

# Celebrities: The Linking Pin Between Brands & Their Customer

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## Abstract

Celebrity endorsement is a mode of communicating the idea of the product from the manufacturer to the consumer using the image of the endorser. People in the society desire to own most suitable products to their persona. They want to wear the right clothes, use the right cell phones, right mobile network, and right drink and this way the list goes on... They are of the belief that if a celebrity of their liking endorses a product, then that product must be the RIGHT product for them. Successful branding programs are based on the concept of singularity. The objective is to create in the mind of the prospect the perception that there is no other product on the market quite like your product." The purpose of this paper is to analyze the role of Celebrity Endorsement in the process of brand-building by taking appropriate examples from the advertising landscape.

## Keywords

Celebrity, Brand, Awareness, Advertisements, Symbiotic Model

## I. Introduction

If the world were full of all wise men and all wise women; we would have never heard of a term called "advertisement". And then good products would have found the right customers and grown to prosperity. Firms would have worked out a mathematical formula to sell and succeed. But the buying process isn't rational; and so is this world. In this era of extreme competition, where netting a station in the consumers' mind is really tough, celebrity endorsements give an upper hand to the companies for holding the viewers' attention. Celebrities prove to be the catalysts for brand acceptance and provide the colossal drive that brands require by endorsing the core value to the brand.

Today, the business firms are trying out different ways in advertisement to increase their sales. Indians are die-hard movie and sport buffs; and this aspect of the consumers has invited the concept of "Celebrity Endorsement" to the world of advertisement. The purpose of this paper is to analyze the role of Celebrity Endorsement in the process of brand-building by taking appropriate examples from the advertising landscape. The modern scenario of marketing practices has become more colorful and inundated with advertisements, and it is hard to get noticed. It is an arduous task for the expert of an advertising campaign to differentiate itself from others and attract viewers' attention. In this hi-tech time, people tend to ignore almost all advertisements and commercials while viewing TV or flipping through the magazines and newspapers. But even then, the glamour of a celebrity rarely goes unobserved. Thus, celebrity endorsement in advertisement and its impact on the brand is of great significance. That is why; the companies hire celebrities from a particular field to feature in its advertisement campaigns.

The promotional features and images of the product are matched with the celebrity image, which tends to persuade a consumer to fix up his choice from a plethora of brands. Although this sounds pretty simple, but the design of such campaigns and the subsequent success in achieving the desired result calls for an in-depth understanding of the product, the brand objective, choice of a

celebrity, associating the celebrity with the brand, and a framework for measuring the effectiveness.

## A. Who is a Celebrity?

Celebrities are people who relish unambiguous public recognition by a large number of people. They have some charismatic attributes that are not commonly observed like attractiveness, extraordinary lifestyle or special skills. Thus, we can say that that within a society, celebrities usually differ from the common people and enjoy a high notch of public cognizance. Among the classic forms of celebrities, actors (e.g., Aamir Khan, Amitabh Bachhan, etc.), models (e.g., Mugdha Godse, Bipasha Basu, etc.), sports-persons (e.g., Sachin Tendulkar, Saina Nehwal, etc.) are significant. According to Friedman and Friedman, a "celebrity endorser is an individual who is known by the public for his or her achievements in areas other than that of the product class endorsed".

A celebrity is a person who enjoys social recognition and has larger number of admirers. It can be said that within a corresponding social group, celebrities generally differ from the social norm and enjoy a high degree of public awareness (Schlecht, 2003, Anonymous- Business Standard, Dec. 2003).

"A Sign of a celebrity is that his name is often worth more than his services" – Daniel J. Boorstin.

"Celebrity is an omnipresent feature of society, blazing lasting impressions in the memories of all who cross its path." - Kurzman et.al (2007).

## B. Important Celebrity Attributes

While selecting a celebrity as endorser, the company has to decide the profile-raising objective of the brand and set to know how far the celebrity image matches with it. The selection is in fact an alliance, from which both the company and the celebrity gains. The most important attribute for a celebrity endorser is the trustworthiness. The target audience must trust that a celebrity carries a particular image and it must match with the product. The second attribute in order of importance is likeability. The celebrity also must be accepted as a popular icon by a large cross section of the audience.

