CHAPTER III

CELEBRITY ENDORSEMENT- AN OVERVIEW

3.1 INTRODUCTION

Celebrity endorsement is a form of brand or advertising campaign that involves a well known person using their fame to help and to promote a product or service. Manufacturers of perfumes and clothing are some of the most common business users of classic celebrity endorsement techniques, such as television ads and launch event appearances, in the marketing of their products. Advertisers have attempted to quantify and qualify the use of celebrities in their marketing campaigns by evaluating their awareness, appeal, and relevance to a brand's image and the celebrity's influence on consumer buying behaviour.

Celebrity endorsements have proven very successful in China where, due to increasing consumerism, it is considered a status symbol to purchase an endorsed product. On August 1, 2007 laws were passed banning healthcare professionals and public figures such as movie stars or pop singers from appearing in advertisements for drugs or nutritional supplements. A spokesperson stated: “A celebrity appearing in drug advertising is more likely to mislead consumers, therefore, the state must consider controlling medical advertisements and strengthen the management of national celebrities appearing in medical advertisements.”

The fact of celebrity endorsement is a famous person’s image to sell products or services by focusing on the person’s money, popularity, or fame to promote the products or services. If the famous person agrees to allow his or her image to be used, it is termed a celebrity endorsement. If the famous person's image is used without his or her permission, the products are termed "bootleg" or "knock-offs." The promotion might be through formal advertisements in the media, or it might occur through the famous person displaying the products by using them or wearing them.

The implication is that the famous person uses the product or service that he or she endorses; for example, a supermodel with beautiful hair might be contracted to promote a certain brand of shampoo, giving the impression that her beautiful hair results
from using the shampoo. However, the person might not even use the product or service he or she endorses; in which case, he or she is often said to be "selling out." Criticism for selling out has led many famous people in North America to appear in advertisements only shown overseas.

3.2 SCOPE OF CELEBRITY ENDORSEMENT

The use of testimonials by advertisers dates back to the 19th century when medicines were patented. Firms have been juxtaposing their brands and themselves with celebrity endorsers (e.g., athletes, actors) in the hope that celebrities may boost effectiveness of their marketing and/or corporate communication attempts for at least a century. One of the early examples is Queen Victoria's endorsement of Cadbury's Cocoa.

Three of humankind's greatest inventions (cinema, radio, and television) have extended the scope of endorsement as an advertising technique. Today, use of celebrities as a part of marketing communications strategy is fairly common practice for major firms in supporting corporate or brand imagery. It was not until the 1920s, however, that advertisers used famous people for product endorsements. 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".

About a decade ago, one in three television commercials used celebrities' endorsements, and today this advertising approach appeared to be on the increase across all media types. Friedman found that celebrities are featured in 15 percent of the prime-time television commercials. In the United States, it was reported that about 20% of all television commercials feature a famous person, and about 10% of the dollars spent on television advertising are used in celebrity endorsement advertisements. Thus, celebrity endorsement has become a prevalent form of advertising in United States and elsewhere.

Today, the use of celebrity advertising for companies has become a trend and a perceived winning formula of corporate image building and product marketing. This phenomenon is reflected by the recent market research findings that 8 out of 10 TV commercials scoring the highest recall are those with appearances of the celebrities.
3.3 THE ARGUMENT OF CELEBRITY ENDORSEMENT

1. Establishment of Credibility

Approval of a brand by a star fosters a sense of trust for that brand among the target audience- this is especially true in case of new products. We had the Shah Rukh-Santro campaign. At launch, Shah Rukh Khan endorsed Santro and this ensured that brand awareness was created in a market, which did not even know the brand.

2. Ensured Attention

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

3. Time saving

Celebrity is also able to build brand credibility in a short period of time.

4. Higher degree of recall

People tend to commensurate the personalities of the celebrity with the brand thereby increasing the recall value. Golf champion Tiger Woods has endorsed American Express, Rolex, and Nike. Actress Catherine Zeta-Jones is used by TMobile and Elizabeth Arden. 007 Pierce Brosnan promotes Omega, BMW, and Noreico.

