THE IMPACT OF CELEBRITY ADVERTISEMENT ON INDIAN CUSTOMERS

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ABSTRACT: In a competitive market place where price is not a differentiator, customers are becoming harder to please. Celebrity advertisement is one of the marketing strategies which firms use now days to boost the economic status of the organization and to lead the consumer’s decision towards enhancing their attitudinal change. The purpose of this paper is to provide a conceptual framework to analyses the impact of celebrity advertisement on Indian consumers. It also identifies the factors affecting the celebrity endorsement.


KEYWORDS: Celebrity, Source Credibility, Brand and Overshadow.

INTRODUCTION

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. Celebrities are people who enjoy specific public recognition by a large number of certain groups of people. They have some characteristic attributes like attractiveness, extraordinary lifestyle or special skills that are not commonly observed. Thus, it can be said that within a society, celebrities generally differ from the common people and enjoy a high degree of public awareness. India is a country where people are star-struck by film stars, cricketers, politicians. Everyday people need something or someone to look up to. A sense of security, admiration, comfort, familiarity, and above all, someone they aspire to be at some hidden level in their lives. Among the classic forms of celebrities, actors (e.g., Amitabh Bachchan and Aamir Khan ), models (e.g., Sushmitha Sen and Lara Dutta.), sportmen(e.g, M. S. Dhoni and Virat Kohli) are significant. Celebrity advertising is a form of advertisement that uses renowned and successful personalities, from various walks of life, to communicate the message to the viewers. It is a popular method of grabbing eyeballs. The choice of celebrity is critical for the success of the advertisement. The celebrity should have high recognition, high positive effect, and the image of the celebrity must match with that of the product. For this reason, Bollywood Baadshah, shahrukh khan is used to endorse Fair and Handsome, since he is in the field of glamour, the product suits his personality. Famous sportsmen are used to endorse sporting goods: Sachin Tendulkar endorses Adidas and Mahendra Singh Dhoni endorses Reebok, while it is totally inappropriate for movie stars to endorse sports products. Celebrity endorsements must be used judiciously. If the celebrity is too famous or too popular, then the celebrity will overpower the product - i.e., people will remember seeing only the celebrity and forget the product. The cost benefit analysis of using celebrity in marketing communications is bit tricky. But the general belief is that using celebrity is a lot cheaper in building a brand. For example, S. Kumar’s built the brand "Reid & Taylor’s” as a premier suiting material by having Amitabh Bachchan in its advertisements. To achieve the same without a celebrity would have taken longer time & more money. In a span of less than two years after launch, the brand Reid & Taylor has become the second largest seller of cloth for men’s suits in India. Now, despite the potential benefits derived from celebrity endorsements, a marketer’s risk manifolds and should be treated with full attention and aptitude. A brand should be cautious when employing celebrities to ensure promise believability and delivery of the intended effect. Celebrities have also been in demand having succeeded in being effective by rising above the clutter & grabbing the attention and focus of the consumer. They also succeed in creating an aspiration in the minds of the consumer to acquire what their favorite celebrity endorses.
LITERATURE REVIEW

Celebrity endorsement in mass media advertising has become a very beneficial phenomenon for many countries and has significantly increased in the past decade, and should be the main principle of brand communications since it is the key to marketing success. According to Byrne & Breen, studies have indicated that a more positive response, along with higher purchasing intentions have been gained by using celebrity endorsers compared to non celebrity endorsers(Byrne & Breen, 2003, The Naked Truth of Celebrity Endorsement). Sales will greatly rise due to the availability of celebrity endorsed products that attract customers. Firms must form their brands with celebrity endorsers that include sportsmen and movie stars, hoping that the celebrities can create more successful and impressive marketing and corporate communications, which will earn the firm more profit. A reason for the increase in the usage of celebrity endorsing on various levels of mass media is almost exclusively due to the fact that this strategy results in more positive advertisement and product(Dean 1999), as well as an increase in the purchasing of the product and in turn, increased finances for the producer (Erdogan,2001).

