A review of previous studies of the celebrity endorsed advertisement is essential to understand the areas already investigated so that new areas so far unexplored may be studied in depth. There are many studies on the celebrity endorsed advertisements.

Writing a literature review is about understanding a topic, what has already been done, how it has been researched by other authors, and what the key issues are. According to the author Chris Hart, the definition of a literature review is the selection of available documents; both published and unpublished (in our thesis, we only study published documents), on the topic, which contains information, ideas, data, and evidence written from a particular standpoint. The important studies relating to the celebrity endorsed advertisements are presented here for easy and clear understanding.

Ohanian (1991) stated that source credibility was the most important characteristic in selecting a celebrity endorser. Source credibility breaks down into three dimensions: expertise, trustworthiness, and attractiveness. Expertise was the perceived validity of the assertions made by the celebrity. This connection is often made by a previous association of the person to the nature or
aspect of the product. Famous chefs endorse food products, athletes endorse athletic shoes, and musicians endorse stereo equipment\(^1\).

Trustworthiness was the confidence that the consumer has in the celebrity regarding honesty and objectivity. Often people are sceptical when someone, especially an unknown person, is trying to sell them something. The more trust they have invested in a public figure, the less suspicious they will be about the qualities of the product being endorsed. Attractiveness, though a very subjective matter, is also important in an effective celebrity endorsement. Beauty is in the eye of the beholder, or target market. Studies have been done that indicate physically attractive people communicate messages better than unattractive people (Chaiken, 1972)\(^2\). Source attractiveness is another model used to evaluate a celebrity for a fit with a product. The dimensions are: similarity, familiarity, and liking of the person. Similarity is the degree to which the celebrity resembles the target market. Familiarity is how well the market knows the celebrity.

Actresses Joan Crawford, Clara Bow, and Janet Gaynor were among the first celebrities to promote products. At that time, the rationale given by advertising agencies for using celebrities was ‘the spirit of emulation’ (Fox, 1984)\(^3\). The

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2 Ibid.,

3 Ibid.,
reason behind the popularity of celebrity advertising was marketers’ belief that the viewers’ attention level was much higher, which would result in greater sales.

Cronley (1999) examined celebrity advertising in terms of the correspondence bias. The correspondence bias was the tendency to assume that a person’s behaviour was a true reflection of his beliefs or opinions, and thus, his underlying dispositions when, in fact, could be explained entirely by situational factors⁴.

A study by AdEx India, a division of TAM Media Research, finds that there has been 49 per cent growth in celebrity endorsement ad volumes on Television (TV) during 2007 compared to 2006. Film celebrity accounted for 81 per cent share of overall celebrity endorsement on TV during 2007, with male actors accounting for 50 per cent share and female actors 31 per cent. Aerated soft drinks were the top category, with maximum ad volumes of celebrity endorsement during 2007, the study revealed. Shah Rukh ruled the celebrity endorsement space with the maximum number of advertisers in his kitty. In

face, celebrity endorsement on TV has been on a growth curve, growing six times in volume terms between 2003 and 2007\(^5\).

According to a study conducted by media research group AdEx, out of 22 celebrities who were a part of social advertisements on television during January-June 2007, Bachchan had the maximum number of endorsements. According to the Adex study, the first half of the year saw a rise of 10 per cent in advertising volumes of social advertising compared to the same period last year\(^6\).

According to Till (1996) many companies had been badly affected by the negative publicity from celebrity misdeeds, such as celebrity endorsers involved in murder, rape, or drug scandals. The respondent considered negative publicity to be the major risk for celebrity endorsements. The reason for this was that if the celebrity was strongly associated with the brand then the occurrence of the negative publicity about the celebrity can spill over to the brand. Many companies chose to use celebrities as endorsers for their advertising campaigns, despite the economic advantage of using relatively unknown personalities\(^7\).

\(^5\) AdEx India (A Division of TAM Media Research) “Snapshot of Celebrity Endorsements on TV during 2008 vs. 2006” (17 March, 2009).