5. Associative Benefit

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

6. Mitigating a tarnished image

Cadbury India wanted to restore the consumer's confidence in its chocolate brands following the high-pitch worms controversy; so the company appointed Amitabh Bachchan for the job. Last year, when the even more controversial pesticide issue shook up Coca-Cola and PepsiCo and resulted in much negative press, both soft drink majors put out high-profile damage control ad films featuring their best and most expensive celebrities. While Aamir Khan led the Coke fightback as an ingenious and fastidious Bengali who finally gets convinced of the product's `purity,' PepsiCo brought Shah Rukh
Khan and Sachin Tendulkar together once again in a television commercial which drew references to the `safety' of the product indirectly.

7. Mass Appeal

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

8. Providing testimony

Another benefit of using celebrity endorsers is that he/she can provide testimony for a product or service, particularly when the product has contributed to their celebrity. The more familiar an endorser, the more likely consumers are to buy the endorsed product.

9. PR coverage

Public relation is another reason for using celebrities. Managers perceive celebrities as topical, which create high PR coverage. A good example of integrated celebrity campaigns is one of the World’s leading pop groups, the Spice Girls, who have not only appeared in advertisements of Pepsi, but also in the product launching and PR events.

10. Psychographic Connect

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

11. Demographic Connect

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

12. Rejuvenating a stagnant brand

With the objective of infusing fresh life into the stagnant chyawanprash category and staving off competition from various brands, Dabur India roped in Bachchan for an estimated Rs 8 crore.

13. Celebrity endorsement can sometimes compensate for lack of innovative ideas.
3.4 THE ARGUMENT AGAINST CELEBRITY ENDORSMENT

1. The reputation of the celebrity may derogate after he/she has endorsed the product

Pepsi Cola's suffered with three tarnished celebrities - Mike Tyson, Madonna, and Michael Jackson. Since the behaviour of the celebrities reflects on the brand, celebrity endorsers may at times become liabilities to the brands they endorse.

2. The vampire effect

This terminology pertains to the issue of a celebrity overshadowing the brand. If there is no congruency between the celebrity and the brand, then the audience will remember the celebrity and not the brand. Examples could be the Castrol commercial featuring Rahul Dravid.

3. Inconsistency in the professional popularity of the celebrity

The celebrity may lose his or her popularity due to some lapse in professional performances. For example, when Tendulkar went through a prolonged lean patch recently, the inevitable question that cropped up in corporate circles - is he actually worth it? The 2003 Cricket World Cup also threw up the Shane Warne incident, which caught Pepsi off guard. With the Australian cricketer testing positive for consuming banned substances and his subsequent withdrawal from the event, bang in the middle of the event, PepsiCo - the presenting sponsor of the World Cup 2003 - found itself on an uneasy wicket.

4. Multi brand endorsements by the same celebrity would lead to overexposure

The novelty of a celebrity endorsement gets diluted if he does too many advertisements. This may be termed as commoditisation of celebrities, who are willing to endorse anything for big bucks. Example, MRF was among the early sponsors of Tendulkar with its logo emblazoned on his bat. But now Tendulkar endorses a myriad brands and the novelty of the Tendulkar-MRF campaign has scaled down.
5. **Celebrities endorsing one brand and using another (competitor)**

Sainsbury’s encountered a problem with Catherina Zeta Jones, whom the company used for its recipe advertisements, when she was caught shopping in Tesco. A similar case happened with Britney Spears who endorsed one cola brand and was repeatedly caught drinking another brand of cola on tape.

6. **Mismatch between the celebrity and the image of the brand**

Celebrities manifest a certain persona for the audience. Each celebrity portrays a broad range of meanings, involving a specific personality and lifestyle. Madonna, for example, is perceived as a tough, intense and modern women associated with the lower middle class. The personality of Pierce Brosnan is best characterized as the perfect gentlemen, whereas Jennifer Aniston has the image of the ‘good girl from next door’.

