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IMPACT OF CELEBRITY ENDORSEMENT ON CONSUMER BUYING BEHAVIOUR: A DESCRIPTIVE STUDY

Ms. Jyoti Kasana

Assistant Professor

Lakshmibai College

Deptt. Of Commerce

(University of Delhi)

Mr. Naveen Chaudhary

Assistant Professornaveenchaudhary1711@gmail.com

Lakshmibai College

Deptt. Of Economics

(University of Delhi)

Abstract:

The practice of celebrity endorsements has proliferated over time. Now days it has become a pervasive element of advertising industry especially in India. Celebrity endorsement business has become a multi-million industry in India. Marketers use celebrity endorsers to influence the purchase decision of consumers in order to increase their sales and extend their market shares. This made the author curious to explore the impact of celebrity endorsements on consumer buying behaviour.

This paper focuses on examining the perception of Indian consumers about celebrity endorsements, examining the celebrity attributes likely to influence consumer purchase intentions and finally the impact of celebrity endorsements on their purchase intention.

This project begins with the review of existing literature available on celebrity endorsements, which provides an insight into the research topic and clarifies many important aspects related to the subject. A quantitative method is used for this research project to investigate the perceptions

of the consumer, attributes and its subsequent impact on purchase intention. The data is collected through a questionnaire and later analysed using the data analysis software program SPSS.

It was proven in this research that consumers find celebrity endorsements more attractive and influential as compared to non-celebrity endorsements. Moreover, the tested attributes show positive relationship with purchase intention. In other terms, celebrity attributes do impact the purchase intention of consumers. Finally, the results of the study prove that celebrity endorsements positively impact the purchase intention of the consumers.

OBJECTIVES

- To understand consumer perception of the celebrities in advertisements.
- To understand the effectiveness of celebrity endorsement.
- To identify drawbacks associated with celebrity endorsement.
- To arrive at a meaningful conclusion of study

1.1 INTRODUCTION

Everyday consumers are exposed to thousands of voices and images in magazines, newspapers and on billboards, websites, radio and television. Every brand attempts to steal at least a fraction of a person's time to inform him or her of the amazing and different attributes of the product at hand. The challenge of the marketer is to find a hook that will hold the subject's attention. In helping to achieve this, use of celebrity endorsers is a widely used marketing strategy.

In this modern age, people tend to ignore all commercials and advertisements while flipping through the magazines and newspapers or viewing TV. But even then, the glamour of a celebrity seldom goes unnoticed. Thus, celebrity endorsement in advertisement and its impact on the overall brand is of great significance. In this process, the companies hire celebrities from a particular field to feature in its advertisement campaigns. The promotional features and images of the product are matched with the celebrity image, which tends to persuade a consumer to fix up his choice from a variety of brands.

Companies invest large sums of money to align their brands and themselves with endorsers. Such endorsers are seen as dynamic with both attractive and likeable qualities and companies plan that these qualities are transferred to products via marcom activities. Furthermore, because

of their fame, celebrities serve not only to create and maintain attention but also to achieve high recall rates for marcom messages in today's highly cluttered environments.

Similarly every product has an image. The consumer tries to consume a brand which has the maximum fit with his/her own personality/image. The celebrity endorser fits in between these two interactions, where he tries to bring the image of the product closer to the expectation of the consumer, by transferring some of the cultural meanings residing in his image to the product.

In the report, We have focused on the impact of celebrity endorsement on the overall process of brand building and also tried to define: how to make celebrity endorsement a win-win situation for both the brand and the brand-endorser. **“Brand”** is the most valuable asset of any firm.

The general belief among advertisers is that brand communication messages delivered by celebrities and famous personalities generate a higher appeal, attention and recall than those executed by non-celebrities. The quick message-reach and impact are all too essential in today's highly competitive environment.

A brand should be cautious when employing celebrities to ensure promise, believability and delivery of the intended effect.

Celebrities have also been in demand having succeeded in being effective by rising above the clutter & grabbing the attention and focus of the consumer. They also succeed in creating an aspiration in the minds of the consumer to acquire what their favourite celebrity endorses.