Companies use celebrity endorser because they are considered to have miraculous power, i.e., a celebrity most of the times, can be a very useful tool to draw attention to advertising messages in a muddled media environment. The overall popular image coupled with exact product-image match enhances the consumer attention resulting in greater brand recall. Similarity between the target audience and the celebrity is the third important attribute. A person well-known in a society can have greater impact than a celebrity of a different world. If the endorser and receiver have similar needs, goals, interests and lifestyles, the position advocated by the brand communication is better understood and received. Similarity is also used to create a situation where the consumer feels empathy for the person shown in the commercial. The bond of similarity between the endorser and the receiver increases the level of persuasiveness.

## C. Branding & Celebrity Endorsement

Indian firms have been put together their brands with celebrity endorsers in the hope that celebrities may boost effectiveness of their marketing and/or corporate communication attempts. Today, use of celebrities as part of marketing communication strategy is fairly common practice for major firms in supporting corporate or brand imagery.

### D. The Need for Celebrity Endorsement

The charisma of the celebrities almost always entices people and their words are worshipped by a 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. This has now become a trend and is being perceived as a strategic means of brand building exercise.

The Elaboration Likelihood Model (EML) suggests that consumers will scrutinize claims more in important situations (say, lifesaving drugs) than in unimportant ones. So, for almost similar products like Coke and Pepsi, it makes sense to use endorsement. Also, Friedman & Friedman have shown that a celebrity relative to a non-celebrity spokesperson would be more effective for products high in psychological or social risk, involving such elements as good taste, self-image, and opinion of others. For example, when actor Shah Rukh Khan endorses 'Santro-Zip drive'; the consumers are made to think that he is giving his opinion to go for this car. Two reasons why advertisers need celebrity endorsement are to increase the credibility & attractiveness of their advertisement. This is solely to affect consumers' attitude towards their brand. To justify this hypothesis, we can take the example of former Miss Universe Sushmita Sen who helped the Epson brand of printers achieve instant recognition; even in the presence of established giants like Hewlett-Packard and Wipro. Similarly, actress Rani Mukherjee has turned the tables for Bata's ladies footwear brand called 'Sundrop' as sales increased by a whopping 500%.

### E. Framework to Make Effective Celebrity Endorsement Program

With the cut-throat competition and continuously changing market dynamics, one has to assess the market conditions and re-evaluate its current marketing strategies such as its portfolio of celebrity endorsement. The action plan should be able to answer the following key questions: -

- Are the celebrity endorsements programs result driven?
- Are customers able to connect the brand with the celebrity?

### 1. Align Celebrity Endorsement with Business Objectives

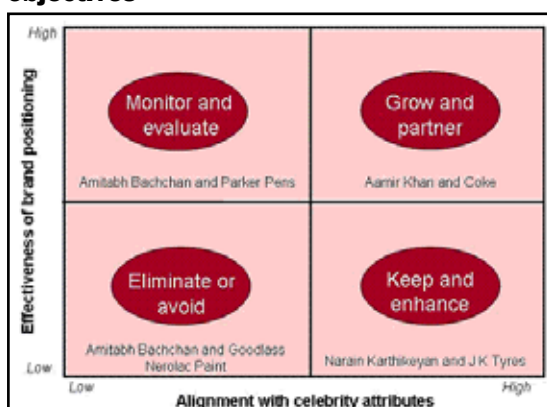


Fig. 1: Brand-Celebrity Attribute Fit Matrix

(i). The attributes of the celebrity should be intrinsically valuable

and aligned with the product, brand and company. Fig. 1, suggests strategies to be adopted by a company depending on its brand positioning and the brand fit with the celebrity.

If the brand-celebrity attribute fit is slow, then the company should adopt "Eliminate or avoid" strategy. The consumers are unlikely to connect between the brand and the celebrity, and the recall value is likely to be very low; defeating the entire purpose of signing the celebrity.