**3.5 FACTORS INDUCING THE CHOICE OF CELEBRITY**

1. **Instant brand awareness and recall**

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

2. **Celebrity values define, and refresh the brand image**

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

3. Celebrities add new dimensions to the brand image

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

4. Convincing clients

A celebrity’s preference for a brand gives out a persuasive message, because the celebrity is benefiting from the brand, the consumer will also benefit. For eg.: When Sachin Tendulkar says Boost is the secret of my energy, consumers will also associate the benefit of boost to themselves.

3.6 MEASURING A CELEBRITY ENDORSEMENT

It becomes very important to measure the effectiveness of a celebrity (or determine the worth of one). Few of the methods of measurement that are in practice are: -

1. Q-SCORE Method
2. FRED Principle
3. TEARS Model
4. No TEARS Model

3.6.1 Q-SCORE Method

There is a way to measure the credibility, believability, popularity, and like-ability of a celebrity. It's called a Q-Score,

Consider both sides of the deal - for a client who wanted to use a celebrity endorser, and for a celebrity who was looking for an endorsement opportunity. Once
defined the kind of endorser, need athlete, actor, male/female, young/old, etc. and its well worth going through the Q-Score exercise.

3.6.2 FRED Principle

This concept is seen as the foundation of a successful endorser selection.

• F is for Familiarity

The target market must be aware of the person, and perceive him or her as empathetic, credible, sincere and trustworthy.

• R is for Relevance

There should be a meaningful link between the advertised brand and the celebrity endorser, and more important, between the celebrity endorser and the defined target market. The audience must be able to identify with the person. If consumers can immediately associate with an endorser, they will feel more predisposed for accepting, buying and preferring the brand to competition.

• E is for Esteem

Consumers must have the utmost respect and confidence for the celebrity. Amitabh Bachhan and Tendulkar have these. So do Shahrukh Khan, Preity Zinta, Kapil Dev among others. The public respect them because of their distinguished careers and unassailable salesmanship.

• D is for Differentiation

The target consumers must see the endorser as a cut above the rest. If there is no perceived disparity among celebrities, then the strategy will not work. Michael Jordan is an example of an international celebrity that rises above the clutter. This proves to be a huge contributory factor to his effectiveness as an endorser.

The Fred concept is not a guarantee to success, but it can serve as a guideline when selecting a spokesperson. Each organization and its objectives are different, and should be evaluated on an individual basis.
3.6.3 TEARS Model

The attributes highlighted by the acronym "TEARS" are gauged for:

- **Trustworthiness** For example - Legendary actor Amitabh Bachchan who is an icon of trust; promoting ICICI Bank.
- **Expertise**: For example - Golfer Tiger Woods for a sports brand.
- **Attractiveness**: For example - Actress Erra Fazira for beauty products.
- **Respect**: For example - Former Miss World Aishawarya Rai and the Angelina Joliedonation campaign.
- **Similarity**: For example - a child artist promoting a chocolate brand. A celebrity scoring high on all the above attributes can turn out to be a good endorser for the brand under question.

3.6.4 No TEARS Model

The "No TEARS" approach is a tool for managers and their advertisers how to go about selecting celebrities so as to avoid the pitfalls from making an unwise decision.

It gauges the following information:

1. Celebrity-Product Match
2. Celebrity-Target Audience Match
3. Celebrity Popularity
4. Celebrity Credibility
5. Celebrity Values
6. Celebrity Physical Attractiveness
7. Celebrity Regional & International Appeal Factors
8. Celebrity Controversy Risk
9. Multiple Endorsements
10. Costs of Acquiring the Celebrity
11. Fit with the Advertising Idea
12. Celebrity Availability
13. Celebrity should be Brand User
14. Consumer Influencing Advertisement
15. Previous Endorsements
16. Use of promotional Medium
17. Brand Image Formation capability
18. Interest of endorser
19. Endorsement management team
20. Unique Idea of promotion

3.7 EFFECTIVENESS OF CELEBRITY ENDORSEMENTS IN ADVERTISING

There are a number of reasons why celebrity endorsements in advertising are so common. A celebrity endorsement can help to build trust with current and potential customers, increase the chances of the brand being remembered, and attract a new type of audience. Endorsements also may increase the consumer's desire for a product. This is often achieved by implying that the particular celebrity is successful, talented, or attractive at least partly because of the product.

