Chapter II gives a brief account of the theoretical framework of celebrity endorsement, brand building, buying behaviour, textile market, celebrities, textile brands and textile showrooms.

Chapter III deals with the consumers' preference of favourite celebrity on textile endorsement.

Chapter IV deals with the influencing factors of celebrity endorsement on textile consumers.

Chapter V deals with the impact of celebrity endorsement on brand building and buying behaviour of textile consumers.

Chapter VI gives summary of findings, conclusion, suggestions and scope for further research.

CHAPTER – II

CELEBRITY ENDORSEMENT- AN OVERVIEW

2.1 INTRODUCTION

In this chapter, an attempt has been made to present the characteristic features of celebrity endorsement, its current trends, the nature of textile market, profile of selected textile brands, showrooms and celebrities.

2.2 ADVERTISING AND CONSUMER BEHAVIOUR

Marketing is developing quicker than ever before. Not because of technology itself, but because of markets and consumers, the structures and priorities, expectations
and aspirations are changing faster than any time in history. Advertising and promotion of the product are considered as vital parts of social and economic systems. In the multifaceted society, advertising has evolved into a critical communication system for both consumers and businesses. The competence of advertising and other promotional methods to deliver has been given high priority in the marketing programs of most organizations. Companies ranging from large multinational corporations to small retailers rely progressively more on advertisements to help market their products and services. Advertising play a significant role in the exchange process by informing consumers about an organization’s product or service and convincing them of its ability to satisfy their needs or wants. Advertising is defined as “a non-personal paid form where ideas, concepts, products or services and information are promoted through media (visual, verbal, and text) by an identified sponsor to persuade or influence behaviour”. Advertising is the effective source to influence the mind of viewers and it gives viewers exposure towards a particular product or service. Advertising is the best-known and most broadly conversed form of promotion, most likely because of its commonness. Firms are spending a huge amount of their budget for advertising their products and services. They are investing to influence the buying behaviour of consumers and are determining the factors that have direct or indirect effects on buying

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behaviour like purchasing power. This much focus on advertising is because it is considered as an effective tool to motivate consumers and influence their buying behaviour. Advertisers hope that their advertisements will change the buying behaviour of target market and consumers will buy their products. Advertising is done to create likeness, attraction and influence buying behaviour in positive way. The ultimate goal of any form of promotion strategy is to promote a favourable consumer decision towards the organisation. Effective advertisement influences the attitude towards brand and finally leads to purchase intention. For many products and services, purchase decisions are the results of a long, detailed process that may include an extensive information search, brand comparisons and evaluations and other activities. The entire amount spent on promotion strategies will be wasted, if the consumers’ decision becomes unfavourable to the general organizational climate.

Consumer buying behaviour is the sum total of a consumer's attitudes, preferences, intentions and decisions regarding the consumer's behaviour in the marketplace when purchasing a product or service.

The suggestive model of consumer decision making is shown in the fig.2.1.

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57 [www.study.com](http://www.study.com), retrieved on 19.03.2015
Figure 2.1
Basic Model of Consumer Decision Making

A. Stages in the Consumer Decision Making Process

B. Relevant Internal Psychological Processes

(Source: George E. Belch et al58)

From the above figure it is clear that the consumer’s purchase decision process is normally passing through certain stages. Problem recognition is the foremost consideration for the decision making process, followed by consumer search for information. If the consumer is satisfied with the available information from various sources, obviously, he may go in for evaluation of alternatives. After having a careful evaluation of alternatives, a purchase decision will be taken by the consumer. Finally post purchase evaluation otherwise called feedback support mechanism is pivotal from the organization’s perspective. The internal psychological process like motivation, perception, attitude formation, integration and learning are imperative to promotional planners, since they influence the general decision making process of the consumer.

The contemporary world of marketing communication has turned out to be multitudinous and busy with advertisements and it is hard to get noticed. It is a mounting task for the designer of an advertising campaign to discriminate itself from others and pull towards viewers' attention. Hence attention of the audience towards the desired result is the ultimate goal of any type of advertising. While making advertisement about a particular commodity, due importance is to be given to the consumers’ mental and psychological state of affairs. For this reason, the following factors those are worth mentioning in relation to the effect of advertising and are shown in fig.2.2.
2.3 BRAND BUILDING

Brand building is the enhancement of a brand’s equity directly through advertising campaigns and indirectly through promotions. Brand equity is a brand’s power derived from the goodwill and name recognition. Branding is fundamental and essential. Building brands builds incredible value for companies and corporations. Define the brand, differentiate the position of brand, build and expose the brand, personalize and review the brand are the steps involved in brand building. The company should create the right tagline, stand out from the crowd, develop company culture, be patient with brand, consistent and should put people first are the necessary steps for a successful brand.

2.4 CELEBRITY ENDORSEMENT

In this jet age, people tend to ignore all commercials and advertisements while flipping through the magazines and newspapers or viewing TV. But hopefully, the glamour of a celebrity gets noticed. Consequently, celebrity endorsement in advertisement and its influence on the overall brand is of great significance. In this process, the companies hire celebrities from a particular field to feature in their advertisements.

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59 George E. Belch et al, op.cit, p.68
60 www.forbes.com
61 www.coxblue.com
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. Even though this is attractive, the blueprint of such campaigns and the successive progress in achieving the desired result calls for a comprehensive indulgence of the product, the brand objective, preference of a celebrity, combination of the celebrity with the brand and a support for measuring the efficacy.

