



Influence Of Celebrity Endorsement – An Effective Tag-Line

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ABSTRACT

This paper presents the findings of an exploratory conceptual research on celebrity endorsement. Literature survey of both theoretical and empirical research on the subject clearly indicates that celebrity product endorsement is a form of co-branding, which influences brand image through meaning transfer from the endorser to the endorsed brand. Celebrity-product congruence has a positive impact on brand image, which in turn has a positive impact on brand equity. While this paper draws up a model, based on a conceptual approach, scope for further research lies in validating the same through a primary research. Research of celebrity endorsement has focused mainly on four different approaches. First, the characteristics of an endorser as a source of information, divided in attractiveness and credibility. Additionally, Match-Up between product and endorser characteristics is examined finally, in a more comprehensive model.

Keywords: Celebrity Endorsement, Brand Acceptance, Celebrity Credibility, Celebrity Values, Controversy Risk, Brand Acceptance, Brand Personality, Brand Performance, Brand Building, Multiple Endorsements, Celebrity Popularity.

Introduction

The society that we live in can not only be called secular or democratic, it should be more appropriately termed as over-communicated these days. A typical super-market in USA displays more than 12000 brands, an American family has at least one television set and a consumer is exposed to around 1000 ads per day. Likewise, there are around 130 television channels in India broadcasting over 3 million television commercials each year in India. The media-explosion can thus be easily demonstrated. More over, people forget 80% of the information in just 24 hours! Just imagine the plight of the marketer to make his brand shout over the deafening clutter of all the brands! Some where in the 80's, Indian marketers found the solution, 'Celebrity Endorsement' for the brand! Firms endorse celebrity for a variety of reasons. It might be the life experience of the celebrity that fits the advertising message or the endorser's high appeal with the firm's consumer target group. Studies associated with the market effect of celebrity endorsement suggest that consumers positively value the use of celebrity endorsers in the advertisements. Firms invest significant money in putting together brands and organizations with endorser qualities such as attractiveness, likeability, and trustworthiness. But today's dynamic market conditions make these investments unviable. In this paper we are attempting to discuss the positive and negative effects of celebrity endorsement with few examples.

It is a known fact that the best endorsements achieve an eclectic balance between the product (brand) and the celebrity. Giving a brand a 'face' is more than just a marketing strategy to increase sales or gain market share, it is a decision that can change the future of the brand forever. Choice of the celebrity, hence, is of utmost importance and is usually done based on many different parameters - appeal, looks, popularity or even just a fantasy figure to endorse a brand. Selecting the right star to "pitch" your product means finding the person to whom your buyers can relate – the person your buyer wants to believe. This doesn't sound too difficult as in many cases the right celebrity is not always a celebrity you can afford. On the flip side, the right celebrity is not always the most expensive one. It is important, above all else, to consider whether the

celebrity you select is right for your campaign and take the process from there. In today's highly competitive markets, big brands are at logger-heads when it comes to products, each having a similar product to that of a rival. Where does one brand gain that quintessential advantage - advertising, service, promise of trust, or even the all important price factors? Advertising seems to be the best platform where brands prefer to compete on - right from hiring the best advertising agencies to getting the biggest celebrities. What would be the formula to success then? Well, a good creative agency, a large enough promotional budget and a huge star to endorse your brand would definitely ensure in the minds of a brand management team a feeling of security, success and a triumph over the competitors brand. The general belief among advertisers is that brand communication messages delivered by celebrities and famous personalities generate a higher appeal, attention and recall, than those executed by non-celebrities. The quick message-reach and impact are all too essential in today's highly competitive environment. The different models applied by brands to achieve the full potential of such endorsements, highlight the need for a convergence between the theoretical and pragmatic approaches of brand building and effective advertising. The importance of a celebrity-brand match and the various roles played by them as brand-associates show the momentum this strategy has gained in the last decade.

Today 'Celebrity Endorsement' has attracted immense debate on whether it really contributes to the brand building process or whether it is just another lazy tool to make the brand more visible in the minds of the consumers. Although it has been observed that the presence of a well-known personality helps in solving the problem of over-communication that is becoming more prominent these days, there are few undesirable impacts of this practice on the brand. The theories like 'Source Credibility Theory, Source Attractiveness Theory and Meaning Transfer Theory' provide a basis on which the methodology of celebrity endorsement works and also explains how the process of the celebrity endorsement influences the minds of the consumers. Firms invest huge amounts as advertising expenditure for hiring the right celebrity. However there lies uncertainty with respect to the returns that the company might be able to garner for the brand. The issue of matching the values of the celebrity with the brand values is also very important, i.e. getting the right celebrity to endorse the right brand. Consumers perceive the brand as having superior quality because it has been endorsed by a credible source. This makes endorsement as one of the indicators of quality for any brand. Corporate credibility along with endorser credibility plays a significant role in the attitude of the consumer towards the brand and the advertisement respectively. On the other hand, the over popularity of the celebrity sometimes overshadows the brand. If the celebrity is involved in multiple endorsements, it tends to create confusion among consumers and hence negatively affects the perception of the advertisement and the brand. Hence, to say clearly whether the practice of celebrity endorsement impacts positively or negatively to the brand still remains a debate.