Indian market is not by a large space, an easy audience to target for the advertisers. The one billion people of the country are speckled in terms of beliefs, ethnicity, states, culture, language, dialects, norms and values. Other aspects such as the economic discrepancy in the country separates it in a way which has resulted in a large number of lower and upper middle class, with a very small class falling under in the middle class. This demonstrates a vast disparity in the buying power and decision making clout, one which the advertisers should keep in mind. Indian advertisement has been placing a vital amount of importance on both recall and persuasion as brand differentiating messages. (Dixit, 2005). Firm finances its huge resources to line up their products and celebrity endorsing for them. Of particular kind of celebrity endorser are perceived as vibrant with charming and pleasant or friendly value (Taleja, 2005). It is some kind of trend nowadays by utilizing high profile famous persons to endorse your products to boost your product name as well brand image of your firm (Ramakrishna & Reddy, n. d). Millions of money is spent on celebrity endorsement every year by companies in order to boost sale and also to attract consumers to their brands.

OBJECTIVES OF THE STUDY
1. To understand the impact of celebrity endorsement on Indian customers.
2. To study the factors inducing the choice of celebrity as company’s promotion strategy.
3. To study the relationship between a celebrity and a brand.
4. To find out the pitfalls associated with the celebrity endorsement and the reduction techniques.

RESEARCH METHODOLOGY

The paper is conceptual and based on the data collected from the secondary sources. For this research paper, information is obtained from magazines, books, articles, research papers and internet, etc.

THE IMPACT OF CELEBRITY ENDORSEMENT ON INDIAN CUSTOMERS

The goal of advertising is to present information to potential customers. This information, it is hoped, will result in customer adopting more favorable attitudes toward the advertised product or service. These attitudes, in return should result in a greater probability of the customer purchasing the advertised product or using the service than if customers had not been exposed to the advertisement.

The effectiveness of communication is determined by factors like the credibility, attractiveness and power of the source (sender). The source of a communication can be an identifiable person, an unidentifiable person (a ‘typical’ homemaker), a company or organization, or an inanimate figure such as a cartoon character. The source of a message is important because consumers respond differently to the same message delivered by different sources. Celebrity branding is a global phenomenon and it assumes paramount importance in developing countries like India where celebrities are given the status of demy Gods by the masses. The charisma of the celebrities almost always entices people and their words are worshipped by lot of people. Their influence also goes on the political front, where they are invited for political endorsement. The business firms, thus, resort to celebrity endorsement to perk up brand recall and product sales. Celebrities are widely used as communication source in advertising and celebrity source may enhance attitude change of customers for a variety of reasons like, the credibility, attractiveness and power of the celebrity. Herbert Kelman developed three basic categories of source attributes: credibility, attractiveness and power. Each influences the recipient’s (customer) attitude or behavior through a different process. Let us examine how the attributes of celebrity’s source impact the attitude formation and change of the customers.

SOURCE CREDIBILITY

Credibility refers to the tendency to believe or trust someone because the recipient (customer) sees the source as having relevant knowledge, skill or experience and trust the source to give unbiased, objective information. When an information source
such as a celebrity, is perceived as credible, the source can change attitudes through a psychological process called internalization. Internalization occurs when the receiver accepts the endorser’s position on an issue as his or her own. An internalized attitude tends to be maintained even if the source of the message is forgotten or if the source switches to a different position. For **eg**: Amitabh Bachchan has endorsed Parle’s Gold Star cookies. He embodies an exemplary blend of both style and performance, making him the ideal choice to endorse Parle’s Gold Star. The goodwill and reputation he has built over the last three decades compliments the product. Two important properties of endorser credibility are expertise and trustworthiness. Expertise refers to the knowledge, experience or skills possessed by an endorser as they relate to the communications topic. Hence, sportsmen are considered to be experts when it comes to the endorsement of sport-related products. Expertise is a perceived rather than an absolute phenomenon. An endorser perceived by an audience as an expert on a given subject is more persuasive in changing audience opinions pertaining to his or her area of expertise than an endorser who is not perceived as possessing the same characteristic. For **eg**: Mahendra Singh Dhoni endorses Reebok, this no doubt explains the extensive use of sportsmen to endorse sports-related product. Trustworthiness refers to the honesty, integrity and believability of a source. While experts and trustworthiness are not mutually exclusive, often a particular endorser is perceived as highly trustworthy but not particularly expert. An endorser’s trustworthiness depends primarily on the audience’s perception of his or her endorsement motivations. If the audience believes that an endorser is motivated purely by self-interest, he or she will be less persuasive than someone the audience perceives as having nothing to gain by endorsing the product or as being completely objective. Interestingly research with ethnic minorities reveals that when a spokesperson matches the audience's ethnicity, spokesperson trustworthiness in enhanced which, in turn promotes more favorable attitudes towards the advertised brand. Advertisers capitalize on the value of trustworthiness by selecting endorsers who are widely regarded as being honest, believable and dependable people. This probably explains why Sachin Tendulkar is used as the brand ambassador of Aviva Life Insurance. He simply appears to be individual who can be trusted.