Endorsements are a common tool among manufacturers of retail products. There are a number of reasons for this, but one of the most important is credibility and trust. Many people hold certain celebrities in high regard, so an endorsement of a product instantly increases the amount of trust the consumer has in the brand. This can sometimes work against the brand, however, if the celebrity starts to receive negative press.

Another important reason why celebrity endorsements are so common in advertising is brand recall. There are a huge number of products being marketed to consumers all the time, so it’s essential for a brand to find a way to stand out in the crowd and be remembered. If a customer sees an advertisement involving his or her favorite celebrity endorsing a particular product, then his or her chances of remembering that product are greatly increased.

Celebrity endorsements also are useful for attracting new customers to a brand that otherwise may not have held any interest for the consumer. If, for example, a product
has traditionally been marketed to elderly people, then people in other age brackets may be reluctant to try it. A brand can try to rectify this problem by using a celebrity who is associated with a particular age group or demographic. Many people idolize certain celebrities for their sporting achievements, appearance, or other talents. Advertisers often use this to sell products that claim to have a particular effect. Skin care products, for example, are commonly endorsed by an attractive celebrity with seemingly perfect skin.

A brand that gains a high-profile celebrity's endorsement may, for example, receive greater media coverage than if it had run a standard advertising campaign. A celebrity endorsement also can help to bring an older product, perhaps with consistently decreasing sales, into the modern day. Endorsements don’t always have a positive effect, however, which is why it’s essential to choose a celebrity who is likely to have the desired effect on the product’s target audience.

There is no doubt that celebrity advertising has its benefits –

**The four Qs**

**Quick saliency**

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

**Quick connect**

There needs to be no insight but the communication connects because the star connects. Sachin Tendulkar and Shah Rukh Khan ensure an easy connect for Pepsi with the youth.

**Quick shorthand for brand values**

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

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

3.8 IMPACT OF CELEBRITY ENDORSEMENT

Celebrity endorsements do work in the Indian scenario. The level and the magnitude of the effect vary with the celebrity and the product category but most endorsements have a favourable impact. But the impact of an endorser cannot be sustainable in all product categories and in all the stages of brand life cycles.

It really depends upon the type of product. If it is a ‘functional brand’, then the product itself is the hero. Here any celebrity association with the brand without corresponding performance of the product will not be sustainable. But categories of soaps, soft drinks, and cigarettes etc., where it is difficult to distinguish between the products, celebrity endorsements help to distinguish between the brands at an emotional level. The purchase decision due to the celebrity presence can be explained in the following manner. There are two types of decision-making processes defined. They include Extended Problem Solving and Limited Problem Solving.

In extended problem solving, thinking leads to feeling, which leads to action. The very nature of the decision often necessitates collection of information that is processed and stored. Various product attributes are weighed and evaluated. In limited problem solving, consumers will simplify the process by sharply reducing the number and variety of information sources and alternatives considered.

The two problem solving processes above suggest that brand images have a relatively insignificant impact on the consumer’s purchase decision if the product/service involves extended problem solving. On the contrary, the brand images of product/service that involves limited problem solving will have a more significant impact on the consumer’s purchase decision.
3.9 SUCCESS FACTORS FOR CELEBRITY ENDORSEMENT

Celebrity endorsement if used effectively, makes the brand stand out, galvanizes brand recall and facilitates instant awareness. To achieve this, the marketer needs to be really disciplined in the choice of a celebrity. The factors that lead to a successful endorsement can be listed as following:

1. **Fit with the Advertising Idea**

The advertisement should be compatible with the celebrity characteristics. One of the most successful celebrity endorsement campaigns which reflects the fit between the brand and the 360 degree advertising fit is Fardeen Khan and Provogue. Provogue’s positioning in the apparel market is of a young, active, party-going, attention-grabbing brand and so is Fardeen Khan.