History

Celebrities are involved in endorsing activities since late nineteenth century. The advent of celebrity endorsements in advertising in India began when Hindi film and TV stars as well as sportspersons began encroaching on a territory that was, until then, the exclusive domain of models. One of the first sports endorsements in India was when Farokh Engineer became the first Indian cricketer to model for Bryl cream. The Indian cricket team now earns roughly Rs. 100 crore through endorsements. There was a spurt of advertising featuring stars like Tabassum (Prestige Pressure Cookers), Jalal Agha (Pan Parag), Kapil Dev (Palmolive Shaving Cream) and Sunil Gavaskar (Dinesh Suitings).

Endorsements by celebrities have started since a long time. The very fact that their use has continued for so long is proof enough of its immense advantages, but they have several disadvantages too. When it comes to celebrity endorsement, the first brand that comes to the Indian mind is that of Lux, the Beauty Bar of the Stars. Since its inception, Lux the brand has grown positioning itself thus. However, recently Lux has tried to change its positioning from being a woman's soap to being soap for men as well. Sticking to its strategy of using celebrities to appeal to its target audience, this time around it has used Shah Rukh Khan to endorse Lux. But this time the response has been confusing.

Mechanism and Theories of Celebrity Endorsement

Celebrity endorsements give a brand a touch of glamour and the hope that a famous face will provide added appeal and name recognition in a crowded market. In the battle for the mind, you get the customer excited by showing him a known face, and an effective demand is created. In short it helps increase the recall value of the brand. A piece of research states that the target audience age group of 15-30 gets influenced first by cricketers, then Bollywood stars and only then music, festivals and food.

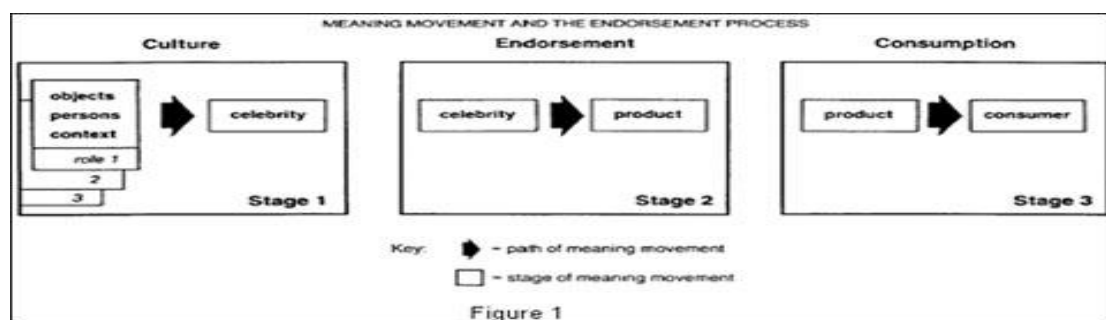
According to Source Credibility Theory, acceptance of the message depends on 'Expertness' and 'Trustworthiness' of the source. Expertness is defined as the perceived ability of the source to make valid assertions. Trustworthiness is defined as the perceived willingness of the source to make valid assertions. Audience acceptance increases with the expertness of the source and the ability of the audience to evaluate the product.

According to Source Attractiveness Theory, which is based on social psychological research, the acceptance of the message depends on familiarity, likeability and similarity. Familiarity is the audience's knowledge of the source through exposure; likeability is the affection for the source's physical appearance and behavior while similarity is the resemblance between source and receiver. This theory explains the message acceptance in two ways: Identification and Conditioning. Identification is when the receiver or the target audience of the communication begins to identify with the source's attractiveness, and hence tends to accept his opinions, beliefs, habits, attitudes etc. On identification, a quote from Bijou Kurien, CEO, Titan, "We decided on Aamir because we wanted someone who is a bit iconic, who is style-conscious himself, and somebody who cuts across both sex and age group, between urban and rural India. A celebrity who is mouldable and who is not over-exposed". Conditioning is when the attractiveness of the source is supposed to pass on to the brand after regular association of the source with the brand. Grant McCracken has criticized the previous two theories and proposed the Meaning Transfer Theory. The theory explains that a celebrity encodes a unique set of meanings which if well used can be transferred to the endorsed product. Such a transfer takes place in three stages – encoding meanings, meaning transfer, meaning capture. (Figure 1)

I. Encoding Meanings: Each celebrity has a unique set of meanings, which can be listed by age, gender, race, wealth, personality or lifestyle. In this way, the celebrities encode a set of meanings in their image. For example Preity Zinta can be seen as a lively, charming, bubbly, witty and enthusiastic.

II. Meaning Transfer: This stage transfers those meanings to the product when skillfully portrayed, celebrities can communicate this image more powerfully than lay endorsers.

III. Meaning Capture: This assumes that consumers purchase products not merely for their functional value but also for their cultural and symbolic value. The theory says that consumers buy the endorsed product with the intention of capturing some of the desirable meanings with which celebrities have passed on to the product. This is more eminent in lifestyle products like clothes, perfumes, cell phones etc.