**SOURCE ATTRACTIVENESS**

Attractiveness does not mean simply physical attractiveness, although that can be a very important attribute but includes any number of virtuous characteristics that receivers may perceive in an endorser’s intellectual skills, personality properties, lifestyle characteristics, sportsmen prowess etc. The general concept of attractiveness consists of three related ideas: similarity familiarity and liking. Familiarity is the audience’s knowledge of the source because of prior exposure to it. Likeability is the audience’s positive regard for the source because of their physical appearance and behavior and similarity is the resemblance between the source and the receiver. The higher a source rates on each of these attributes, the more acceptable and attractive it will be. That is an endorser is considered attractive to receivers if they share a sense of whether the two are similar in any respect. For **eg**: Virat Kohli, in Cinthol Deo advertisement would seem to epitomize the use of attractiveness and capture all dimensions of that concept. That is, Virat Kohli, in addition to his smart look, is attractive to Cricket fans who are similar to him (in the sense that they also play or enjoy cricket), are familiar with him (via watching him play on TV and reading about him) and like him (due to his generally lovely performance and fiery competitive spirit). There are two explanations to how attractiveness affects the message acceptance: Identification and conditioning. Identification means that the receiver of the message begins to see himself or herself as similar to the source because of the latter’s attractiveness. Because of that the receiver becomes willing to accept the opinions, beliefs, attitudes or behavior of the source. Conditioning means that the endorser is an unconditioned stimulus, and the brand or product would be the conditioned stimulus. When the endorser is repeatedly associated with the brand, the attractiveness of the endorser is supposed to pass to the brand. Maintaining this position depends on the source’s continued support for the position as well as the receiver’s continued identification with the source. In other words, an attractive endorser does not necessarily benefit a product if there is a poor matchup between the endorser and the product.

**SOURCE POWER**

Power is the last attribute, as mentioned by Kelman (1961). A source has power when he or she can actually administer rewards and punishments to the receiver. The sender has the power to give incentives and penalty. As a result of this the sender can persuade other individual to react onto the appeal the endorser is making. When a receiver perceives a source as having power, the influence process occurs through a process known as compliance. This interprets that the receiver should react to the sender
to keep away the penalty. The power source should be commanding and more informative, this generally occurs when you can't avoid its benefits you are receiving from the sender (Belch & Belch, 2003). Power as a source characteristic is very difficult to apply in a non personal influence situation such as advertising. An indirect way of using power is by using an individual with an authoritative personality as a spokesperson.

For eg: Aamir turned towards the ‘intellectually stimulating’ route with his debut project, a talk show called ‘Satyamev Jayate’. A ‘serious’ show that made each one of us introspect as we watched, about the society we live in and the issues that we all need to deal with. The talk show knocked us out of bed; India woke up to a grim Sunday morning, but it provided everyone with the much-needed and oft-missing reality check.