(ii). This is what happened when 'Nerolac Paints' roped in Amitabh Bachchan as their brand ambassador. When positioning of the brand is high but the fit with the celebrity is low, the company should adopt a "Monitor and evaluate" strategy. The company should continuously track the effectiveness of the celebrity endorsement through surveys, monitoring the sales, etc. Though 'Parker pens' had a positioning of premier pens, the early advertisements with Amitabh Bachchan showed low brand-celebrity fit.

(iii). When the positioning has not been effective, but the fit with the celebrity is high, the company should adopt the strategy of "Keep and enhance". The company has to spot the opportunities to leverage the celebrity investment and to find more better and effective ways to communicate with the target audience. The celebrity attributes align with the company's brand, strategic business objectives and primary customer segment. The Narain Karthikeyan - 'JK Tyres' relationship works well in this category.

(iv). In the ideal quadrant when the positioning effectiveness is high and celebrity fit with the brand is also high, the company should follow the strategy of "Grow and partner". In case of Coke, the brand has firmly established the "Thanda" position in the minds of the consumer, with Aamir Khan playing the perfect role.

By situating potential celebrity on the matrix, companies can manage the celebrities as portfolios - re-distributing the resources and marketing efforts to those celebrities with the greatest potential to increase value, while eliminating those that prove too costly.

### 2. Selection and Renewal of Contract with Celebrities

The ability to align goals and measure the value of brand-celebrity fit is the first step in obtaining optimal value from a celebrity endorsement. Value is also derived by revisiting the celebrity portfolio to determine ways to reduce costs and increase benefits. Additionally, a company can increase its benefits by re-examining (and altering, if needed) its promotion strategy to create deeper brand association, identify new celebrities that are capable of achieving company goals and negotiate for additional rights from the existing contracts. A large extent of this can be successful if the company can develop and execute coordinated, preplanned negotiation strategy which will enable it to improve the contractual fees and media commitments stipulated in the contract, as well as the amount and benefits conferred on the company. A few guidelines for formulating a well-defined negotiation strategy would include:

#### (i). Understand the Competition of Celebrity

Except for few venerable celebrities, most of the celebrities quote their price in expectation of negotiation. The company should benchmark the contractual fees and benefits against that of comparable celebrities to ensure the package is equivalent.

#### (ii). Understand 'Celebrity' Clutter

There could be a degree of clutter with the celebrity endorsing many more brands and companies. This clutter can impede the ability of the company to capture the image and awareness required to generate value from the endorsement. The company needs to

understand the risk associated with the signing of such celebrity and need to devise strategic opportunities to stay clear of the clutter.

### (iii). Include Value-in-Kind Payments

Companies can reduce their risk and endorsement costs by substituting out-of-pocket cash payments with value-in-kind, which can be traded at market price.

### (iv). Protection Against Ambush Marketing

Ambush marketing (is the reality of the day and the marketing managers need to be creative to stay one step ahead of the competition. For instance, Amitabh Bachchan was shown drinking Thumbs-Up in the Hindi movie Kaante, when he was actually brand ambassador for Pepsi. In the World Cup 2011 the players were not allowed to endorse for any other brand other than official sponsors.

## F. Why Celebrity Endorsement Fails?

There may be cases where brands are not able to take-off even after the backing of celebrities. And this leads to speculations in the Ad World on the soundness of celebrity endorsement as an effective communication strategy.

### 1. The Reasons

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." Therefore, the advertisers must associate the celebrity to the advertisement and not vice versa. Thinking on the similar lines, the advertisers shouldn't identify the brand to associate with the celebrity but do vice versa. The success of celebrity endorsement also depends upon the capacity, knowledge, experience, and qualification to talk about the product. Failure may be attributed to improper positioning (Example: Bachchans-Amitabh & Abhishek and Maruti Versa), negative perception after use of product / service (inferior products), misapprehension of the meaning of the endorsement, etc.