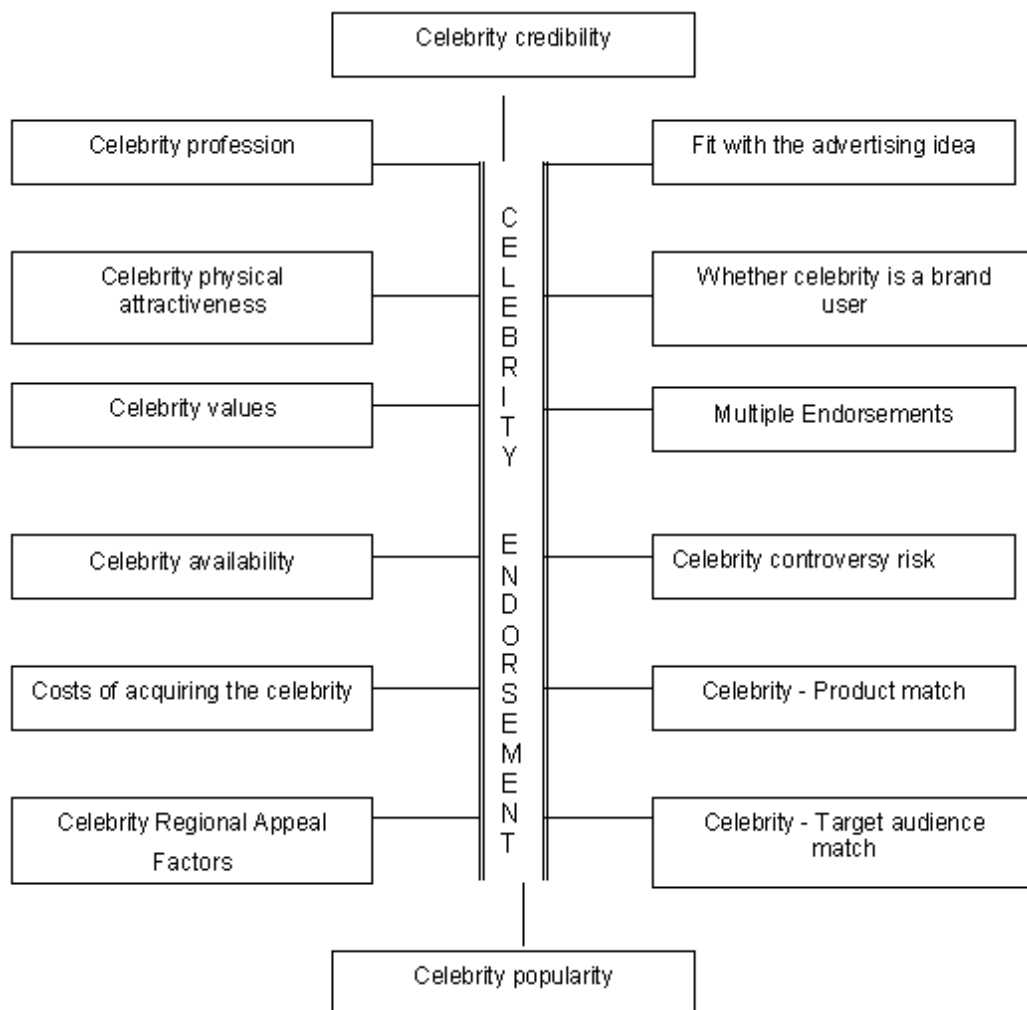


Impact of Celebrity Endorsement

The concept of celebrity endorsement has become a rage in India as well, with every company trying to rope in a brand ambassador of sorts for their brands. The increasing number of endorsements throws a valid question to the consumers. Is there a science behind the choice of these endorsers or is it just by the popularity measurement? What are the reasons which lead to impact of celebrity endorsement on brands?

Through research and analysis, this paper develops a 14 point model, which can be used as a blueprint criteria which can be used by brand managers for selecting celebrities, and capitalizes the celebrity resource through 360 degree brand communication, since our research proposes it as the foundation brick of the impact of celebrity endorsement. Our study reveals that the impact of celebrity endorsement is proportional to the 14 factors discussed in the model.

The success of a brand through celebrity endorsement is cumulative of the following 14 attributes. Greater the score of the below parameters, greater are the chances of getting close to the desired impact.



Fit with the Advertising Idea

Every brand represents a particular set of characteristics, and for any celebrity endorsement to create a positive impact the persona of the celebrity should match with the characteristics of the brand. For example, Pantaloons as a retailer brand today stands for cool, youthful, ever changing and trendy fashion destination rather than a family shopping destination, which it used to stand a few years back. Pantaloons went for Bipasha Basu and Zayed Khan, two Bollywood fashion icons to reinforce its repositioning initiative among the youth.

Celebrity-Target Audience Match

Effective celebrity endorsement is one where the target audiences can associate themselves with the celebrity. For example, Preeti Zinta was chosen as the brand endorser for TVS Scooty just to convey that it is associated with females. Sachin and Shahrukh were hired for Pepsi just to give an impression that Pepsi is for youth.

Smriti Irani endorsing the WHO recommended ORS Campaign in India. Indian mothers can associate with Smriti Irani through the facets she projects on screen or in regular life which helps develop a connect with the target audience since mothers medicate their children with ORS. The inserial placement of the campaign in "Kyunki Saas Bhi Kabhi Bahu Thi" has won it an award from PR Week.

Similarly, Irfan Pathan endorsing Hero Cycles has gained the brand immense recall and embarked through the positive association between the consumer and the brand.