Brand icon or image plays significant role in the acquisition of many products and services and advertising is still accepted as one of the finest ways to erect a brand. Branding is about building and maintaining a positive uniqueness and likeness of the company or its products or services in the mind of the consumer. The objective of branding is to erect and uphold brand consciousness, curiosity, build up and augmenting outlooks towards the company, product or service, and to cultivate relationships between the consumer and the brand. Thus, the brand distinctiveness consists of the blend of the name, logo, symbols, design, packaging and image of associations held by consumers. For building curiosity and attention towards specific brands, many novel practices have been played by the manufactures and among this, advertising plays a prominent role. In this modern era, ‘celebrity advertising’ appears as an improved way of advertising. If consider two advertisements which are exposed—one with a simple guy advertising and other with a notable celebrity – people will like the advertisement with a notable celebrity. Consumers are so fanatical with celebrities

62 George E. Belch et al, op.cit, p.89
that they would go in for their favourite celebrity’s advertised products in a blink. This marketing practice is called celebrity endorsement.

“Celebrity endorsement is a marketing communication strategy involving the use of celebrities to endorse or advertise for a brand with an eye on increasing the product sales or increasing the awareness of the brand by leveraging the popularity of the celebrity.” Celebrities are public figures and have certain image associations in the consumer’s eyes which marketers try to link with the product or brand being endorsed. They lend their personality to the product or brand and hence influence consumers.

2.4.1 History of Celebrity Endorsement

The instrument of celebrity endorsement and celebrity branding has nowadays become an omnipresent element in advertising and communication management. It refers to a strategy or practice whereby a celebrity becomes a brand ambassador and uses his or her status in society to promote a product, service or charity and sometimes also appears as promotional model. The history of celebrity endorsement of products dates back to the 1760s, as Josiah Wedgwood, the founder of the Wedgwood brand of pottery and chinaware, used royal endorsements and other marketing devices to create an aura around the name of his company that gave the brand a value far beyond the

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63 http://digitalmarketingtadka.com
attributes of the product itself\textsuperscript{64}. British actress Lillie Langtry became the world’s first celebrity endorser when she appeared on a package of Pears Soap in 1893\textsuperscript{65}.

With the mounting fame of the colour TV in 1965, TV personalities and entertainers too turned out to be well-liked. By 1975, one in eight TV commercials characterized a celebrity\textsuperscript{66}. By 1980, companies started marketing of products around celebrities. Athlete endorsements picked up in 1984 when Nike was exposed by a young and tremendously gifted basketball player, Michael Jordan. Almost 75 per cent of all sports-related products like clothes and shoes used athletes to endorse their brands. In 1998, it was estimated that companies in the US spent $800 million on obtaining celebrities for advertisements, promotions and PR campaigns\textsuperscript{67}. In 1999, one in five advertisements on TV featured by a celebrity\textsuperscript{68}. The fact that more and more celebrities were eager to lend themselves to endorsement deals, contributed to the increase in the number and value of the deals. This clearly showed the idea that renowned people have for eternity made outstanding salesmen. Association with a memorable face is one of the best ever and easiest ways for companies to generate

\textsuperscript{64}Ibscdc.org, Celebrity endorsement -Through the Ages, 2004


\textsuperscript{66}Op cit , Ibscdc.org,

\textsuperscript{67}O'Shea, Geraldine, "Resorting to celebrity acts", http://www.marketing.ie

\textsuperscript{68}Ibid, O'Shea
brand relations in the minds of consumers. Whilst, a cherished actor or a heroic sports figure endorses a product, that produce adds instant credibility.

2.4.2 Types of Celebrity Endorsement

Celebrity branding has many facets. A trivial transformation in the sort of branding used can produce effect in either an enormous accomplishment or a miserable disappointment. Celebrity endorsement is an exploitation of celebrities in turn to augment the sales and bring to mind the worth of particular brand and any individual who takes pleasure in public cognition and who uses this cognition on behalf of consumer goods. Celebrity branding falls into five general categories.

- **Testimonial**: The celebrity acts as a spokesperson for the brand.
- **Imported**: The celebrity performs a role known to the audience.
- **Invented**: The celebrity plays a new, original role.
- **Observer**: The celebrity assumes the role of an observer commenting on the brand.
- **Harnessed**: The celebrity's image is integrated with the advertisement’s storyline.

2.4.3 Objectives of Celebrity Endorsement

In general, there are four major objectives for any celebrity endorsed advertisement.

**Establish the product need**
Instituting the need for a product or a product group is the first step towards celebrity endorsed advertisement. This is more imperative for novel category products.

Create brand awareness

Once the necessity for a product is recognized, consumers must be able to connect the brand with the product category.

Set customer expectations

Brand worthiness comes from the consumers experience with the product. If the product meets or beats customer expectations, then an optimistic brand image is created, else a pessimistic brand image may be the result. Therefore it is indispensable to set the customer expectations accordingly. This is most common in established consumer products namely beauty products, household cleaning products and food products.

Create a Purchase Intention

Whenever advertisements like, buy one, get one free, or get additional discounts if bought within a particular date, the only idea of such message is to hearten consumers to buy straight away or within a short period. This is mainly because such advertisements unfavourably influence the personality, brand value of the celebrity and it has nothing to do with the celebrity endorsement. Association with a discount deal is not favourable image for the celebrity and the customer.

2.4.4 Attributes of Effective Celebrity Endorsement
The following figure 2.3 shows twenty attributes of effective celebrity endorsement.
Figure: 2.3. Attributes of Effective Celebrity Endorsement

(SOURCE: Anitha R. Natekar)

Celebrity-Product Match: The match-up hypothesis proposes positive effects of a congruent association between a celebrity and a product being promoted.

Celebrity-Target Audience Match: Celebrity is the mouthpiece for a brand in communicating messages to target audiences rather more effectively than any other voice.

Celebrity Popularity: The lifecycle of celebrity popularity varies a lot. People tend to commensurate with the personalities of the celebrity with the brand thereby increasing the recall value of celebrity.

Celebrity Credibility: The most important aspect of celebrity endorsement is credibility. The endorser has relevant knowledge, skills or experience on objective information.

Celebrity values: The transfer of celebrity values to the brand, creating an impact that generates recall.

Celebrity Physical Attractiveness: Physical attractiveness of the endorser may be central in context with change in attitude of the customer. Attractive endorsers are more effective promoters than unattractive endorsers.

