directly affect the probability of customers to promote the brand.

Since both NewMT and NewSA are significant predictors ($p < 0.05$) and the overall model is statistically significant, the null hypothesis Ho 3 is rejected. Thus, it can be indicated that the positive and significant effect of celebrity endorsement on brand advocacy in the telecom industry in Lagos State, Nigeria, is positive.

5. Discussion of Findings

The findings revealed a differentiated effect of celebrity endorsement dimensions on customer retention and brand advocacy, challenging the dominant assumption of uniformly positive effects. While source attractiveness and meaning transfer significantly predict customer retention, the insignificance of source credibility contradicts prior studies in Ghana and Nigeria that emphasize credibility as central to brand loyalty (Monica & Zeke, 2021). This divergence suggests that credibility may be contextually contingent rather than universally influential. In Lagos' telecom market—characterised by high competition and low switching costs—symbolic alignment (meaning transfer) appears more salient than cognitive evaluations of credibility, supporting the Meaning Transfer Model which posits that consumer-brand attachment is driven by identity congruence rather than rational assessment (Naci, 2021). The strong effect of meaning transfer reinforces this, indicating that celebrity-brand fit, rather than mere endorsement presence, drives retention and advocacy behaviours.

However, the insignificance of credibility raises critical questions about endorsement authenticity. Existing literature suggests that trustworthiness enhances brand credibility and purchase intention (Kianoosh et al., 2020), yet this study implies that such effects may not translate into long-term behavioural loyalty. This aligns with evidence from Econet Wireless, where credibility influenced satisfaction but not retention, highlighting a gap between attitudinal and behavioural outcomes. Furthermore, the relatively weaker effect of attractiveness compared to meaning transfer suggests that aesthetic appeal alone is insufficient without deeper symbolic resonance, contradicting studies that prioritise attractiveness as a dominant driver.

For brand advocacy, the dominance of meaning transfer over both attractiveness and credibility further reinforces the primacy of identity-based consumption. This supports Koshuke (2021), who linked advocacy to brand relationship quality mediated by celebrity-brand congruence. Nonetheless, inconsistencies across studies suggest that cultural relevance and perceived authenticity moderate these relationships. Overall, the findings imply that celebrity endorsement effectiveness is not inherent but conditional, requiring strategic alignment, authenticity, and cultural fit to translate into sustained loyalty and advocacy.

6. Conclusion and Recommendation

This study examined the influence of the dimensions of attractiveness of the source, celebrity endorsement credibility of the source, transfer of meaning on the proxies of customer loyalty, customer retention and brand advocacy. The Multiple Regression results show that source attractiveness and meaning transfer are the strongest and significant influences on customer retention and brand advocacy among customers of telecommunication companies in Lagos State, Nigeria. There are limited empirical studies that suggest that celebrity endorsement is not only an attention-seeking mechanism, but also a retention mechanism by enhancing customer-brand emotional attachments.

Theoretically, the result of this research is consistent with the source credibility theory and the meaning transfer theory whose strength offered the connection between celebrity endorsement and its effect on customer loyalty in the telecoms industry in Lagos State, Nigeria.

These findings are safe to conclude that celebrity endorsement proxies are important mechanism to stimulate and drive customer initial interest. These findings ought to assist the management of telecoms companies to strategically pick celebrities who are not only appealing but also possess the propensity of imbuing meaning to their

brands. Because, attractiveness and meaning transfer play a major role in customer loyalty measures, using these attributes in endorsement campaigns would increase brand loyalty and decrease churn.

Although celebrity endorsement may generate initial interest and one-time purchase, the impact of the same reduces over time unless it is backed by customer equity factors incorporated in customer- centric and personalised customer satisfaction approach to management customer relationship. Future research could focus on the moderating impact of customer equity proxies on the connection between celebrity endorsement and customer loyalty.

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