Celebrity Popularity

There is a positive correlation between the celebrity popularity and product acceptance. Celebrity Brand association like Garnier endorsed Tara Sharma & Simone Singh, Agni Diamonds & Riama Sen don't get much brand recall, and even if they do, it's difficult to attribute it to the celebrities' endorsing the brand. On the other hand, HPCL has had increased popularity and share of voice due to the endorsement of the brand through Sania Mirza.

Celebrity Regional Appeal Factors

When a brand needs to reach the depth of the market by covering most of the regions, it was found that hiring a regional celebrity will have positive effects on the brand acceptance than having only one endorser.

nationwide. For example in the case of Thumps Up, it is endorsed by Akshay Kumar nationwide while in the south it is endorsed by Chiranjeevi, the telgu movie mega star.

Celebrity-Product Match

Cyrus Broacha is the brand ambassador for MTV since both the celebrity and the brand are considered as friendly, young, mood-boosting, humourous and outspoken. MTV's brand personality overlaps Cyrus Broacha's image as a brand. Some more examples of compatible celebrity product match in which celebrity brand attributes get transferred to the brand and increases the brand equity is of Mallaika Arora & Freshizza from Pizza Hut, Govinda & Navratan Tel, Sanjay Dutt & Elf Oil, Sunny Deol & Lux Undergarments, Aishwarya Rai & Nakshatra, etc.

Costs of Acquiring the Celebrity

Consequently, companies must have deep pockets to be able to afford the best available celebrities. Recently, a newspaper report showed how cola firms had gone beyond their advertising budgets to get the best celebrities. Small firms that use celebrities' services run greater risks if they invest large amounts. Although nobody is willing to say exactly how much celebrities get paid, industry sources say Sachin Tendulkar's price is believed to be between Rs. 2.0-2.5 crore per endorsement, and musician A. R. Rehman, who had signed up with AirTel, is believed to have picked up Rs. 1.75 crore. Film-star Hrithik Roshan was rumored to have picked up Rs. 2 crore for the Fly With Hrithik campaign to push Close-Up, and Shahrukh Khan's rate seems to be between Rs. 2.5-3.0 crore. Aishwarya Rai apparently picks up Rs. 1.25 crore for an endorsement and the Indian cricket captain Saurav Ganguly is believed to get between Rs. 90 lakh to Rs. 1.5 crore, while film-star Aamir Khan apparently makes Rs. 1.5 crore per endorsement. In short, the cost is directly proportional to the popularity and mass appeal of that celebrity. So celebrity acquisition should be done after detailed review of the celebrity and whether he or she fits the product; otherwise it will damage the financial health of the company.

Celebrity Controversy Risk

The perfect example here is of Salman Khan and the controversy in which he crushed a man to death with his Pajero when he was driving under the influence of alcohol, resulted in the loss of his contract with Thums Up. Also, any act on the part of the endorser that gives him a negative image among the audience and goes on to affect the brands endorsed. The brand, in most instances, takes a bashing.

Celebrity Availability

There is a nice saying in marketing, "Everything that you want is not what you need." It is applied here because many a time you want a celebrity but you cannot get one due to some personal, financial or social problem.

Multiple Endorsements

The case of multiple endorsements, both in terms of a single brand hiring multiple celebrities and that of a single celebrity endorsing multiple brands, is often debated. At times, consumers do get confused about the brand endorsed when a single celebrity endorses numerous brands. The recall then gets reduced and reduces the popularity of the brand. Not many people can remember all the brands that a celebrity endorses and the chances of losing brand recall increases if the celebrity endorses multiple brands. For example, in case of Sachin Tendulkar people recall Pepsi, TVS Victor and MRF, but might not remember brands like Britannia and Fiat. Similarly, for Amitabh Bachchan, consumers remember ICICI, Pepsi, Parker Pens, Pulse Polio and BPL. They might get confused in the endorsement of Nerolac or Asian Paints. Thus, for multiple endorsements where the same celebrity endorses several brands, it boils down to the strength of the brand and the advertising content.

Celebrity Values

In celebrity endorsement, values of the celebrity get transferred to the brand he/she endorses. Celebrity branding is all about the transfer of the value from the person to the product he endorses or stands for. There are two concerns here. The first is how long this could last. Can the person maintain his popularity (i.e., his performance or status ranking)?

The lifecycle of celebrity popularity varies a lot. The second concern is his private life - personal integrity. If he is implicated in any kind of scandal, that would ruin the brand. "Who would want to use Michael Jackson to brand their product?" (brandchannel.com)

It has been mostly seen in the case of the cricketers when they get success, the brands which they endorse get positive impact, but when they are passing through bad patches the same brand can hardly create any impact. Whereas, Tabu endorsing Tetra Packed Milk, Shabana Azmi campaigning for AIDS Awareness, Amitabh Bachchan & Shahrukh Khan campaigning for Pulse Polio or Aishwarya Rai appearing in the Donate Eyes campaign are few examples, which reflect the transfer of celebrity values to the brand, creating an impact that generates recall.

Celebrity Physical Attractiveness

To create a positive impact on the target audience, brand managers are often found to go in for the celebrity who is good looking and attractive. For example for endorsing a brand like Hero Honda, Hritik Roshan was selected because of his well toned, masculine and appealing physical appearance which gelled well with the overall persona of the brand. Bipasha Basu's physical attractiveness and her connect with the brand makes Levis Strauss's campaign through celebrity in India, John Abraham endorsing Wrangler and Timex Sunglasses are some examples which portray the celebrities' physical attractiveness that helps create an impact.