RESEARCH DESIGN USED IN THE PROJECT

The Descriptive Studies is used in this project due to the fact that the descriptive studies attempt to obtain a complete and accurate description of a situation, that is it covers the all phases required and provides the ways to collect the data from various sources of information (sample design), ensure minimum bias in the collection of data, hold costs to a minimum, and reduces the errors in interpreting the data collected.

LITERATURE REVIEW

2.1 INTRODUCTION

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

Indian market is not by a large space, an easy audience to target for the advertisers. The one billion people of the country are speckled in terms of beliefs, ethnicity, states, culture, language, norms and values. Other aspects such as the economic discrepancy in the country separates it in a way which has resulted in a large number of lower and upper middle class, with a very small class falling under in the middle class. This demonstrates a vast disparity in the buying power and decision making clout, one which the advertisers should keep in mind. Indian advertisement has been placing a vital amount of importance on both recall and persuasion as brand differentiating messages. (Dixit,2005).

Very often, various advertising styles are used by advertisers to influence consumer brand choice behaviour and among these different available choices one very popular choice is Celebrity Endorsements. (Alsmadi 2006)

“Traditional celebrity endorsements are as well established as the concept of celebrity itself.”(Anonymous, 2007)

Celebrities influence on consumers appears to be larger than ever before. (Alperstein 1991)

A person who enjoys public recognition from a large share of a certain group of people and uses this recognition on behalf of a consumer good by appearing with it in advertisements is known as a celebrity. (McCracken 1989) .They are usually known to the public for their accomplishments in areas other than the product endorsed by them.

This stands true for classic forms of celebrities such as actors like Shah Rukh Khan, models like Milan Somen, Sports athletes like Sachin Tendulkar and entertainers like Maliaka Arora Khan but also for less obvious groups such as businessmen like the Ambani’s or politicians like Rahul Gandhi.(Schlecht 2003). In India especially, it is not difficult to find motives for the increasing use if celebrities in advertisements as Indians have always been in awe of the stars of the

celluloid world. Indeed, some people are seen to admire, imitate, and become besotted with their favourite celebrities, which forms the crux for the celebrity endorsement being quite a sought after advertisement technique.(McCutcheon et.al 2003)

Today celebrity endorsement is being seen more and more as an integral part in an integrated marketing communication strategy. **Hamish and Pringle (2004) suggest 3 macro factors present in the market today that in principal justifies the validity of celebrity endorsement as a promotional strategy.** The **first factors** the increasing opportunity for interactivity between brands and their consumers. **Second** is the “era of consent” situation present today where consumers have more control over the messages they receive. And **lastly** is the increasing media

2.2 Celebrities as a form of Aspirational Reference Group

From a theoretical perspective, celebrities are considered to be effective endorsers as because of the presence of their symbolic desirable reference group alliance. (Soloman and Assael, 1987).Assael (1984) suggests that the effectiveness of the celebrity endorsement is present because of its ability to tap into the consumer’s symbolic union with its aspirational reference group.(Menon)

Reference groups among consumers are viewed as being a critical source of brand meanings as it helps them to evaluate their believe about the world particularly with others who share the same beliefs or are similar on relevant dimensions. Consumers form associations between reference groups and the brands they use and transfer this meaning from brand to self and one of the most reliable form of reference group is Celebrity Endorsers.(Escalas and Bettman 2005)

Celebrities are deemed to be referents by consumers, which refers to imaginary or actual individuals envisioned to have significant bearing on the consumer’s evaluations, aspirations and behaviour. The power of the celebrities lies in these influences that they exert on consumers, even though they themselves are physically and socially distant from an average consumer.(Choi & Rifon, 2007)

2.3 Celebrity versus Non-celebrity endorsement effectiveness

The prevalent utilization of celebrity endorsement in marketing program is not an accident. Research has found that as compared to the other genre of endorsers such as the company manager, typical consumer and the professional expert, by far the celebrities are the most effective. (Seno & Lukas, 2007)

According to Tom et al (1992) results endorsers were more effective in creating a link to the product than celebrity endorsers based on the classical conditioning paradigm. This argument was based on the fact that companies had more controlling power over created endorsers and they build these characters in such a manner that they are fitting with the brand and target audience and also that these characters were not allowed to endorse more than one brand. The celebrity endorsers on the other hand had created a persona of their own over time and the company lacked control over them.