\(^6\) Ibid.,

Petty, et al., (1983) claimed that the choice of when to use a celebrity as endorser depends on the underlying characteristics of the audience. A celebrity was probably more effective in low-involvement conditions when the receiver has low motivation and low ability to process the information and that strong arguments were more effective in high involvement conditions where the receiver has high motivation and ability.\(^8\)

Tellis (1998) stressed that consumers in high-involvement conditions sometimes even might be offended by an endorser in an advertisement, and most often just want strong arguments and facts.\(^9\)

Floyd (1999) suggested that when there was high product differentiation among competing brands, it was likely that the consumer was involved in a high involvement purchase.\(^10\)

According to Atkin & Block (1983) there were two main reasons why celebrity endorsers have gained so much popularity. First they are traditionally viewed as being highly dynamic, having both attractive and likable qualities. Secondly, their fame was thought to attract attention to the product.\(^11\)

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\(^8\) Ibid.,

\(^9\) Ibid.,


\(^11\) Ibid.,
Belch and Belch (2001) also opined by using a celebrity you draw attention to the advertising messages, which was important when the media environment was, cluttered\(^{12}\).

Choi \textit{et. al.}, (2004) most companies of today act in the international market the use of celebrity endorsers as a tool to draw attention to the advertisement has increased. A reason for this is that global marketing communication strategies can be vulnerable in individual countries because of cultural roadblocks, such as time, space, language, relationships, power, risk, masculinity, femininity, and other cultural differences between countries. Celebrities with worldwide popularity can help companies avoid many of these problems and decreased the number of cultural roadblocks\(^{13}\).

Erdogan (1999)\(^ {14}\) and Tellis (1998)\(^ {15}\) stated that the effectiveness of a message depended on the expertise and trustworthiness of the endorser. If the use of celebrity endorsers was done properly they can change influence, beliefs, opinions, attitudes and/or behaviour through internalisation.

\(^{12}\)Ibid.,


\(^{15}\)Ibid.,
Stafford et al. (2003) indicated that male celebrities were usually associated with visual plus verbal presentation style and female celebrities were associated more with the visual presentation style. Male celebrities’ endorsers were also associated more with products with functional benefits, while female celebrity endorsers were used more for a product that has psychosocial benefits\textsuperscript{16}.

A study done in New Zealand by the authors Charbonneau and Garland (2005) has shown that advertising practitioners consider celebrity and athlete endorsement to be a valuable promotional strategy while acknowledging it is not without risk. The New Zealand study also discovered that the practitioners felt that celebrity endorsement could be a very effective promotional strategy, as long as there was an appropriate fit between celebrity/ athlete, brand and message\textsuperscript{17}.

Celebrities were often associated with a high status due to their wide spread recognition in the society as well as extra qualities and power attached to them through repeated media exposure (La Eerie and Sejung, 2005). Practitioners in


New Zealand felt that using a credible and respected celebrity or athlete as the voice or message carrier was more effective than having an ordinary model\textsuperscript{18}.

Louie \textit{et al.}, (1981) stated that advertising induces familiarity with the brand name of the product and the consumers feel more confident about a product with which they were familiar. He was of the opinion that by giving a proper message, the advertising aims at shaping the motives and desires at building believability and at creating a certain brand image in the minds of the consumers\textsuperscript{19}.

Aaker, D.A (1996), opined celebrity endorsers were most valuable when launching a product, in the early part of the lifecycle. After a point, the product itself should stand on its own. While it may be an easy decision to use a revered actor or hot new star to promote a brand, they needed to make sure there are no better ways to spend the same money\textsuperscript{20}.

Silvera (2004) opined for any brand – celebrity endorsement to work, it was imperative that the values and personality of the celebrity were exactly aligned with the core values of the brand. The celebrity should exactly mirror the brand personality and in a positive way. Researches have shown, when used correctly,

\begin{itemize}
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a brand ambassador can also help increasing brand recall and reinforce the brand attributes in the minds of the consumers in an otherwise cluttered marketplace. A good brand ambassador also helps increases the consumer base for the brand and in fact should result in lower but more effective marketing spends\textsuperscript{21}.

Floyd (1999) suggested that when there were minimal differences among products for competing brands, which gave low consumer involvement in the purchase process, the advertiser must recognize that the consumers may focus more on non message elements such as a celebrity endorser\textsuperscript{22}.

Till’s (1998) fifth Managerial Implication for Effective Use of Celebrity Endorsers, he stated that potential brand-celebrity fit combinations should be tested to ensure that the impression and image of the celebrity was positive for the target audience\textsuperscript{23}.