Celebrity Credibility

The most important aspect and reason for celebrity endorsement is credibility. In a research carried out among 43 ad agencies and companies, most experts believed that the most important dimensions of credibility are trustworthiness and prowess or expertise with regard to the recommended product or service (Miciak and Shanklin, 2002), so that the audience not only listens but also acts accordingly. One of the most obvious reasons of Amitabh Bachchan endorsing plethora of brands is the credibility of the celebrity and his recognition across consumers.

To cite one of the most successful campaigns in which the celebrity's credibility has had an indelible impact on the brand and has saved the brand is of Cadbury's. After the worm controversy, Amitabh Bachchan's credibility infused into the brand through the campaign, helping it to get back on track. The campaign has won an award for the same.

Celebrity Profession

The profession of the celebrity should fit the brand which he/she endorses. A sportsperson as an endorser of pain remover will have perfect match but will be a misfit for endorsing a beauty soap.

Whether Celebrity is a Brand User

One of the strongest platforms to discuss this is through NGOs. Various celebrities endorse NGOs and social causes since they believe in the social message that they need to convey to the audience. One of the most successful campaigns has been executed by PETA in which celebrities like Shilpa Shetty, Amisha Patel, Yana Gupta, Sheetal Malhar, Mahima Choudhary claimed to believe in PETA's philosophy, and thereby endorse the brand. On the other hand, while some would understand that Amitabh Bachchan would have never used Navratan Tel, the target audience that the brands wants to reach out to will be ready to believe that he used the oil and his endorsement thereby creates an impact.

Effectiveness of Celebrity advertising

The benefits of representing India in the national cricket team is an opportunity to compete with the best in the world and pitch one's talent against the best. It is an opportunity to travel around the world & to uphold national pride. And make good money from every match played. But there is more -- a ticket to modeling in the advertising world (and a future perhaps in Bollywood). Not surprisingly it's a very attractive profession. As advertisers pour crores of rupees every year into celebrity advertising, the question arises... is it worth all the money and the headaches of coordinating stars and managing their tantrums. Think of Sachin Tendulkar. He means Pepsi in soft drinks, Boost in malted beverages, MRF in tyres, Fiat Palio in cars, TVS Victor in two-wheelers, Colgate Total in toothpastes, Britannia in biscuits, Visa in credit cards, Airtel in mobile services and Band-aid. Clearly, an overload of brands and categories associated with one star. Does it actually help each of the brands? Does the consumer think in categories and slot brands accordingly or is it one big maze of brands and saliency is dependent on 'recency'. Interestingly, while celebrity advertising is big, few agencies actually present celebrity advertising as a solution to client problems. In the advertising world, celebrity advertising is seen as a substitute for 'absence of ideas' -- and actually frowned upon. Yet it appears again and again.

The reasons are quite insightful.

A client hits upon celebrity as a solution when his agency is unable to present to him a viable, exciting solution for his communication/marketing problem. He then feels that the presence of a well-known face is an easy way out.

A client looks at a celebrity solution, sometimes, to follow competition. When attacked with a celebrity, a quick response is to get another one to combat. The result is often, at best, achieving parity.

A third, and often unfortunate, reason for celebrities is a client's desire to rub shoulders with the glitterati. And signing a celebrity is a passport to that. Most frequently, celebrities are given as 'fate accompli' to the agency. And scripts are written around them.

It is rare that there is an idea on the table and client and agency mutually agree that the presence of a celebrity will actually lift the script. This is very similar to Bollywood blockbuster films where the cast is decided upon and the script either written accordingly or re-engineered around the cast!

There is no doubt that celebrity advertising has its benefits -- the four Qs:

Quick saliency : It gets cut through because of the star and his attention getting value. Goodlass Nerolac has ensured high saliency for its brand with the inclusion of Amitabh Bachchan in its advertising.

Quick connect: There needs to be no insight but the communication connects because the star connects. Sachin, Shah Rukh and their ilk's ensure an easy connect for Pepsi with the youth.

Quick shorthand for brand values: The right star can actually telegraph a brand message fast without elaborate story telling. Kapil Dev and Sachin Tendulkar seem to have done that successfully for Boost in the early '90s. And helped to differentiate it in the malted beverages market.

Quick means of brand differentiation: In a category where no brand is using a celebrity, the first that picks one up could use it to differentiate itself in the market. Boost did it in the malted beverage category. And Preity Zinta does all the above four for Perk -- connecting with the youth and reinforcing the brand's youthful, spontaneous, energetic values. There are however the classic fears of celebrity usage.

The celebrity vampires the product: Unless the celebrity's values, the category benefit and the brand values are closely linked, there are chances that the celebrity is remembered more than the brand he is advertising for. And in a celebrity clutter, the chances that the brand and category can be remembered become even more difficult for the average consumer. Pepsi and Lux tend to use multiple celebrities in an attempt to overcome this problem.

The celebrity trap: Once companies fall for a celebrity, it is hard to get out of it. If the brand has done even moderately well after the break of a celebrity campaign, it becomes difficult to separate the role of message and the role of the celebrity in selling the brand. And hence, the celebrity becomes an addiction for the marketing team. And the task to find substitutes becomes more and more difficult. Interestingly, celebrity is a disease that seems to spread across a marketing department. Once one brand manager gets into it, others tend to follow, not wanting to be left behind!