ESTABLISHING RELATIONSHIP BETWEEN CELEBRITY AND BRAND IMAGE

The word 'brand' is a comprehensive term. To brand is to name or mark indelibly as proof of ownership. It means a sign or symbol of quality. It is the best means of advertising and positioning in the market. Branding is the best means to capture and retain the consumer demand in a competitive market. The marketer can create brand equity, brand loyalty and brand image for his products. The purpose of branding is to distinguish branded product from those of competitors. A well promoted brand name which has earned reputation in the market is very difficult to compete with. Stars, who are known to shape destinies, cast an enormous influence. No, we’re not talking about fortune-telling here. We’re referring to the powerful effect of celebrities on destinies of brands. One approving nod from a famous face can translate into millions in brand sales. Perhaps that’s why the world over, companies have been using stars to endorse everything, from food to food chains, from soft and hard drinks to health drinks, from clothes and accessories to cars (and the tyres on which they run). Brands have been leveraging celebrity appeal for a long time. Across categories, whether in products or services, more and more brands are banking on the mass appeal of celebrities. As soon as a new face ascends the popularity charts, advertisers queue up to have it splashed all over. Witness the spectacular rise of Saina Nehwal and Sania Mirza in endorsements in a matter of last few years. To create an effective endorsement between a celebrity and a brand it is important that there is brand-celebrity congruency when it comes to facilitate the development of an associative link. When there is a perceived fit between the brand and celebrity, there is a greater probability of building an associative link. Because a poor fit between celebrity and brand is suggested the primary cause of failed celebrity endorsement. The greater the perceived fit between the celebrity and the brand the more quickly the associated link between the two can be expected to develop. The choice of celebrity should fit with the association the brand either currently has or plausible could have. When the choice of associations the company believes the celebrity has are associations that the brand’s target associations for any given celebrity. It is therefore necessary, to test the possible use of any celebrity fits current associations, then the celebrity serves to reinforce existing associations. If the associations/image of the celebrity fit the desired associations that the brand could plausibly have, then the celebrity serves to create association for the brand. However there is not only important that the celebrity has a fit towards the brand and image, companies must also consider that the celebrity has a fit towards the target audience. Different groups of people may have different celebrity with the brand’s target group to ensure that the image/associations the celebrity has in the minds of the target audience are meaningful, positive and consistent with the company’s expectations. In 1980 and 1990 both Forkan and Kamins respectively performed several experiments in order to test out the Product Match-up Hypothesis. It states that messages portrayed by a celebrity image and the product’s message should go hand in hand for the endorsement to work. A celebrity is used to impart credibility and aspirational values to a brand, but the celebrity needs to match the product. A good brand campaign idea and an intrinsic link between the celebrity and the message are must for a successful campaign. Celebrities are no doubt good at generating attention, recall and positive attitudes towards advertising provided that they are supporting a good idea and there is an explicit fit between them and the brand. On the other hand, they are rendered useless when it comes to the actual efficiency of the core product, creating positive attitudes to brands, purchase intentions and actual sales.

CERTAIN PARAMETERS THAT POSTULATE COMPATIBILITY BETWEEN THE CELEBRITY AND BRAND IMAGE ARE:

- Celebrity’s fit with the brand image.
- Celebrity—Target audience match
- Celebrity associated values.
- Costs of acquiring the celebrity.
- Celebrity—Product matches.
- Celebrity controversy risk.
- Celebrity popularity.
- Celebrity availability.
- Celebrity physical attractiveness.
- Celebrity credibility.
- Celebrity prior endorsements.
Whether celebrity is a brand user.

Celebrity profession.

FACTORS INDUCING THE CHOICE OF CELEBRITY AS COMPANY’S PROMOTION STRATEGY IN GENERAL CELEBRITY ENDORSEMENTS ARE IMPELLED BY VIRTUE OF THE FOLLOWING MOTIVES:

Instant brand awareness and recall: Celebrity is able to build brand credibility in a short period of time. When introducing a new brand or product a company can choose to make the new product designed around the personality of a celebrity. This is a good way to receive instant personality and appeal. When the product is launched the consumer immediately understands the image of the celebrity and pushes that image over to the product. People tend to commensurate the personalities of the celebrity with the brand thereby increasing the recall value. For eg: S. Kumar’s built the brand “Reid & Taylor” as a premier suiting material by having Amitabh Bachchan in its advertisements. To achieve the same without a celebrity would have taken longer time & more money. In a span of less than two years after launch, the brand Reid & Taylor has become the second largest seller of cloth for men’s suits in India.