Differences were found in the cognitive responses, but there was no statistically significant difference in attitudes towards advertising and the intention to purchase the endorsed brand in the celebrity and non-celebrity endorsed situations.(Mehta 1994). On the contrary Atkin and Block 1983 and Petty et. al 1983 found that as compared to the non-celebrity endorsers, the celebrity endorsers produced more positive attitudes towards advertising and greater purchase intentions.

McCraken (1989) found that the use of celebrity endorsers stand for an effective way of transferring meaning to brands as it is believed that celebrity endorsers bring their own emblematic meaning to the endorsement process and that this cultural meaning residing in the celebrity is passed on to the product which in turn is passed on to the consumer..McCraken (1989) argued there lays a difference between celebrities and anonymous person as it is assumed by him that celebrities have the capability of delivering meanings of extra depth, power and subtlety and also offers a range of lifestyle and personality which cannot be matched by anonymous people.

CELEBRITY ENDORSEMENT AS A STRATEGY

Signing up stars for endorsements is a time-tested strategy and has been effectively used by some of the top brands in the world including Nike and Pepsi. In India too, HLL has used Hindi film stars to endorse their beauty soap Lux since the fifties. Vimal, Thums Up, Gwalior and Dinesh are some of the other brands that used star-appeal in the early days of mass advertising. And who can forget Kapil 'Palmolive' Dev?

Marketers believe that star endorsements have several benefits, key among them being building credibility, fostering trust and drawing attention or any or all of which can translate into higher brand sales.

So how does one decide whether to put a celebrity in an ad? Ideally, this should be dictated by the communication idea. MG Parmeswaran, Executive Director of FCB Ulka says, “As advertising professionals, we recommend celebrity endorsements when the case is justified. There are many cases where you need to use the celebrity to break out of a category clutter. At times celebrity endorsement is used to build credibility to the brand offer.”

Most experts concur that, when used judiciously, celebrity endorsements can be an effective strategy. According to Mohammed Khan, Chairman of Enterprise Nexus, “Using a celebrity by itself is not a bad idea provided it is done intelligently.” And there are many examples of good and bad use of celebrities.

Take Amitabh Bachchan, who has been used by some companies like Parker Pens and ICICI Home Loans remarkably well while some others have been unable to exploit his Big B status too well. Parmeswaran adds, “We used cricketers like Rahul Dravid for Castrol in an attempt to break out of the clutter, as well as have an image rub off of ‘dependability’ on to the brand.”

Yet, there are some who don’t have much conviction in star endorsements. Adrian Mendonza, Executive VP and Creative Director of Rediffusion DY&R does not recommend celebrity endorsements because he thinks that to be really successful, a brand needs to have a strong identity of its own. It should ideally not piggyback on the identity of a celebrity and hope to achieve success. Mendonza adds, “I somehow get this feeling that not much effort is put in to think through an ad with a celebrity. Most times it seems like it is just the celebrity saying ‘I use this product, so why don’t you’ kind of thing and the ad agency thinks it has done its job.”

CELEBRITY ENDORSEMENTS: KEY TO MARKETING SUCCESS

When you tell people that a product/service can help them, they may or may not believe you. After all, you have a vested interest in selling your services.

But when celebrities say that the particular product/service has helped them, and it could help others, people tend to listen — and believe. After all, most people assume "he wouldn't say it if it weren't true."

As Marketing expert Patrick Bishop — co-author of "Money Tree Marketing: Innovative Secrets That Will Double Your Small-Business Profits in 90 Days or Less" — noted:

"When you get a celebrity to endorse your company or sign a licensing agreement, you benefit from customers' awareness of the property, [which] could include the perception of quality, educational value or a certain image."