Although research findings were equivocal about the ability of celebrities to generate actual purchase behaviour, positive impacts on economic returns of companies using celebrity endorsers were well documented. As well as promoting established brands, celebrities were used to position new brand


\textsuperscript{23} Ibid.,
images, reposition brands, or introduce new one. Since most consumers were not in a purchasing situation when they come in contact with a brand message, it is important that the information get stored in memory so that it can be accessed when the purchasing situation does arise. 

The determinant of the match between celebrity and brand depended on the degree of perceived fit between brand and celebrity image (Misra & Beatty, 1990). To promote a product via a celebrity whose image fit well with the brand gave better results and higher source credibility compared with a situation in which there was low fit between brand and celebrity.

According to Erdogan (1999), Dickenson (1996), Croft et al (1996) there were different factors that influence companies to use celebrity endorsers. The celebrity endorsers increased the attention to the consumer and help the consumers to identify themselves with the endorsed product. Using celebrities in marketing communications was also useful if the company was going to introduce a new brand, polishing the brand image or repositioning the brand.

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26 Ibid.,


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Jagdish and Wagner (1995) stated that celebrities make advertisements believable and enhance message recall. Furthermore, celebrities aid in the recognition of brand names, create positive attitudes towards the brand and create a distinct personality for the endorsed brand. Thus, the use of celebrity endorsements is an advertising strategy that should enhance the marginal value of advertisement expenditures and create brand equity by means of the “secondary association” of a celebrity with a brand²⁹.

Sanbonmatsu and Kardes (1988) stated that consumers are more likely to purchase when the product was described with a strong argument than by a weak argument. Furthermore the study showed that subjects exposed to the ad featuring the celebrity did not differ from subjects exposed to the ad featuring the non-celebrity in their willingness to purchase³⁰.

Caballero, et. al., (1989) found that physical attractiveness did not increase the willingness to purchase soda or cheese. They suggested that endorser beauty was not a significant factor in producing a desire to purchase³¹.


Studies have also proposed that unattractive females were much more effective than their more attractive female counterparts at selling coffee (Baker & Churchill, 1977). Unattractive endorsers may be more appropriate than attractive endorsers for other products as well. Studies have proposed that normal looking endorsers might be perceived as more trustworthy than very attractive endorsers because of the similarity between the average consumer and the normal looking endorsers\textsuperscript{32}.

Petty and Cacioppo’s (1983), examined that the effectiveness of a celebrity endorser in an advertisement depended on the receiver’s involvement level. When involvement was low, a celebrity endorser has significant effect on attitudes. However, when the receiver’s involvement was high the use of a celebrity endorser does not affect attitudes, instead strong arguments and information was more important. Another important strategic issue was subsequent overexposure. It occurred when a celebrity became an endorser for many diverse products and the relationship between the celebrity and a particular brand ceases to be distinctive\textsuperscript{33}.

According to Tripp \textit{et. al.}, (1989) multiple endorsements for each brand were likely to aggravate the related problem of individual celebrities endorsing


multiple brands. Tellis (1998) stated that advertiser should strive to develop long-term relationships with one celebrity, to ensure a single, clear, consistent brand strategy over time\textsuperscript{34}.

According to Ziegel (1983) a celebrity can disappear from the media spotlight before the contractual term ends and this can result in the target audience forgetting about the celebrity, which lead to declining interest for the advertisement and the brand\textsuperscript{35}.

According to Tripp \textit{et al.}, (1994) overexposure and overuse was an important risk to consider when using celebrity endorsers. There was a risk that consumers did not see the connection between the brand and endorser if he or she was endorsing too many products\textsuperscript{36}.

Till (1998) tried to establish a link between a celebrity and company when the endorser were already sponsoring several other brands. The overshadowing effect would result in that the consumer just sees the celebrity instead of the product\textsuperscript{37}.

\textsuperscript{34} Ibid.,
\textsuperscript{35} Ziegel, V. (1983). “Mark Spitz: Eleven Years and Seven Gold Medals Later”, \textit{Advertising Age}, Feb 7, p.32.
\textsuperscript{36} Ibid.,
\textsuperscript{37} Ibid.,
Till (1998)\textsuperscript{38} agreed with Walker et al., (1992)\textsuperscript{39} that it was important to see how many products the celebrities were endorsing.

The authors Choi et al., (2005) did a study in Korea which showed that many Koreans celebrities appeared to promote more than one product. Therefore multiple endorsements in Korean advertising raised concerns about their effectiveness, and consequently, the purpose of using those. It was important to understand the mediating role of credibility and assessed credibility of the endorser more carefully in order to achieve the most efficient and effective strategy\textsuperscript{40}.