Celebrity values define, and refresh the brand image: Brand may use celebrities to convey an up market image. Brand may use celebrities to enhance the brand image in niche markets. Tag Heuer is an up market brand of watches known for its classic appeal all over the world, it has only premium ranges. It is interesting to observe Tag Heuer using the well known and enthusiastic hero of Bollywood, Shah Rukh Khan. The Tag Heuer commercial is being flashed in a few upmarket Indian magazines like Filmfare.

Celebrities add new dimensions to the brand image: Celebrities connect the consumers psychologically and emotionally. Since celebrities are loved and adored by their fans, advertisers use stars to capitalise on these feelings to sway the fans towards their brand. For eg.: The Bollywood star couple, Kajol and Ajay Devgan were made the brand Ambassadors of Whirlpool. The involvement of these film stars in the endorsement of Whirlpool products adds a new dimension to the promotion of its home appliances among the consumers.

Create high PR coverage: Managers perceive celebrities as topical, which create high PR coverage. A good example of integrated celebrity campaigns is Bollywood’s dreamgirl, Hema Malini, who have not only appeared in advertisements for Malabar Gold, but was also involved in product launching and PR events.

Convincing clients: 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. For eg.: When Sachin Tendulkar says Boost is the secret of my energy, consumers will also associate the benefit of boost to themselves.

Demographic Connect: Different stars appeal differently to various demographic segments (age, gender, class, geography etc.) For eg. : Hero Moto Corp’s Pleasure is known for its combination of style and performance, and world class quality. Priyanka Chopra, was its brand ambassador, she symbolizes contemporary India and represents the emerging youth of the country. She embodies an exemplary blend of both style and performance, making her the idealchoice for Hero Moto Corp’s Pleasure. With her remarkable youthful appeal and charisma to youngsters across the country, she can communicate the brand’s attributes to consumers effectively.

Mass Appeal: Some stars have a universal appeal and therefore prove to be a good bet to generate interest among the masses. For eg.: Amir Khan has an universal appeal and is the right choice to be the spoke person on malnutrition, a public service ad.

PITFALLS ASSOCIATED WITH THE CELEBRITY ENDORSEMENT

The various risks associated with celebrity endorsements are as follows:

Improper positioning: Associating with a star, however big he or she may be, in itself does not guarantee sales. The most it can do is generate interest in the product or create a buzz around it. Take the case of Maruti Versa, which was launched amidst a lot of fanfare, in spite of Maruti signing up superstar Amitabh Bachchan and his son Abhishek Bachchan as brand ambassadors for Versa, the brand’s sales remained sluggish. To be fair, the Big B magic did work and the ads created significant interest, drawing people into the showroom. But perhaps the positioning itself was faulty as people were expecting a larger than life car, just like the brand’s ambassador.

Long association of a brand with a star: Some associations are hard to break. Sachin Tendulkar used to endorse Pepsi, and then he shifted to Coke but many people still associate Sachin with Pepsi.

Celebrity credibility is coming under question for the competent customer: 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.”

Conflicting Image: A mismatch between the image of the celebrity and the product can damage...
both. Unless there is synergies between celebrities own image and that of product category the strategy of endorsement is rendered futile. For eg.: Amitabh Bachchan loses his elegance in Dabur’s Gluco D ad where he makes uncanny faces and dances in a manner unfit for a person of his age and cadre.