Celebrity credibility: Celebrity credibility is coming under question. Consumers are getting more and more advertising savvy and are beginning to voice opinions, even in small towns, like "He has been paid to sell the product. "Clearly celebrity endorsement is no longer as credible as it was a few decades ago. Unless category and celebrity are closely linked (like Nike and sports stars), the power of a celebrity's word is questionable. The trustworthiness of public figures, which celebrities tended to bring in the past, is bound to disappear if a celebrity begins to appear and endorse a brand in every conceivable category!

Celebrity clutter: With each celebrity endorsing multiple products and multi brands in a category, resorting to different celebrities, the consumer is left confused. And reluctant to get into 'this celebrity is bigger than that one' to make brand choices-Santro is endorsed by Shah Rukh Khan and Palio by Sachin Tendulkar... does the consumer buy the brands because of the star pull? ... a question worth pondering about. It ends up making brand parity rather than giving brand differentiation, often one of the key aims of using a celebrity.

When Palmolive used Kapil Dev in the 1980's, his line 'Palmolive da jawaab nahin' became famous -- it is remembered even today.

The advertisements by themselves were fairly non-descript; the celebrities gave the brand the differentiation. Celebrity advertising were few and far in between in those days. The days of 'pure' celebrity working for the brand seem to be over.

Today, it is back to the power of an idea and an insight. No simple solutions exist any longer. Unless there is something powerful in the idea, the celebrity is just another cost.

Aamir Khan and Coke is the ultimate example of the same. As long as the brand depended on his star value and wove interesting stories around him, it just didn't cut ice with the consumer -- until 'Thanda Matlab Coca-Cola' happened.

Could it have worked as well without a celebrity? One will never know as the brand has entered the celebrity trap.

Six uses of Celebrity Endorsements

Establishes Credibility: Approval of a brand by a star fosters a sense of trust for that brand among the target audience- this is especially true in case of new products

Attracts Attention: Celebrities ensure attention of the target group by breaking the clutter of advertisements and making the ad and the brand more noticeable

Associative Benefit: A celebrity's preference for a brand gives out a persuasive message - because the celebrity is benefiting from the brand, the consumer will also benefit.

Psychographic Connect: Stars are loved and adored by their fans and advertisers use stars to capitalize on these feelings to sway the fans towards their brand.

Demographic Connect: Different stars appeal differently to various demographic segments (age, gender, class, geography etc.).

Mass Appeal: Some stars have a universal appeal and therefore prove to be a good bet to generate interest among the masses.

In the last decade or so, there has been a spurt in the use of celebrity endorsements. And with it, there has been an increase in the number of instances of brands failing to take off in spite of the biggest and brightest stars endorsing it and consequently leading to speculation about the soundness of celebrity endorsements as a communication strategy. Many celebrity endorsements fail because they identify a celebrity they like in an emotive and un-researched manner, and then try to create advertising to force-fit the celebrity into the creative concept. Often, the finished advertising is at best contrived, and often, simply laughable. In the end, the brand suffers from a mismatched concept and celebrity, and millions of dollars are flushed away. There are several reasons why celebrity endorsements fail to produce the desired effect, and each of them has to do with the core communication strategy and less with the celebrity's pull. Celebrities cannot really be blamed if their endorsements fail to push up the brand sales. Indeed, for it is important to recognize that celebrities can create interest - whether that interest converts into sales depends on various factors such as brand-celebrity disconnect, improper positioning, clutter of celebrities, or even product life-cycle. As advertisers pour crores of rupees every year into celebrity advertising, the question arises... is it worth all the money and the headaches of coordinating stars and managing their tantrums. Think of Sachin Tendulkar. He means Pepsi in soft drinks, Boost in malted beverages, MRF in tyres, Fiat Palio in cars, TVS Victor in two-wheelers, Colgate Total in toothpastes, Britannia in biscuits, Visa in credit cards, Airtel in mobile services and Band-aid. Clearly, an overload of brands and categories associated with one star. (Business Standard, 2003.)

Literature Review

According to, "Erdogan, B. Zafer (1999), Exploratory research has been undertaken into the use of celebrities to endorse a particular company and its products or services. This research indicates that the effectiveness of celebrity endorsers is moderated by a number of factors, including product-celebrity alignment and target receiver characteristics. Celebrity endorsement can be effective in distinguishing a company's products or services from those of its competitors, but research has produced mixed results regarding the choice of celebrity. McCracken's (1989) definition of a celebrity endorser is, "any individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement (marcoms), is useful, because when celebrities are depicted in marcoms, they bring their own culturally related meanings, thereto, irrespective of the required promotional role."

Dwane Hal Dean studied the effects of three extrinsic advertisement cues viz. third party endorsement, event sponsorship and brand popularity on brand / manufacturer evaluation. It was observed that endorsement significantly affected only product variables (quality and uniqueness) and one image variable (esteem). The third party endorsement hence may be perceived as a signal of product quality.

Goldsmith et al. assessed the impact of endorser and corporate credibility on attitude-toward-the-ad, attitude-toward-the-brand, and purchase intentions. 152 adult consumers were surveyed who viewed a fictitious advertisement for Mobil Oil Company. They rated the credibility of the ad's endorser, the credibility of the company, and attitude-toward-the-ad (Aad), attitude-toward-the-brand (AB), and purchase intentions (PI).. It was observed that endorser credibility had its strongest impact on Aad while corporate credibility had its strongest impact on AB. The findings suggest that corporate credibility plays an important role in consumers' reactions to advertisements and brands, independent of the equally important role of endorser credibility.