Celebrity regional and international appeal factors: In a market with a very high proliferation of local, regional and international brands, celebrity endorsement was thought to provide a distinct differentiation. While selecting an endorser its regional effect always comes into play. While going global, the celebrities should be chosen in such a way that can create a global overall impact.
Celebrity Controversy Risk: Association of the celebrity with a controversy or ill behaviour can cause negative impact to the endorsements. 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.

Multiple Endorsements: Consumers do get confused about the brand endorsed by a single celebrity endorsing numerous brands.

Costs of acquiring the celebrity: The cost of acquiring celebrity will not go beyond the advertising budgets.

Fit with the advertising idea: Marketers seek to adopt 360 degree brand stewardship in which the brand sees no limits on the number of the contact points possible with a target consumer. Advertising ideas, thus, revolve around this approach and the celebrity endorsement decisions are made through these strategic motives. Celebrities do have some common characteristics which include their recognition, their status or their popularity but each celebrity may have his or her own unique image or cultural meaning which has been identified.

Celebrity Availability: Due to multiple endorsements by certain celebrities, brands refuse to adopt celebrity endorsement since they fear dilution of the brand image. So, prior to the endorsement, acceptability and viability should be judged.

Celebrity should be the brand user: To make an endorsement successful, the customer should believe in the endorsement. If the endorser using a brand and
promoting a different brand in the advertisement, then this may create a non-sense image to the customer.

**Consumer influencing advertisement:** The advertisement should also be well made and designed to portray the actual image of the brand and to convey the message intended to transfer to target audience. Sometimes due to poor performance in the advertisement, the promotional attempt fails although the celebrity was a perfect fit for the brand.

**Previous endorsements:** While endorsing a celebrity, his or her prior endorsements should be monitored carefully. This will help in analyzing celebrity’s dedication, professionalism and credibility as well as will help in evaluating the impact.

**Proper use of promotional medium:** The most preferred medium of celebrity endorsement strategy is television. Using multiple celebrities or a single celebrity depends on the time period over which a campaign is planned to have impact, campaign budget, and variance in target audience characteristics.

**Brand image formation capability:** Celebrity 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.

**Interest of endorser:** An endorsement became most successful when the endorser is also interested in the association with the brand not only for financial benefit, but also for his or her own image building also.
Endorsement management team: Global brand endorsements demand a global brand management team. This regional and international organization is in place to maintain brand leadership through proper effective celebrity endorsements.

Unique idea of promotion: Great brand endorsements represent great ideas at right time.

2.4.5 Celebrity Endorser

- A celebrity endorser is “an individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement”. “Celebrity endorser is an individual who is known to the public for his or her achievement in areas other than of the product class endorsed”. To be a solid endorser a celebrity should have the following factors: credibility, expertise, trustworthiness, attractiveness, similarity, liking, familiarity and the match-up congruence with the product.

- Source credibility depends on expertise and trustworthiness. Credibility is “the extent to which the recipient sees the source as having relevant knowledge, skills, or experience and trusts the source to give unbiased, objective information” Expertise of celebrity endorsement is being defined as “the extent to which an endorser is perceived to be a source of valid assertions”.

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70 Hoekman M L. L., Bosmans A M M., How does celebrity endorsement influence the attitude towards the brand and how does negative publicity affect this relationship? Tilburg University, Published thesis, pp.9-12

71 Ibid, p.9
Trustworthiness refers to “the honesty, integrity and believability of an endorser”\(^{72}\).

- Source attractiveness depends on familiarity, liking and similarity. The concept of attractiveness does not only entail the physical attractiveness. Attractiveness also entails concepts such as intellectual skills, personality properties, way of living, athletic performances and skills of endorsers\(^{73}\). Similarity is described as “a supposed resemblance between the source and the receiver of the message”. People can be influenced more easily by an endorser who is similar to them. If the celebrity and the consumer have common factors like common interests or lifestyles, a better cohesiveness is created. Likeability is the “affection for the source as a result of the source’s physical appearance and behaviour”\(^{74}\). Familiarity is the supposed resemblance as knowledge that a celebrity endorser possesses through exposure. When companies choose a celebrity, it is important to what extent consumers are familiar with the celebrity. The more familiar the consumer is with the celebrity, the more positive the effect will be. It is also well known that consumers, who are more familiar with a celebrity and are more exposed to a celebrity, will automatically like a celebrity more; this is called the mere exposure effect\(^{74}\).

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\(^{72}\) Ibid, p. 9

\(^{73}\) Ibid, p. 10

\(^{74}\) Hokeman M L L op cit, p. 12
The match-up congruence with the product: Several studies showed that the match-up congruence between celebrity endorser and the product or company is of major importance. This correspondence results in a better recall of the commercial and brand information and will positively affect the transfer influence with regard to the personification of the brand. Advertising a product via a celebrity who has a relatively high product congruent image, leads to greater advertiser and celebrity believability if the consumers compare it with a less congruent product or celebrity image. The match-up consists of two central terms: the perceived fit and the image of the celebrity. When a celebrity has a good image and fit to the product and company, this will lead to greater believability and so effectiveness.

2.4.6 Advantages and Disadvantages of Celebrity Endorsement

Companies like celebrities because people like celebrities and consumers who like a particular celebrity also identify them. Companies hire these individuals because they believe it will favor their brands very well. Celebrities are also eye-catching: There’s a pure awareness factor that makes people stop and look at an advertisement because they recognize the spokesperson and the stars are paid for these endorsements. The problem is that celebrities are human and humans make mistakes. The danger of taking on a celebrity is that no one can control that person\(^75\). It’s a high-risk, high-

\(^75\) http://www.northeastern.edu/news/2013
reward situation. When it works, it works fabulously. The following are the advantages and disadvantages of celebrity endorsement.