2. **Celebrity-Target Audience Match**

Celebrity-Target Audience Match is one of the most important as well as critical factor for a successful endorsement. If the celebrity and the product characteristics do not match then people will not be able to identify the product with the celebrity. His issue of matching the values of the celebrity with the brand values is also very important, i.e. getting the right celebrity to endorse the right brand. Smriti Irani endorsing the WHO recommended ORS Campaign in India. Indian mothers can associate with Smriti Irani through the facets she projects on screen or in regular life which helps to develop or connect with the target audience since mothers medicate their children with ORS.

3. **Celebrity Values**

Celebrity branding is all about the transfer of the value from the person to the product he endorses or stands for. There are two concerns here. The first is how long this could last. Can the person maintain his popularity? The second concern is his private life – personal integrity. If he is implicated in any kind of scandal, that would ruin the brand.

4. **Costs of Acquiring the Celebrity**

The celebrity should be affordable for the company. If company spends too much on celebrity and it fails then profits suffer. Small firms that use celebrities’ services run greater risks if they invest large amounts.
5. Celebrity Regional Appeal Factors

R. Madhavan endorsing Pepsi in Southern India or Sachin Tendulkar endorsing in India are few examples of how important it is to use regional celebrities.

6. Celebrity-Product Match

Cyrus Broacha is the brand ambassador for MTV since both the celebrity and the brand are considered as a friendly, young, mood-boosting, humourous and outspoken. MTV’s brand personality overlaps Cyrus Broacha’s image as a brand.

7. Celebrity Controversy Risk

Any act on the part of the endorser that gives him a negative image among the audience and goes on to affect the brands endorsed. The brand, in most instances, takes a bashing. Provogue was a brand which used Fardeen Khan as its brand ambassadors. The brand ran into trouble when Fardeen was booked for a drug related case. The brand also ran through a rough patch when one of its promoters were booked by the police in a similar case.

8. Celebrity Popularity

HPCL has had increased popularity and share of voice due to the endorsement of the brand through Sania Mirza whereas Celebrity Brand association like Garnier endorsed Tara Sharma & Simone Singh, Agni Diamonds & Riama Sen don’t get much brand recall,

9. Celebrity Availability

In case of various brands, there are situations in which they prefer to go without a brand face, since there is no brand-fit between the celebrities available and the brand.

10. Celebrity Credibility

In a research carried out among 43 ad agencies and companies, most experts believed that the most important dimensions of credibility are trustworthiness and prowess or expertise with regard to the recommended product or service to cite one of the most successful campaigns in which the celebrity’s credibility has had an indelible impact on the brand and has saved the brand is of Cadbury’s. After the worm
controversy, Amitabh Bachchan’s credibility infused into the brand through the campaign, helping it to get back on track. The campaign has won an award for the same.

11. Celebrity Physical Attractiveness

   Bipasha Basu’ physical attractiveness and her connect with the brand makes Levis Strauss’s campaign through celebrity in India, John Abraham endorsing Wrangler and Timex Sunglasses are some examples which portray the celebrities’ physical attractiveness that helps to create an impact.

12. Multiple Endorsements

   If the celebrity is involved in multiple endorsements, it tends to create confusion among consumers and hence negatively affects the perception of the advertisement and the brand. Not many people can remember all the brands that a celebrity endorses and the chances of losing brand recall increases if the celebrity endorses multiple brands. For multiple endorsements where the same celebrity endorses several brands, it boils down to the strength of the brand and the advertising content.

13. Whether Celebrity is a Brand User

   One of the most successful campaigns has been executed by PETA in which celebrities like Shilpa Shetty, Amisha Patel, Sheetal Malhar, Mahima Choudhary claimed to believe in PETA’s philosophy, and thereby endorse the brand. Whereas Amitabh Bachchan would never use Navratan Tel, to reach out to the target audience that the brands are used by him won’t be that successful.