Multiple Endorsement: This risk arises when the celebrity chooses to endorse several different products simultaneously which might leave the consumers confused and have lead to dilution. For eg.: Shah Rukh Khan endorses many brands like, Pepsi, Nerolac Paints, i10, Videocon, Fair and Handsome, Sunfeast etc.,

Negative publicity: A number of entertainers and sportsmen have been involved in activities that could embarrass the companies whose products they endorsed. When the endorser’s image is finished, it actually leads to a greater fall in image for the brand. If the celebrity is strongly associated with the brand then the occurrence of the negative publicity can spill over the brand. For eg.: Sanjay Dutt who was charged with 1993 Bombay blast, created negative feeling and repulsive thoughts among people for the products he was endorsing.

Vampire Effect: The celebrity overshadows 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. For eg.: Hrithik Roshan is a popular star, but who remembers the Tamarind shirts that he once endorsed?

Necessary Evil: Marketing have felt that once the brand rides the back of celebrity it becomes difficult to promote it without the star as it becomes difficult to separate the role of message and the role of the celebrity in selling the brand. The celebrity activity becomes an addiction and the task to find substitute becomes more and more difficult. For eg.: Reid & Taylor, the popular brand of fabrics is one of the most treasured possessions of all. Reid & Taylor, whose popular tag line is ‘Bond with the Best’ is endorsed by the King of Bollywood, Amitabh Bachchan. The company wanted to popularize the brand with a new promise. It was thus realized that there could no other person better than the legendary star. He was chosen for his undisputed rivalry in Bollywood. It has become difficult for the company to find another celebrity who is as charismatic as Amitabh Bachchan.

Overuse: Sometimes the company can use many different celebrities to appeal to different market segment. But multiplicity of endorser might blur the image. For eg.: Pepsi uses many celebrities like Shah Rukh Khan, Dhoni, Ranbir Kapoor and Priyanka Chopra.

Extinction: The favorable response obtained by a particular brand may weaken over time if the brand gets significant exposure without the association of the celebrity. If the celebrity contract is for a considerable period of time, then it can lead to draining out capital without proper return. For eg: Cricketer Parthiv Patel who endorsed many brands like Britannia Little Hearts and Avon cycles prove to have a shorter lifespan than the brand itself.

Expensive: Celebrities costs a fortune. Celebrities like Sachin Tendulkar, Amitabh Bachchan, Aamir Khan Charge’s more than five crore per deal. An ad campaign has to run for a long duration before it can recover the celebrity costs. Hence, only those with deep pockets can afford celebrities.

REDUCTION OF RISKS ASSOCIATED WITH THE CELEBRITY ENDORSEMENT

Vampire Effect: The way to decrease the chances of overshadowing the advertising executions should be single- minded in communicating the brand-celebrity pairing. The brand and the celebrity should be the two strongest elements in the ads.

Overexposure: When a celebrity already is strongly associated with a brand they will not form associative links with other brands. Therefore companies should avoid using celebrities that are already endorsing several other brand s to which they have a strong connection.

Extinction: To reduce the risk of extinction companies should expand their use of celebrity endorsement. Because it is unrealistic to expect that every time a consumer encounters a brand the celebrity endorser image also will be present. Therefore companies should work to get endorser s more integrated into the marketing mix.

Financial (Expensive) risk: Companies must decide how cost effective their choice of celebrity is. The celebrity with the highest potential is often also the most expensive one. Companies should therefore look for a lesser-known person that fits into the message of the brand and appeals to the target audience.

Celebrity creditability a question mark:

Today’s marketing endorsement has to deal with a competitive and knowledgeable customer who has begun to voice his opinion about their perception about endorsing a brand.

CONCLUSION

Celebrity endorsement has reasonable impact on customers as per their attitude and purchase intention. Physical attractiveness, credibility and congruence of celebrity with reference to the endorsed advertisement all have impact on the customer’s perception about the advertised product. Marketer has to decide how far the benefits outweigh
the risks associated. It would be impudent to consider celebrity endorsement as a solution for all marketing anguish. If used effectively, it makes a brand stand out, electrifies brand recall and facilitates instant awareness, brings global awareness to a brand, promote a brand’s products and appeal. Celebrity endorsement helps to position and re-position existing brands. Celebrities contribute extensive PR advantage and opportunities for brands.

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