2.4.6.1 Advantages of Celebrity Endorsement

Popular celebrities often work best because they naturally generate lots of attention. The advantages by using celebrities in advertising are:

- Influence consumer purchases: The affinity consumers have for certain celebrities can greatly influence their purchases. People may have the attitude, "If the product is good enough for her, it's good enough for me." This philosophy is often the impetus behind advertisements for makeup, skin creams, hair products and attire.

- Build awareness: Celebrities in advertising build brand awareness and they build it much more quickly than by the traditional types of advertising.

- Position a brand: Product positioning is placing a company's product in the best possible light in the minds of a target group.

- Attract new users: Those who continually see a celebrity in a commercial for a certain product may be convinced to try the product.

- Breathe life into failing brand: The use of a celebrity in an advertisement may also help to breathe life into a failing brand.

2.4.6.2 Disadvantages of Celebrity Endorsement

Overshadowing

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76 Rick Suttle, Demand Media, http://smallbusiness.chron.com
High costs

Negative publicity

Overexposure

2.5 CELEBRITY ENDORSEMENT – WORLD SCENARIO

The use of celebrities was the highest in fashion, sports and teen magazines and lowest in general news and business publications. With regard to product category, the use of celebrities was highest for athletic products, fashion or apparel and cosmetics. The top celebrity endorser in recent years has been golfer Tiger Woods who was making more than $100 million per year from his various endorsement deals. Other top American athlete endorsers include golfer Phil Mickelson, NBA star LeBron James, former NBA star Michael Jordan and NASCAR driver Dale Earnhardt. The top international endorsers include soccer star David Backham, Formula 1 race car driver Kimi Raikkonen and tennis star Roger Federer\(^77\). In US 20 per cent of all TV commercials feature famous personalities and close to 10 per cent of television advertising budget in the US goes for celebrity endorsements\(^78\). 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 advertisements per day\(^79\).


\(^78\) Saroj Kumar Dash, op cit., p.193

Celebrity endorsement may not have strong influence in some major western markets, on a consumer to make a purchase\textsuperscript{80}. Western nations were most indifferent to the use of celebrities in advertising. As per the GMI poll, 79 per cent of US respondents, 79 per cent of German, 71 per cent of French and British also opined that celebrity endorsement did not work for them. In Japan, 60 per cent of respondents think that the use of celebrities in advertising makes a product more valuable and a similar number of respondents in China (60 per cent) and in Russia (58 per cent) also agreed to the same. It was noted from the poll that celebrity endorsement was rated below the other techniques (like free samples, word-of-mouth, test-runs, etc.) to influence the purchasing decision of consumers\textsuperscript{81}.

2.6 CELEBRITY ENDORSEMENT – INDIAN SCENARIO

India is one country, which has constantly admired the stars of this world. There is a big convention about celebrity endorsement in India. Companies in India have gone out of their way and hired celebrities to endorse their brands. Hindustan Unilever Ltd had been using Bollywood stars to endorse their beauty soap Lux since the 1950’s. Probably, the first advertisement to cash in with star power in a strategic, long-term, mission statement was Lux soap. Experts’ comment in this regard had that this strategic decision of celebrity endorsement has helped to make this brand the top three in the country for much of its lifetime. Other brands like Vimal, Thumsup and Gwalior Rayon


\textsuperscript{81} Suseel Kumar Rai, op cit, p.22
had also used celebrities during their early days of mass advertising. Indian advertising industry saw the swelling of a new trend in the latter part of the '80s. Hindi film and TV stars as well as sportspersons were roped into endorse prominent brands. The Indian cricketer Farokh Engineer became the model for Brylcream and it was one of the first sports endorsements in India. Advertisements, featuring stars like Tabassum (Prestige Pressure Cookers), Jalal Agha (Pan Parag), Kapil Dev (Palmolive Shaving Cream) and Sunil Gavaskar (Dinesh Suitings) became common. When Palmolive used Kapil Dev in the '80s, Pataudi gave Gwalior Rayons suiting’s a strong competitive edge and pushed it to number 2 in perceptions in the suits market. Around 130 television channels in India are broadcasting over 3 million television commercials each year. With its wide reach, Bollywood still has the lion's share amongst the endorsement market. The celebrity endorsement market in India amounts to Rs 850 crores annually. And movie stars garner command 70 per cent of this, while the remaining were acquired by mostly sports stars. The South Indian movie stars only account for a measly Rs 20 crores.

2.6.1 Growth of Celebrity Endorsed Advertisement on TV During 2003-2007

The following figure 3.4 shows the growth of celebrity endorsed advertisement on TV during the period 2003-2007.

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Allu Sirish, Celebrity endorsements in South India the next Big thing, [http://www.indiaglitz.com/](http://www.indiaglitz.com/), April, 2010
It could be observed from figure 2.4 that there was a steady increase in the celebrity endorsed advertisements on TV during the period of 2003 to 2007. The total number of celebrity endorsed advertisements in TV was 100 in the year 2003 and it has increased to 745 in the year 2007. Growth of Indian TV-owned households owing to growing incomes is a big factor supporting this trend.

2.6.2 Overview of Celebrity Endorsement on TV During 2008-2013

Now celebrity endorsement is a Rs 1,000 crores industry and big Bollywood stars make up almost 60 per cent of the market. Cricketers, TV actors and niche celebrities make up the rest. Bollywood superstar namely Amitabh Bachchan or Shah Rukh charges between Rs 6 crores and Rs 10 crores per brand. A top cricketer like Virat Kohli takes between Rs 1.5 crores and Rs three crores. In contrast, a niche celebrity makes Rs 50 lakh to Rs one crore per endorsement. Indian cricketer Sachin

(Source : AdEx India\textsuperscript{83})

\textsuperscript{83} AdexIndia, A division of TAM Media Research, www.tamindia.com

\textsuperscript{84} Ajitha Shashidhar, \texttt{http://businesstoday.intoday.in/}, April 2013
Tendulkar’s price is believed to be between Rs.2.0-2.5 crores per endorsement and Oscar winning musician A.R.Rehman, who had signed up with AirTel, is believed to have picked up Rs. 1.75 crores\(^\text{85}\). The table 2.1 shows an overview of celebrity endorsement on TV during the period of 2008 to 2013.