3.10 MECHANISM AND THEORIES OF CELEBRITY ENDORSEMENT

   Celebrity endorsements give a brand a touch of glamour and the hope that a famous face will provide added appeal and name recognition in a crowded market. In the battle for the mind, you get the customer excited by showing him a known face, and an effective demand is created. In short it helps to increase the recall value of the brand. A piece of research states that the target audience with the age group of 15-30 gets influenced first by cricketers, then by Bollywood stars and then only by music, festivals and food.
According to Source Credibility Theory, acceptance of the message depends on the 'Expertness' and Trustworthiness of the source. Expertness is defined as the perceived ability of the source to make valid assertions. Trustworthiness is defined as the perceived willingness of the source to make valid assertions. Audience acceptance increases with the expertness of the source and the ability of the audience to evaluate the product.

According to Source Attractiveness Theory, which is based on the social psychological research, the acceptance of the message depends on familiarity, likeability and similarity. Familiarity is the audience's knowledge of the source through exposure; likeability is the affection of the source's physical appearance and behavior while similarity is the resemblance between source and receiver. This theory explains the message acceptance in two ways: i.e. Identification and Conditioning. Identification is when the receiver or the target audience of the communication begins to identify with the source's attractiveness, and hence tends to accept his opinions, beliefs, habits, attitudes etc. On identification, a quote from Bijou Kurien, COO, Titan, "We decided on Aamir because we wanted someone who is a bit iconic, who is style-conscious himself, and somebody who cuts across both sex and age group, between urban and rural India. A celebrity who is moldable and who is not over-exposed". Conditioning is when the attractiveness of the source is supposed to pass on to the brand after regular association of the source with the brand.

Grant McCracken has criticized the previous two theories and proposed the Meaning Transfer Theory. The theory explains that a celebrity encodes a unique set of meanings which if well used can be transferred to the endorsed product. Such a transfer takes place in three stages – encoding meanings, meaning transfer, meaning capture.

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

II. Meaning Transfer: This stage transfers those meanings to the product. When skillfully portrayed, celebrities can communicate this image more powerfully than lay endorsers.
III. Meaning Capture: This assumes that consumers purchase products not merely for their functional value but also for their cultural and symbolic value. The theory says that consumers buy the endorsed product with the intention of capturing some of the desirable meanings with which celebrities have passed on to the product. This is more eminent in lifestyle products like clothes, perfumes, cell phones etc.

3.11 CELEBRITY ENDORSEMENT IN INDIA

Phase 1: The Pioneering Phase (1950-1980)

This phase was characterized by: -

1. Limited channels of communication
2. Demand exceeded supply
3. Heavy regulation and governmental regulations some bigger companies from their global experience introduced the concept of celebrity endorsement. HLL has used Hindi film stars to endorse their beauty soap Lux since the fifties.


The introduction of television added a variable effective medium of communication. Indian stars going global with events like Asiadsand World Cup victory. Vimal, Thumps-Up, Gwalior and Dinesh are some of the other brands that used star-appeal in the early days of mass advertising. There was a spurt of advertising, featuring stars like Tabassum (Prestige Pressure-cooker), Jalal Agha (Pan Parag Pan-masaala), Kapil Dev (Palmolive Shaving Cream) and Sunil Gavaskar (Dinesh Suitings).

Phase 3: Globalization

In highly competitive markets, the following realities about brand management exist: -

1. Product differentiating factors are duplicable and imitable.
2. All long existing and successful brands imbue their products with a meaning
3.12 GLOBAL EXAMPLES OF CELEBRITY ENDORSEMENTS

Globally, firms have been juxtaposing their brands and themselves with celebrity endorsers.

Some successful ongoing global endorsements are as follows:

- Celebrity endorsements have been the bedrock of Pepsi's advertising. Over the years, Pepsi has used and continues to use a number of celebrities for general market and targeted advertising, including Wyclef Jean, and Busta Rhymes, who did a targeted campaign for their Mountain Dew product.