"The philosophy behind much advertising is based on the old observation that every man is really two men - the man he is and the man he wants to be." - William Feather

Another reason for the celebrity endorsement to turn against the brand is due to "Overshadowing". This happens when the celebrity is larger than the brand being endorsed. And unfortunately, though the celebrity generates higher levels of attention among viewers, the impression is not always strongly linked to the advertised brand. Finally, brand may also fail to get noticed given a recent negative publicity of the celebrity endorser. Example: Salman Khan lost the endorsement deals when he was found guilty in Chinkara case.

### 2. The Solutions

As discussed, celebrity management is very crucial to avoid the brand-celebrity disconnect, and subsequently, brand failures. Proper market research should be carried out and right positioning strategies should be in place. If the consumers have questions in their minds regarding the quality or performance of the product then even God cannot save the brand. There shouldn't be any ambiguity or confusions when showing the celebrity in the advertisement. The obvious solution to the problem of overshadowing is to make sure that both the advertisement and the celebrity are focused on the brand or product. To avoid any bad publicity arising out of celebrity

defames, companies may resort to multiple celebrity endorsement. For Example: Pepsi while capitalizing on the popularity of cricket and films in India used several cricketers and film stars in their ads. So when Azharuddin and Jadeja got embroiled in the match-fixing controversy, Pepsi severed its association only with these stars, but its relationship with cricket continued.

## 3. The Symbiotic Model

Based on our understanding of the celebrity endorsement process, we can take cues from a model of biological kingdom. There are various symbiotic relationships that can exist between two organisms. Similarly, we can visualize two entities "brand" and "celebrity". To achieve a perfect success, there should be absolute symbiosis between the two entities. There may be one of the six effects to the celebrity endorsement process: -

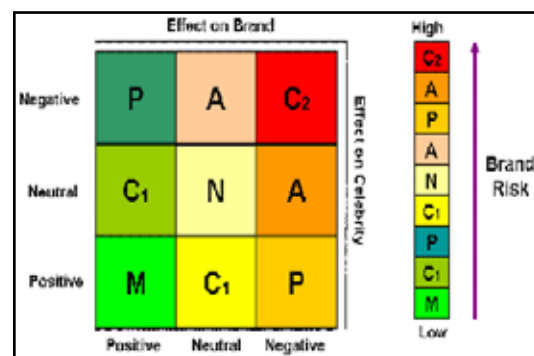


Fig. 2:

### (i). Mutualism (M)

Both help each other (Example: Tata and Narayan Karitiken)

### (ii). Commensalism (C1)

Only one among them is benefited (Example: A failed endorsement)

### (iii). Parasitism (P)

One is benefited; other is harmed (Example: Azharuddin and Pepsi. Also, Home Trade & Shah Rukh Khan, Sachin Tendulkar, Hritik Roshan)

### (iv). Neutralism (N)

None of them benefited or harmed (Example: Amitabh Bachchan, Abhishek Bachchan and Maruti Versa)

### (v). Amensalism (A)

Only one of them is harmed; other unaffected

### (vi). Competition (C2)

Both are harmed.

Celebrity endorsement is a complex process of balancing your risk with your gains. "The pure and simple truth is rarely pure and never simple." - Oscar Wilde

## G. Celebrity Endorsement: The Issues Involved

There are several factors to consider before resorting to celebrity endorsement. There is no single formula to win in the world of marketing. A company must analyze the prospect of endorsement from 360 degrees, prior to product promotion.

### 1. Price vs. Profit

The most important issue is that of Return On Investment

(ROI). Companies need to perform a cost-benefit analysis prior to endorsement. The process of gauging the effectiveness of endorsement on the overall brand is but difficult. The companies expect to bring, in the long run, future sales, revenues and profit from the present investments on celebrity endorsement. Celebrity endorsement is an expensive means of brand promotion and the price burden almost always shifts on to the consumers; if not, then it narrows the companies' profit.

## 2. Multiple Brand Endorsement vs. Multiple Celebrity Endorsement

In the advertising landscape, we find either a celebrity endorsing multiple brands or multiple celebrities being used to endorse a single brand. M. S. DHONI, for example, in 2010 endorsed 28 brands.