**Table 2.1**

**Overview of Celebrity Endorsement on TV During 2008-2013**

<table>
<thead>
<tr>
<th>SL.No</th>
<th>Year</th>
<th>No.1 Celebrity in terms of celebrity endorsement</th>
<th>Top product category</th>
<th>Top advertisers</th>
<th>Share % of celebrity endorsement as per profession</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Airtel Cellular phone services</td>
<td>Film actresses</td>
</tr>
<tr>
<td>1</td>
<td>2008</td>
<td>Sharukh Khan</td>
<td>Cellular phone services</td>
<td>Airtel Cellular phone services</td>
<td>34%</td>
</tr>
<tr>
<td>2</td>
<td>2009</td>
<td>M S Dhoni</td>
<td>Cellular phone services</td>
<td>Clinic All Clear Tech Soft</td>
<td>43%</td>
</tr>
<tr>
<td>3</td>
<td>2010</td>
<td>M S Dhoni</td>
<td>Shampoos</td>
<td>Lux Toilet Soap</td>
<td>44%</td>
</tr>
<tr>
<td>4</td>
<td>2011</td>
<td>Sharukh Khan</td>
<td>Tooth paste</td>
<td>Colgate Max Fresh Gel</td>
<td>39%</td>
</tr>
<tr>
<td>5</td>
<td>2012</td>
<td>Sharukh Khan</td>
<td>Aerated soft drinks</td>
<td>Hindustan Unilever Ltd</td>
<td>42%</td>
</tr>
<tr>
<td>6</td>
<td>2013</td>
<td>Katrina Kaif</td>
<td>Aerated soft drinks</td>
<td>Hindustan Unilever Ltd</td>
<td>80%</td>
</tr>
</tbody>
</table>

(Source : Compiled from secondary data\(^\text{86}\))

It could be observed from table 2.1 that during the period 2008 to 2013, among Indian endorsers, Bollywood stars such as Katrina Kaif, Shahrukh Khan, cricketer M S Dhoni are the favorites among advertisers due to their mass popularity. While

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\(^{86}\) Suseel Kumar Rai, op cit,pp.26-27
comparing these years it was noticed that, above 80 per cent share of the celebrity endorsements goes to the film stars.

### 2.6.3 Current Trends of Celebrity Endorsement in India

The face of celebrity endorsements is changing. Marketers who are considering an endorsement now should take this into consideration and choose the right person and trend as not only a way to boost sales temporarily, but in the long run. Celebrity endorsers in India fall in three buckets. One set of celebrities are clear that they want money. That is, they will endorse almost any decent brand if the price is acceptable to them\(^\text{87}\). There are stars like Aamir Khan, John Abraham and Ranbir Kapoor who are true to their image attributes and usually work with brands whose traits they think suit their image. These men are also deeply involved in taking the decisions of endorsements. The third set comprises the smaller stars, the ones that don't have any positioning and are interchangeable like Neil Nitin Mukesh, Zaheer Khan and Irfan Khan\(^\text{88}\). In the last few years, as demand for the top celebrities shot through the roof, their rates too looked skywards. Top stars today charge anywhere between Rs one crore to two crores rupees a day and industry executives say that even during the slowdown, the rates didn't slide but kept growing albeit, at a slower pace. "The stars get a disproportionate amount of money to endorse a product. Their earning per day for endorsing a product is much higher than what they would earn in a day in a movie or a

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\(^{87}\) [http://articles.economictimes.indiatimes.com/Celebrity management is still evolving in India, February 2010](http://articles.economictimes.indiatimes.com/Celebrity management is still evolving in India, February 2010)

cricket match," says Manish Porwal. While the smaller stars work with the various celebrity management agencies, top stars like Shahrukh Khan, Aamir Khan, Amitabh Bachchan and Ranbir Kapoor, work independently.

Unlike earlier times, brands don’t prefer to close endorsement deals through ‘mediators’ or middle men, but seek marketing agencies which have sound knowledge of the local industry and the muscle to rope in stars for their endorsements. Celebrity management agencies offer integrated solutions and services in celebrity endorsements management. There are number of fast growing celebrity managements in India having a very strong network in Bollywood, TV Serials, Music and Sports. These agencies provide solutions in celebrity brand endorsements from selecting the celebrity for a brand, doing research on a celebrity fit, celebrity shoots, celebrity print campaign shoots, celebrity advertisement films productions, celebrity events, strategy to optimize celebrity association with the brand, logistics management and briefing on the new developments on the brand to the celebrity. The experts in celebrity management services bring value to the brand and the company in terms of knowledge, logistics management, negotiation skills and handling the conflicts. Some of the leading ‘entertainment marketing’ agencies in India are KWAN, a new floated outfit which is the market leader, followed by others such as Globosport, Cornerstone, Bling and a few other smaller ones. Celebrity management companies deal with big stars and other clients differently. For one, these companies pocket 15 to 30 per cent of a niche celebrity’s earnings from endorsements, much higher than the five to seven per cent

89 http://articles.economictimes.indiatimes.com
they charge big stars. One reason for the differential fee is that most big stars take care of their endorsement deals themselves while these companies just manage their events. Most of the super stars also do not sign a written contract with the celebrity management companies. Lesser known celebrities, on the other hand, sign three- to four-year contracts. The companies take care of these clients' endorsement deals, manage the events they attend, and even decide what they say at these events. The opportunities of celebrities are not limited to endorsements alone, appearance fees for showroom openings, press conferences, TV shows and events is another avenue. Performance fee is paid for performing at a certain corporate event or award function. Branded entertainment is another segment for opportunity, where a celebrity who need not be the brand ambassador lends himself for a TV show or live event. For example, a leading electronics brand being the lead sponsor for a concert by a leading music director. There are many other opportunities to be explored. The dialogues between the brands and celebrities have already started. In the near future people would be seeing more of the favourite film stars outside movies, the billboards, TV ads, newspaper advertisements. They will be far more interesting, familiar and convincing\textsuperscript{90}.