- Nike golf balls, since the company signed Tiger Woods in 1996, have seen a $50 million revenue growth. Nike's golf line grossed more than $250 million in annual sales. In 2000, he renegotiated a five-year contract estimated at $125 million. Other successful endorsements like Nike - Michael Jordan, Dunlop - John McEnroe, Adidas – David Beckham, and so on

- Venus Williams, tennis player and Wimbledon champion has signed a five-year $40 million contract with sportswear manufacturer Reebok International Inc.

3.13 TYPES OF CELEBRITY ENDORSEMENT

There can be two types of celebrity endorsement, such as, Brand Ambassador and Brand face.

1. Brand Ambassador

One who is not only a spokesperson for the brand or is just appearing as a testimonial for the brand’s benefits. He/she is an integral part of the brand persona and helps to build an emotional, which goes beyond just appearing on TV commercials and is also associated with every aspect related with the brand. He would be involved in press releases; he/she would be actively participating in any sales promotion, sporting the Brand all the while. Fardeen Khan is the brand ambassador for Provogue.

2. Brand face

The current celebrity who is just used as a tool to increase brand recall and is only appearing in the advertisement. It is usually seen that a brand face is a temporary contract
and is very short term at times. Example-Sona Chandi Chawanpryash using Sourav Ganguly for a while in its commercials.

3.14 CELEBRITY ENDORSEMENTS – DO’S AND DON’TS

All brands must be aware of the following aspects of celebrity branding:

1. Consistency and long-term commitment

As with branding, companies should try to maintain consistency between the endorser and the brand to establish a strong personality and identity. More importantly, companies should view celebrity endorsements as long-term strategic decisions affecting the brand.

2. Three prerequisites for selecting celebrities

Before signing on celebrities to endorse their brands, companies need to ensure that they meet three basic prerequisites, namely the endorser should be attractive, have a positive image in the society, and be perceived as having the necessary knowledge (although it might be difficult for a celebrity to meet all three prerequisites).

3. Celebrity–brand match

Consistent with the principles discussed earlier, companies should ensure a match between the brand being endorsed and the endorser so that the endorsements are able to strongly influence the thought processes of consumers and create a positive perception of the brand.

4. Constant monitoring

Companies should monitor the behavior, conduct and public image of the endorser continuously to minimize any potential negative publicity. One of the most effective ways to do this is to ensure that celebrity endorsement contracts are effectively drafted, keeping in mind any such negative events.

5. Selecting unique endorsers

Companies should try to bring on board those celebrities who do not endorse competitors’ products or other quite different products, so that there is a clear transfer of personality and identity between the endorser and the brand.
6. **Timing**

As celebrities command a high price tag, companies should be on the constant lookout for emerging celebrities who show some promise and potential and sign them on in their formative years if possible to ensure a win–win situation.

7. **Brand over endorser**

When celebrities are used to endorse brands, one obvious result could be the potential overshadowing of the brand by the celebrity. Companies should ensure that this does not happen by formulating advertising collaterals and other communications.

8. **Celebrity endorsement is just a channel**

Companies must realize that having a celebrity endorsing a brand is not a goal in itself; rather it is one part of the communication mix that falls under the broader category of sponsorship marketing.

9. **Celebrity ROI**

Even though it is challenging to measure the effects of celebrity endorsements on companies’ brands, companies should have a system combining quantitative and qualitative measures to measure the overall effect of celebrity endorsements on their brands.

10. **Trademark and legal contracts**

Companies should ensure that the celebrities they hire are on proper legal terms so that they don’t endorse competitors’ products in the same product category, thereby creating confusion in the minds of the consumers.

**3.15 CHAPTER SUMMARY**

This chapter gives a clear picture on argument favour and unfavour towards the celebrity endorsements, factors inducing the choice of celebrity, how to measure the celebrity endorsement, effectiveness of celebrity endorsements in advertising, impact of celebrity endorsements, success factors, and mechanism and theories of celebrity endorsement.