According to Priester and Petty (2003), extreme attitudes associated with strong arguments, the attitudes formed from the advertisement endorsed by an untrustworthy endorser came to mind faster than the attitudes formed from the advertisement endorsed by trustworthy endorser. The influence of spokesperson trustworthiness and message elaboration, attitude strength, and advertising effectiveness\textsuperscript{41}.

\textsuperscript{38} Ibid.,


Consumers passed through several of stages when making a purchase intention (Burroughs et al., 1987). First they learnt something about the product, modify their attitudes on the basis of that learning, and then act on their revised attitudes.42

According to Tripp et al. (1994) were the perception of the celebrity’s trustworthiness, expertise and likeability affected by the number of products the celebrity endorsed. Celebrities endorsing one or two products were perceived as significantly more trustworthy and more of an expert than a celebrity endorsing for example four products. If a company wants the celebrity to be seen as credible then the consumers must perceive them to be trustworthy and have the expertise to speak about a product or a service.43

According to Miciak and Shanklin (1994) companies considered credibility as the primary reason for selecting a spokesperson and the most important dimension of credibility are trustworthiness.

Assael (1984) suggested that celebrity advertising was effective because of their ability to tap into consumers’ symbolic association to aspirational


43 Ibid.,

reference groups. Such reference groups provided points of comparison through which the consumer may evaluate attitudes and behaviour.

The fit factor was also very important and vital for the multiple celebrity endorsements when we had more than one celebrity in an advertising campaign. Multiple celebrities can had a positive impact on attitude toward ad, attitude toward brand and purchase intentions (Saleem, 2007). When we had more than one celebrity in an ad it means that all celebrities view the product the same way and consensus was developed.

Multiple celebrity endorsements were not effective for high involvement products compare to single celebrity endorsements as for high involvement products the argument in the advertisement was more important for the customer. Similarly multiple celebrities’ endorsements were very effective for low involvement products ads compare to single celebrity endorsements.

In a study conducted by Tripp, Jensen, and Carlson (1994), results showed that being exposed to multiple product endorsements by a celebrity did lead the customer to view the celebrity as "less trustworthy, expert, or likable.

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and evaluate the advertisements more negatively”. Regardless of whether the advertisement or the products were the same, exposure of the endorser to the consumer led to less favourable perceptions of the celebrity and the advertisement.48

Wadman (2000) concludes that consumers’ perception of quality reflects consumers’ expectations and consumption experience. Since the consumption experience was learned and derived from the consumption of a product or service, it would be uniquely interpreted by each consumer within the framework of his self image and his expectation of quality. In general, the consumer’s expectations of quality were based on certain reactions to stimuli which were received by consumers via various methods, most notably through information supplied by advertising.49

Neeru Bhatia (2003) stated that before the commencement of last world cup, cricketers’ brand equity has shot up by 30 per cent, which was a good sign of advertising industry in India. Her study also revealed that the official sponsors of Pepsi and LG Electronics registered a brand recall of 70 per cent, while Hero Honda registered a brand recall of 28 per cent. Other companies like Samsung, Reliance Infocom, Coco-Cola and Britannia registered between 10

48 Ibid.,

and 20 per cent. She also viewed that the advertisements for Lays Potato Chips shot up in the cricket stadium resulting in an increase in sales by 75 per cent.

A study conducted by IPAN – IMRB, that while a celebrity endorsement may enhance the brand recall of a product, it did not for the most part influence the customer’s decision to buy. 86 per cent of the respondents said that the most prominent advertisement they remembered had a celebrity in it, but only three per cent felt that the celebrity endorser affected their buying decision. Even in the South where celebrities are revered, 58 per cent said they may remember an advertisement because of the presence of a celebrity but only two per cent considered the celebrities while buying the product. 84 per cent of the respondents in South India, quality followed by price were the most important factors taken into consideration while making a decision to buy.

Presumably, according to Becker and Murphy, the intended influence of any advertisement (especially those using endorsers) on the purchase or the increase in the purchases of the product should be treated as a change in demand rather than a change in consumer tastes or preferences. This was because a change in tastes and preferences tend to take time, while the impact of advertisements was of a short term nature. He concluded that consumer


51 Business Line, Business Daily from THE HINDU group of publications, “Celebrity Endorsement has little Influence on Decisions to Buy” Tuesday, Apr 08, 2008.
preferences were not changed by advertising and that consumers’ decisions were only rational. This implies that advertising would not have an impact on buying intentions or consumer behaviour\textsuperscript{52}.