2.7 CURRENT TRENDS OF CELEBRITY ENDORSEMENT IN KERALA

\textsuperscript{90} Allusirish, op cit, April 2010
Celebrity endorsements have long been used as a source of good and effective way of advertising to promote a wide variety of products and services. With television channels invading Kerala, a trend of celebrities endorsing brands has been progressively mounting. Today, celebrities play significant role in Kerala’s advertisements and it is hard to find an advertisement without the presence of a celebrity. Celebrities provide easy admittance for marketers to penetrate the mind of the consumers. They need no opening. They sway consumer decisions to a great extent and thus using celebrities for product promotion turns out to be an obvious choice. Though access and affordability seems to be the deciding factor by choosing stars for marketing, Kerala brands does make some decisions in matching the star’s image with their brand persona.

2.8 TEXTILE MARKET IN INDIA

The Indian textile industry is rapidly repositioning itself as a global player. It has a critical role through its input to industrial output, employment generation and the export earnings of the country. The sector contributes about 14 per cent to industrial production, four per cent to the gross domestic product (GDP), and 17 per cent to the country's export earnings. The country is the third largest cotton producer in the world. In global textile exports, India now stands in the second position over taking its competitors like Italy, Germany and Bangladesh, with China still retaining its top

91  http://keralabiz.blogspot.in, Celebrity endorsement in Kerala, November 2009
92  http://keralabiz.blogspot.in,ibid,2009
93  www.ibef.org,Textile industry in India
position. Currently India’s textile exports to the world is worth US $ 40.2 billion. Apparel exports from India accounts for 3.7 per cent of share in the global readymade garments exports.\(^{94}\)

Abundant availability of raw materials such as cotton, wool, silk and jute and skilled workforce has made India a sourcing hub. India has the potential to increase its textile and apparel share in the world trade from the current level of 4.5 per cent to eight per cent and reach US$ 80 billion by 2020. The most significant change in the Indian textile industry has been the advent of man-made fibres (MMF). India has successfully placed its innovative range of MMF textiles in almost all the countries across the globe. MMF production has increased by nine per cent during April 2014. Cotton yarn production had increased by 2 per cent during April 2014. Cloth production by mill sector and power loom sector had increased by five per cent to six per cent respectively during April 2014.\(^{95}\)

The Indian textile industry has embarked on an ambitious programme of modernization and technological upgradation in recent years to transform the textile sector from a state of an ancient technology level to a producer of high technology products. Technological upgradation in India has resulted in a shift from commodity based trading to high value added fashion garments, vertical integration and horizontal consolidation of production process leading to lowering of manufacturing costs, improved productivity gains, efficient supply chain management and development of

\(^{94}\) www.ibef.org, Ibid

\(^{95}\) www.ibef.org, ibid.
economies of scale. Unbranded products save on costs of packaging, selling and manufacturing. However, a quantitative analysis of branded and unbranded products shows that costs so saved are far less than the margins that a branded good fetches. For instance, ladies unbranded knitted tops are being sold at US$ 2.50, whereas the same product with a few modifications and improvements fetches nearly US$ 20 when sold as a brand\textsuperscript{96}. The difference is thus nearly nine times. The process of textile brand building in India has led to the emergence of the disappearance of the distinction between domestic and international markets, expansion of organized retail networks, localization of global brands and globalization of local brands.

Today’s Indian textile market is combination of a number of local brands. All the leading textile and apparel firms have introduced domestic brands and are increasingly positioning themselves within the various segments in the domestic market. Prior to 2000, there were around five to six brands in India, prominent amongst them being Zodiac, Monte-Carlo, Raymond and Bombay Dyeing. The market size of branded wear has since expanded on account of the continued increase in purchasing power, rapid increase in the consuming class, coupled with reduction in import tariffs\textsuperscript{97}. The competition has thus intensified in the Indian market with all the major producers of textiles and clothing products in India now working towards building local brands. Some of the brands built in recent years are "Pantaloons", "Killer" Jeans, "Easios", "Pantaloons", "Killer" Jeans, "Easios",

\textsuperscript{96} Prem Malik, Brand building in the textile industry, http://www.fibre2fashion.com
\textsuperscript{97} Prem Malik, opcit
"Tibre", "Colour Plus", "Trigger" and the like. Many of these brands have now reached a stage where they can look towards gaining a regional, if not a global presence.

2.9 TEXTILE MARKET IN KERALA

Kerala is being one of the fashion conscious states in India and textile business in Kerala is always in the upswing. There are number of textile dealers eyeing on Kerala market. Most of the fashion brands have their own showrooms in many cities of Kerala. The life style and living standard of Keralites is above average when compared to other states in India because there are a good number of people abroad and they are generally well aware about fashion trends in the world. Considering the above facts, the textile dealers in Kerala set up beautiful showrooms for promoting business.

2.10 PROFILE OF THE SELECTED CELEBRITIES, TEXTILE BRANDS AND SHOWROOMS

The six popular celebrities, five textile brands and six textile showrooms were selected for the study. The profile of the each of them are briefly described below.