Looking at the effect of celebrity endorsement on the wealth of a company, a classic example of Michael Jordan can be used. At the time of rumors of Michael Jordan returning to NBA in 1995, he was endorsing products of General Mills (Wheaties), Mc'Donalds (Quarter Pounders, Value Meals), Nike (Air Jordan), Quaker Oats (Gatorade) and Sara Lee (Hans Underwear). Study conducted by Mathur et al. associated with Jordan's endorsements shows that the anticipation of Jordan's return to NBA, and the related increased visibility for him resulted in increase in the market adjusted values of his client firms of almost 2 percent, or more than \$1 bn in stock market value. From this study one can observe that the major celebrity endorser with rumors or otherwise has a tremendous potential to influence the profitability of endorsed products.

Effectiveness of Celebrity Endorsers

However, celebrity endorsers could strengthen the communication message and are a direct determinant of the brand image or brand personality. Therefore, the arrangement of the celebrity should be carefully considered in the planning process of the communication and the brand-equity management. Clear Objectives ought to be determined in order to observe the effectiveness of the endorsement deal. Besides the economic objectives of advertisement (e.g. increased total revenue or market share), there exist several psychological objectives. Namely, an increased awareness of the brand/ product name, a more differentiated

knowledge of brand/product characteristics by consumers, enhanced attitude towards the ad (Aad), towards the brand (AB) and above all, increased purchase intentions (PI).

Positive Impacts of Celebrity Endorsement on the Brand

Approval of a brand by a star fosters a sense of trust for that brand among the target audience. This is especially true in case of new product. Celebrities ensure attention of the target group by breaking the clutter of advertisements and making the advertisement and the brand more noticeable. A celebrity's preference for a brand gives out a persuasive message and hence, because the celebrity is benefiting from the brand, the consumer will also benefit. There is a demographic and psychographic connection between the stars and their fans. Demographic connection establishes that different stars appeal differently to various demographic segments i.e. age, gender, class, geography etc., while psychographic connection establishes that stars are loved and adored by their fans. Some stars have a universal appeal and therefore prove to be a good bet to generate interest among the masses. Another invaluable benefit from celebrity endorsements is the public relation opportunities.

Semi-partial endorsement indicates that when a company uses famous characters from any TV soaps for brand endorsements, consumers tend to relate to the character that he or she plays in the soap and hence can attract more credibility. For example, Smriti Irani who plays "Tulsi" in a famous soap has garnered a lot of support from the middle-class housewives today. If she would endorse a brand, there would be more relativity and credibility. Same can be said about Priya Tendulkar who used to play the character of Rajani.

Negative impacts of Celebrity Endorsement on the brand

More often talked about is the extreme usage of a celebrity called 'lazy advertising', that is inadequate content masked by usage of a celebrity. A good example is the use of Boris Becker by Siyaram and Steve Waugh by ANP Sanmar. Also as said earlier, associating with a star, in itself does not guarantee sales. There is also the fear of Brand-celebrity disconnect which points out that if the celebrity use represents values that conflict with the brand values, the advertising would create conflict in the minds of the target audience.

Clutter in brand endorsements is very prominent these days and such kind of over-exposure can be bad for the brand as the recall value drops by a huge margin. A popular drawback of celebrity endorsement is the 'Vampire Effect' or the celebrity overshadowing the brand. Some viewers forget the brand that a celebrity is approving. Others are so spellbound by the personality of the celebrity that they completely fail to notice the brand being advertised. Two new drawbacks can be seen these days what marketers call Celebrity Trap and Celebrity Credibility. Celebrity trap is when the celebrity becomes an addiction for the marketing team and the task to find substitutes becomes more and more difficult, leading to surfeit of celebrities. Celebrity credibility refers to skepticism by the consumers regarding the celebrities, especially when there is anything negative regarding the celebrity associated with the brand in the news, then brand is bound to be affected. For example, Air Jordan's generated revenue sales of \$130 million in the first year. The sales dropped miserably in the second year when Jordan missed 62 games due to a broken foot. Another main worry of the advertisers is that their celebrity endorser would get caught in a scandal or an embarrassing situation.

Multiple product endorsement also has a negative impact on customers' purchasing intentions. Tripp et al. investigated the effects of multiple product endorsement by celebrities on customers' attitudes and intentions. They found that the number of products a celebrity endorses negatively influences consumer perception of the endorser and the advertising itself. It was suggested that when as many as four products are endorsed, celebrity credibility and likeability, as well as attitude towards the ad, may attenuate.

Superstar Amitabh Bachchan endorses multiple brands like Pepsi, Mirinda, ICICI, BPL, Parker pens, Nerolac, Dabur, Reid & Taylor, Maruti Versa, Hajmola, Tide, Cadbury and a few social messages. It has worked in some cases, while in some cases it has not. D. K. Jain, Chairman and President, Luxor Writing Instruments Pvt. Ltd, the marketer of the Parker brand said, "Using Amitabh Bachchan as our brand ambassador has helped in strengthening our brand image and recall within the target audience". Tarun Joshi, Communications Custodian, Reid & Taylor said, "Amitabh Bachchan is an icon with universal appeal and has helped us to reach out to the real 'Bharat.' In fact, agents and retailers have told us that already customers have started asking about the 'Amitabh wali suiting.'" In case of Nerolac Paints, which was endorsed by Amitabh Bachchan, around 80% of the respondents when asked to associate Bachchan with any paint, did so with Asian Paints, which is the biggest competitor of Nerolac.