Tripp et al, says that the endorsement of as many as four products negatively influences the celebrity spokesperson's credibility and likeability. Similarity between the target audience and the celebrity is the third important attribute. A person well-known in a society can have greater impact than a celebrity of a different world. If the endorser and receiver have similar needs, goals, interests and lifestyles, the position advocated by the brand communication is better understood and received. Similarity is also used to create a situation where the consumer feels empathy for the person shown in the commercial. The bond of similarity between the endorser and the receiver increases the level of persuasiveness. The companies have to first clarify their business objectives, brand values and then decide who the celebrities are who can carry them forward. Otherwise, there can be unnecessary investments without proper return. So the celebrity endorsement cost has to be weighed up against the return on marketing investment.

Besides, while designing an ad campaign, one should also keep in mind that the overuse of some extremely popular celebrities often tends to confuse consumers and reduce the utility of celebrity endorsement. Another argument against celebrity endorsement involves the behavior of the celebrity. The values that display themselves in regrettable behavior could transfer themselves to the brand. The marketing function of a company should also understand that brands should assume a much greater space than the celebrities, because their association may be temporary but the brands are permanent.

## H. The Various Risks Associated with Celebrity Endorsements are as follows

### 1. Negative Publicity

If the celebrity is strongly associated with the brand then the occurrence of the negative publicity can spill over the brand. This can harm the trustworthiness and credibility in the mind of the consumers. E.g., Salman Khan lost his endorsement deal with Thumbs-Up after his infamous incidents like buck-killing and rash-driving.

### 2. Overshadowing

When celebrity endorser is used, the risk of consumers focusing on the celebrity and not on the brand exists.

### 3. Overexposure

This risk arises when the celebrity chooses to endorse several different products simultaneously which might leave the consumers confused. E.g., Sachin Tendulkar endorses several brands such as MRF, Addidas, Visa, Pepsi, Fiat, Boost, etc.

### 4. Overuse

Sometimes the company can use many different celebrities to appeal to different market segment. But multiplicity of endorser might blur the image of the brand and reduce the effectiveness of the means of persuasion.

### 5. 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.

### 6. Financial Risk

The decision for hiring an expensive endorser may not be always feasible if there is a poor brand fit.

Therefore, for celebrity endorsements to work effectively there are some fundamental ground rules: -

- The brand promise and the brand personality should be clearly articulated.
- The communication objectives for the campaign should be frozen.
- Focus must be on the synergy between the brand and the celebrity image.
- Establish explicitly what the celebrity is going to communicate.

## II. Conclusion

Celebrity endorsement can be a goldmine or a minefield for a company's brand building process. Celebrity endorsement has worked well in some consumer segments while failing in others. Few celebrities have been more successful than those with almost parallel fame. So the role of celebrity endorsement in the advertising space is equivocal and cannot be seen as an assured strategic tool to win profits, market share, revenues, etc. Consumers can identify the clear difference between a good script and a good brand idea. For example, while Pepsi's Sachin and Bachchan (kite flying) ad was seen as one with a good script, Coca-Cola's Thanda Matlab... was seen as an insightful and strong brand idea. It is imperative to invest in good ideas; which will bring good returns. Thus, the need of the hour is to focus less on your Return-on-Investment, and think more in terms of your Return-on-Ideas.

There is an increasing challenge to the marketing manager to develop and implement an Integrated Marketing Communication (IMC) plan to realize the true value of the celebrity endorsements. There is a gradual shift from the traditional approach of showing celebrities in advertisement to making them the "spokes-person" of the brand. Companies have taken celebrity endorsement to next level by projecting brands as a way of life. Smart companies are using their brand ambassadors in other mediums such as movies to promote their brands. E.g., Amitabh Bachchan, who endorses the financial instruments of ICICI Bank, is shown as a branch-manager of ICICI Bank in the movie Baghban. Thus, one needs to integrate celebrity endorsement with other marketing programs and ensure that the celebrity attributes align with the overall brand or company. "If commerce is the engine of our economy, then advertising is the spark. Responsible advertisers are the drivers who keep us on the right track, leading to a richer, more benevolent society." - Brian Philcox



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