2.10.1 CELEBRITY

For the study six celebrities were chosen (popular film stars) namely Mammootty, Mohanlal, Dulquer Salmaan, Bhavana, Vidya Balan and Prithviraj who are appearing in textile advertisement as endorsers.

i. Mammootty

Mammootty is an Indian film actor and producer best known for his work in Malayalam cinema. He has also acted in Tamil, Hindi, Telugu, and Kannada films. During the career spanning more than three decades, he has acted in over 300 films. He is the second highest paid actor with 1.30 crores rupees per film. He is a brand ambassador of Pothys Textiles and Uathayam brand.

ii. Mohanlal

Mohanlal Viswanathan Nair better known as Mohanlal is an Indian actor, film producer, singer and writer best known for his work in Malayalam films. He has been the model of several famous brands such as Malabar Gold, Manappuram Finance and MCR Dhoties brand. In 2001, the Government of India honoured him with Padma Shri, India’s fourth highest civilian honour, for his contributions towards Indian cinema. In 2009, he became the first and the only actor to receive the honorary rank of Lieutenant Colonel in the Territorial Army of India and in 2010 he received an honorary doctorate from Sree Sankaracharya University of Sanskrit, Kerala. He is also the Brand Ambassador of Khadi brand. He is the highest paid actor with 1.50 crores rupees.

iii. Dulquer Salmaan

Dulquer Salmaan is an Indian businessman and film actor who works in Malayalam cinema. He is the son of noted actor Mammootty. He made his acting debut

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99 http://www.filmibeat.com
100 ibid
in 2012, in the Malayalam film Second Show. He is a brand ambassador of Otto brand. In the advertisement for Otto, the customers are mesmerized by watching his dressing style and he gives a message.

iv. Bhavana

Karthika Menon, better known by her stage name Bhavana, is an Indian film actress who appears in Malayalam, Tamil, Telugu and Kannada films. She is the winner of two Kerala State Film Awards. She has acted with almost all actors of Malayalam including Mohanlal, Mammootty, Suresh Gopi, Jayaram and Dileep. She is the brand ambassador of Pulimootil Silks Textiles.

v. Vidya Balan

Vidya Balan is an Indian actress who established a successful career in Bollywood and is the recipient of several awards, including a National film award, five film fare awards, and five screen awards. Moreover she was awarded with the Padma Shri by Government of India in 2014. She is known for portraying strong female characters. Vidya Balan’s popularity has been acknowledged in the media for pioneering a change in the concept of a Hindi film heroine. According to Vidya, they seek a mix of Malayalam and Tamil at home. She is also well versed in Hindi, Marathi, English and Bengali. Her acting fee per film is Rs. 2.5-3crores and endorsement fee is (per day) 0.25-0.5 crore\textsuperscript{101}. She is the brand ambassador of Jolly Silks Textiles.

\textsuperscript{101} \url{http://www.filmibeat.com}
vi. Prithviraj Sukumaran

Prithviraj Sukumaran credited as Prithviraj, is an Indian actor, playback singer and producer best known for his work in Malayalam films. He has also acted in a number of Tamil, Telugu and Hindi films. He has even made his entry into Bollywood. He is the fourth highest paid actor in the industry with Rs. one crore rupees$^{102}$. He is the brand ambassador of Kalyan Silks Textiles.

2.10.2 TEXTILE BRANDS

For the study, five textile brands were selected namely MCR, Ramraj, Uathayam, Otto and Raymond which have been endorsed by popular film stars.

i. MCR

MCR was started in 1995 by two brothers M.C.Robin and M.C.Rixon in the textile Industry. Offering quality fabrics in dhotis, trendy ready-to-wear dresses and traditional clothing line, MCR has beyond doubt distorted the clothing style of over a million consumers. MCR is in possession of around 3500 looms, creating over 120 unique varieties of dhotis, readymade dresses and traditional wear, 5000 showrooms around Kerala and Tamilnadu and has captured the hearts of lakhs consumers across Kerala and Tamil Nadu through stylish in classic, conventional clothing. The brand ‘MCR’ has wide range of products such as Kerala sarees, ready-to-wear garments,

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$^{102}$ ibid
dhotis and lungies. Malayalam film star Mohanlal is the current brand ambassador of MCR\textsuperscript{103}.

ii. Ramraj

Ramraj Cotton, founded in 1970 is a star production and trading house of dhoties, that has transformed the Indian’s life style. The company is situated in Tirupur town, of Tamilnadu, in the southern state of India. Ramraj incidentally, is a combination of two names - Founder Mr. Nagaraj and his father Mr. RamaSwamy. Shri.T.K. Pannir Selvam, an innovative technocrat was the brain behind the growth of Ramraj cotton dhoties. The company was on track with the extensive revelation of dhoties marketed in Indian cultural style and at present the company is mainly concentrating on cotton dhoties, shirtings, vests, trunk, briefs, panties, shimmies, and children’s inner wears with high quality at right cost. The success mantra of Ramraj Cotton was the power of branding. The company's mantra of ‘quality without compromise’ was the driving force behind its astounding success, even during those early years\textsuperscript{104}. Film star Jayaram is the current brand ambassador of this brand.

iii. Uathayam

\textsuperscript{103} http://www.mcr.com

\textsuperscript{104} http://www.ramrajcotton.com/achievements.php
Uathayam Cotton Mills Pvt Ltd is a private company incorporated in 1999. It is a leading manufacturer and supplier of cotton fabrics from Coimbatore, Tamilnadu. Mammootty is the current brand ambassador of Uathayam\textsuperscript{105}.

iv. Otto

Otto Textile Ltd was incorporated in 1989, one of the leading manufacturer and exporters of garments. It is a 100\% export oriented company producing Pique polo shirts, jersey polo shirts, bubble knit polo shirts, rugby polo shirts, golf shirts, sweat shirts, hooded sweat shirts, sweet pants, basic t-shirts, track suits, tank top, jogging suit, turtle neck t-shirts, leggings, underwear for instant wear for men, women and boys. Dulquer Salmaan is the current brand ambassador of OTTO\textsuperscript{106}.

v. Raymond

Incorporated in 1925, Raymond Group is one of the India's largest branded fabric and fashion retailers, with a capacity to produce 31 million meters of wool and wool-blended fabrics. The Group owns apparel brands like Raymond, Raymond Premium Apparel, Park Avenue, Park Avenue Woman, Color and Plusand Parx. All the brands are retailed through 'The Raymond Shop' (TRS) which has a network of over 700 retail shops spread across India and overseas, in over 200 cities. In addition, the Group also has business interests in readymade garments, designer wear, cosmetics and toiletries, engineering files and tools, prophylactics and air charter operations. The

\textsuperscript{105} www.tradeindia.com

\textsuperscript{106} http://www.gmdu.net/corp-279494.html
company exports to over 55 countries that include USA, Canada, Europe, Japan and the Middle East. Filmstar Sharukh Khan is the current brand ambassador of Raymond\textsuperscript{107}.