The budget or cost is an important factor for celebrity endorsement. Depending on the status of the celebrity, remuneration could run into millions of rupees for several years or may also include a profit sharing plan. For example when S. Kumar's used Hrithik Roshan for their launch advertising for Tamarind, they reckoned they spent 40 - 50 per cent less on media due to the sheer impact of using Hrithik. Sachin's endorsements got him \$18 million over five years. When Aamir first endorsed Pepsi in 1995, he received Rs 17 lakh for it; his Coke commercials in 1999 got him Rs 2 crore. Hrithik Roshan in his highflying days reportedly made over Rs. 20 crore in endorsements and events by 2001.

However, a number of brands have been built without celebrity endorsement. For some of their brands, Hindustan Lever and Procter & Gamble do not believe in celebrity endorsement because they think that consumers, especially housewives, are more likely to identify with a lay person on screen than a celebrity. Procter & Gamble launched its 'Rejoice' brand in India with testimonials from ordinary women in their TV advertising. Few more examples of this will be Lifeboy, Wheel, Dettol, Close Up, Fevicol etc.

Whether Celebrity endorsement has a positive or a negative impact on the brand is a debate that is open to interpretation. But till the time the corporate world continues to foot fancy bills of celebrity endorsers and till consumers continue to be in awe of the stars, the party is not likely to break up

FINDINGS

Does celebrity endorsement really work? Theoretically yes, because the qualities associated with the endorser are associated with the brand and the brand therefore remains at the top of the consumer's mind. However one needs to realize that the impact of an endorser cannot be sustainable in all product categories and in all the stages of brand life cycles. It really depends upon the type of product. If it is a 'functional brand', then the product itself is the hero. Here any celebrity association with the brand without corresponding performance of the product will not be sustainable. While in case of 'image brands', like the categories of soaps, soft drinks, cigarettes etc., where it is difficult to distinguish between the products, celebrity endorsements help to distinguish between the brands at an emotional level. A research conducted by Synovate, a global market research firm, revealed that 47% people would be more likely to buy a brand that was endorsed by their favorite celebrity.

Pepsi Co. has used a variety of celebrities including Aishwarya Rai, Hrithik Roshan, Amitabh Bachchan, Kareena Kapoor, Rahul Khanna, Fardeen Khan, Sachin Tendulkar etc. Amongst advertisements featuring celebrities, Pepsi tops the heap with the highest recall of 70%, while arch rival Coke is lower across all markets with 52% recall. This proves that Pepsi has really exploited the use of celebrities in their advertisements and has worked.

Hindustan Unilever's 'Lux' soap in India has been using popular film actresses to endorse the soap since its launch four decades ago implying that they owe their stunning looks to the brand. This consistent message hence reinforces the brand values and has been successfully able to position the soap rightly as the 'beauty soap'.

It would be difficult to judge the direct effect of celebrity endorsement on the sales or profits of the company. On Amitabh Bachchan endorsing RIN, an HUL spokesperson says that it was too early to gauge the success of 'Rin' in terms of sales and that though Dabur healthcare products' sales had improved, the increase could not be solely attributed to him. Similarly, there are also cases wherein there was a dramatic change in the sales figure after the endorsements. For example Rahul Malhotra, Associate Director Marketing, P&G India quotes "Certainly, it has helped us promote our brand 'Head & Shoulders'. Last year, we were ranked as No. 2 and this year we are market leaders in this segment with overall 45% market share".

D. Garg, Vice-President (Marketing), Dabur India Ltd quotes, "A celebrity does help in increasing brand sales, but only if he/she is selected carefully and used effectively. The personality of the brand and the celebrity have to complement each other and the selection of the celebrity is, therefore, very important."

Conclusion and Recommendations

This study explored the tendency towards correspondence inference of respondents as well as their attitudes towards the celebrities, the product being advertised, and the advertisement itself. Despite abundant research on celebrities endorsing a single product, there has been little focus on the use of multiple-celebrities in advertising & marketing. The results of this study should provide some clarity regarding the use of multiple-celebrity endorsers in a single advertising campaign.

Through analysis and research, this paper brings forth the following insights: -

- Celebrity endorsements do work in the Indian scenario. The level and the magnitude of the effect vary with the celebrity and the product category but most endorsements have a favourable impact.
- The consumer looks for a variety of aspects from the endorsement like the credibility and likeability of the endorser. Credibility also means the fit between the brand and the celebrity.
- Multiple endorsements do clutter the minds of the consumer.
- When one endorser endorses many brands, then the recall of the endorsement depends entirely on the power of the brand. There are definitely some brands that go unnoticed and the recall for those stands, is at a bare minimum. The company in that case can heighten the advertising content because that etches a special place in the mind space of the consumer.
- It is not just the financial gains from the endorsements that matter to the celebrity. They also look for the fit with the brand and what the endorsement might do to their image.

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