Zeithami (1988) revealed that if quality can be defined broadly as a measure of superiority or excellence then perceived quality can be defined as the consumer’s judgement about the product’s overall excellence or superiority. This implied that consumers must make judgments based on the information that they have available. Much of this information very often came from advertising. Since advertisements used celebrity endorsers quite frequently, the extend to which this information effected consumers judgment must be related to the credibility of the endorsers presented in the advertisement\textsuperscript{53}.

Information from a credible source (e.g. celebrity) can influence beliefs, opinions, attitudes, and/or behaviour through a process called internalization, which occurred when receivers accept a source influence in terms of their personal attitude and value structures (Kelman, 1961\textsuperscript{54}; Ohanian, 1991\textsuperscript{55}). A highly credible source was particularly important when the message receiver had a negative position toward the product, service, company, or issue being


\textsuperscript{55} Ibid.,
promoted. This was true because the credible source was likely to inhibit
counterarguments and reduced counter arguing should result in a greater
message acceptance and persuasion.

The effectiveness of a message depended on the attractiveness of the
endorser, which included similarity, familiarity, and likeability (McGuire,
1968). Research had shown that physical attractiveness of a source determines
the effectiveness of persuasive communication through a process called
identification, which was assumed to occur when information from attractive
endorsers was accepted as a result of the desire to identify with such

Despite potential benefits, there were still many potential risks of basing a
marketing communications campaign on celebrity endorsers. In fact, it has been
found that negative information about a celebrity endorser not only influences
consumers’ perception of the celebrity but also the endorsed product and
company. (Klebba & Unger, 1982) A number of entertainers and athletes have
been involved in activities that could embarrass the companies whose products
This may not only compromise the value of celebrities in the eyes of their fans (Graham, 1989) but also made consumers overtly aware of the true nature of the endorsement, which has less to do with the attributes of the brand, and more to do with money\textsuperscript{58}.

Tellis (1998) stated that a big issue of trustworthiness was the willingness of the celebrity to make honest claims. The audience generally knew that the celebrities were paid and therefore the effectiveness of the endorsement depends on whether the audience perception of the celebrity’s trustworthiness overcomes the knowledge of payment\textsuperscript{59}.

The use of celebrity endorsement depended on the underlying characteristics of the audience called audience characteristics (Tellis, 1998). The motivation of the consumer to process the information and the ability to process information was highly important when selecting celebrity endorsement or not\textsuperscript{60}.

Daneshvary and Schwer (2000) opined that individuals with lower levels of education more impressionable to association endorsement than individuals with higher education. Hence, education provided individuals with analytical skills and allowing them to decipher information from several sources prior to


\textsuperscript{59} Ibid.

\textsuperscript{60} Ibid.
making a purchasing decision, making them less likely to purchase a product based on one source\textsuperscript{61}.

According to the Choi et al. (2005) domestic celebrities were more effective in delivering messages consistent with the prevalent cultural values in the country, meaning that consumers are more likely to identify with them. They were readily available and cost-efficient compared with celebrities with international recognition\textsuperscript{62}.

According to the Tripp et al. (1994) the celebrity who endorsed many products have negative influence on consumers’ perceptions of the endorser’s credibility, likeability and attitude toward the advertisement. The celebrity endorsement was more effective when using a celebrity who was not already strongly associated with another product or service. Another problem was that companies use celebrities name or photograph without permission to suggest endorsement but also advertisements that use so-called actors and models who look like well-known celebrities in a way that suggest endorsement\textsuperscript{63}.


\textsuperscript{62} Ibid.,

\textsuperscript{63} Ibid.,
According to Tripp et al. (1994) the number of exposures to the celebrity endorser have a negatively impact on the purchase intention. Consumers pass trough several of stages when making a purchase intention\textsuperscript{64}.

Agrawals and Kamakuras (1995) indicated a positive impact of celebrity endorsement on expected future profits, which lends objective, market level support to use the celebrity endorsers in advertising. They also stated that the use of celebrities in advertising continued when marketing mangers think that celebrity endorsement still was a useful component in the advertising strategy despite the high costs\textsuperscript{65}.

\textsuperscript{64} Ibid.,