### 2.10.3 TEXTILE SHOWROOMS

For the study, the six textile showrooms were selected viz., Pothys, Parthas, Jolly Silks, SreeVijayalakshmi Silks, Kalyan Silks and Pulumoottil Silks in which popular film stars are the endorsers through advertisement.

**i. Pothys**

Pothys was established in 1923 by K. V. Pothy Moopanar under the name Pothy Moopanari to sell cotton sarees and dhotis woven on his own loom and later he was able to establish the name and expand the outfit with a self-styled retail showroom at Srivilliputhur, re-christened 'POTHYS'. Pothys is a chain of textile showrooms in South India. In the beginning, they solely sold sarees, but today all kind of garments are sold and the flagship store in Chennai is called Pothys' Palace. Today, the organization has several branches located in Sri Villiputtur, Tirunelveli, Madurai, Chennai, Coimbatore and Thiruvananthapuram. Mammootty is the brand ambassador of the textile showrooms. Film actress Trisha Krishnan is also a brand ambassador of Pothys Textiles.

**ii. Parthas**

\textsuperscript{107} [http://www.raymondgroup.com](http://www.raymondgroup.com)
Since 1916, Parthas has expanded and turned out to be a household name for the most excellent and premium clothiers in Kerala, having much loved family life style department store with a blend of tranquil ambience of shopping experience, with the conventional warmth, personal service, divulging the finest array of wedding silks, designer sarees, ethnic sarees, casual sarees, dress materials, branded readymade garments for all ages and accessories, household furnishings, Indian traditional and cultural. With a growing interest in doing business worldwide, it started to export to U.S.A. in 1981 and has been recognized as “Star Trading House” by the Government of India. Film actress Rima Kallingal is the brand ambassador of Parthas Textiles.

iii. Jolly Silks

Jolly Silks acquired the textile retailing business from Joyalukkas India Private Limited (JIPL). Jolly silks was set up as a separate entity to focus on the textile division and under a separate brand (Jolly Silks). Earlier the sales were done under “Joyalukkas Wedding Centers”. The re-launch of stores under the new brand was supported by an aggressive sales promotion and marketing campaign. Jolly Silks Private Limited, promoted by Ms. Jolly Joy and Mr. JoyAlukkas. The Company currently has three showrooms in Kollam, Thiruvalla and Angamaly. The promoters of Jolly Silks has around three decades of experience in jewellery retailing with more than ninety jewellery retail showrooms in Kerala and the Middle East. Film actress Vidya Balan is the brand ambassador of Jolly Silks Textiles. *JollySilks* offers a range of textile items and its branches are in Kollam, *Thiruvalla*, Angamaly, Thrissur, Muscat, Sharjah and
Kuwait. *Jolly Silks* at Kollam and *Thiruvalla* renovated showrooms were inaugurated by Suresh Gopi and VidyaBalan\(^\text{108}\).

iv. Sree Vijayarajakshmi Silks

Sree Vijayarajakshmi Silks is located at Thiruvalla. It is the supplier and manufacturer of designer silk fabrics, handwoven silk fabric, contemporary silk fabrics, printed silk fabrics and embroidered silk fabric. The shop has the numerous and marvelous collection of sarees to suit any festive and wedding occasion. Film actress Thamanna is the brand ambassador of this textile showroom.

v. Kalyan Silks

Kalyan Group group was started in 1909 by T.S Kalyanrama Iyer, a priest who turned into an entrepreneur, is a holding company for the brands of *Kalyan silks, Kalyan jewellers*, Kalyan sarees and Kalyan collections. It is headquartered in *Thrissur* city of *Kerala*. The Kalyan silks has four showrooms in *Thrissur* and one each in *Cochin, Palakkad, Kozhikode, Kannur* and Kottayam, Dubai, Bangalore, Thiruvalla, Sharjah and Kalyan Sarees have showrooms in *Coimbatore, Thrissur, Calicut, Thiruvananthapuram* and *Kannur*. It also owns India’s main wholesale textile showroom at *Thrissur* and offers extensive selection of products including sarees, suits, mens coat pant, men’s suit, men’s wear, ladies wear, salwar kameez, bridal silks, ghagra blouses sarees and dress materials. The company has 3,000 employees and turnover of about Rs 600 crores per annum. *Prithviraj*

\(^{108}\) http/www.jollysilks.com
Sukumaran, is the brand ambassador of Kalyan Silks\textsuperscript{109}. Prithviraj is the brand ambassador of this textile showroom.

vi. Pulimoottil Silks

The history of Pulimoottil silks is a long saga of tradition, diversification and improvement, Originated in the year 1924, saw the augment of Pulimoottil Silks at Kottayam in the year 1986 with a three floored, 50,000 Sq.ft area. It is one of the biggest showrooms in Kerala and leader in the textile retail industry in the State. Today, Pulimoottil silks moves ahead by introducing new trends and clothing concepts across Kerala. Maintaining this long tradition of commitment to consumers, silk wear with the silk mark certification (the standard authentication for pure silk) is available at the Kollam, Thiruvalla, Kottayam, Thodupuzha, Kozhikode and Thrissur showrooms of Pulimoottil Silks\textsuperscript{110}. Bhavana is the brand ambassador of this textile showroom.

2.11 SUMMARY

This chapter includes the details about celebrity endorsed advertisements, its current trends, textile market, profile of the selected celebrities, textile brands and showroom.

CHAPTER - III

\textsuperscript{109} http://www.kalyansilks.com

\textsuperscript{110} http://www.pulimoottil silks.com