After researching the impact of celebrity endorsements, Melissa St. James, a doctoral fellow and marketing instructor at The George Washington University concluded,

"Studies show that using celebrities can increase consumers' awareness of the ad, capture [their] attention and make ads more memorable" (quoted in

"Celebrity Endorsements," by Kimiko L. Martinez, *Entrepreneur's Start-Ups* magazine, May 2001).

If you're not convinced yet of the effectiveness of celebrity endorsements, here's what Jonathan Gaines, president and CEO of top marketing firm DMS Strategies has to say:

"High-profile endorsements from athletes and celebrities will set you apart from your competitors, and you can become a contender in the playing field —a celebrity spokesperson can work for companies of all sizes."

"Many companies have had considerable success using celebrities as spokespersons, especially athletes," stated researchers Amy Dyson and Douglas Turco, in "The State of Celebrity Endorsement in Sport," for the *Cyber-Journal of Sport Marketing*. They found that, in 1995, U.S. companies paid more than \$1 billion to 2,000 athletes for endorsement deals, and that sport endorsers were featured in 11% of all television advertisements that same year. "Research has

indicated that customers are more likely to choose goods and services endorsed by celebrities than those without such endorsements," they concluded.

Their research shows that one of the advantages to celebrity-based marketing campaigns is that:

"Famous people hold the viewer's attention. In this era of sound-bytes and channel surfing, there is a demand for people's time and focus."

Of course, any marketing material — even *with* a powerful celebrity endorsement — must be a combination of both education and sales.

EFFECT OF CELEBRITY BRANDING ON CONSUMERS

It is a known fact that the best endorsements achieve an effective balance between the product (brand) and the celebrity. Giving a brand a 'face' is more than just a marketing strategy to increase sales or gain market share, it is a decision that can change the future of the brand forever.

Choice of the celebrity, hence, is of utmost importance and is usually done based on many different parameters - appeal, looks, popularity or even just a fantasy figure to endorse a brand.

In today's highly competitive markets, big brands are at logger-heads when it comes to products, each having a similar product to that of a rival. Where does one brand gain that competitive advantage - advertising, service, or promise of trust. Advertising seems to be the best platform where brands prefer to compete on - right from hiring the best advertising agencies to getting the biggest celebrities. What would be the formula to success then? Well, a good creative agency, a large enough promotional budget and a huge star to endorse your brand would definitely ensure

in the minds of a brand management team a feeling of security, success and a triumph over the competitors brand.

The importance of a celebrity-brand match and the various roles played by them as brand associates show the momentum this strategy has gained in the last decade or so. India is a country where people are star-struck by film stars, cricketers, politicians, and even criminals. Why?

Populations of 1 billion and ticking, everyday people need something or someone to look up to.

A sense of security, admiration, comfort, familiarity, and above all, someone they aspire to be at some hidden level in their lives. A clever marketer leverages this very celebrity appeal and successfully carries out his job by giving the brands what they want - profit, market share and even recall. But how much star power is too much? "Does Amitabh really use Tide," asked a 6 year old to her mother. Her mother laughs and says, "No way, just a gimmick." What does that do to the brand?

Now, despite the potential benefits derived from celebrity endorsements, they increase a marketer's risk and should be treated with full attention and aptitude. A brand should be cautious when employing celebrities to ensure promise believability and delivery of the intended effect.

As the celebrities traverse from a mere commercial presence to public welfare message endorsements, a whole new dimension is added to this process and helps us in achieving a

holistic view of the impact which celebrities generate in every sphere and segment through their well-versed endorsements.

The most important thing to remember is that putting a celebrity in an ad is not an idea in itself.

Unfortunately, this is how most celebrities are being used in Indian advertising, where they just become a prop. Ideally, there should be an idea that makes the celebrity relevant to the product and the consumer. A celebrity's presence in the ad should be contextual.

Celebrity endorsement cannot guarantee fool-proof success. The celebrity endorsement strategy must be integrated with target market characteristics, and the other elements of the marketing mix such as product design, branding, packaging, and pricing. The message execution that will be mouthed by the celebrity must likewise be made clear and single-minded. This can be done by aligning the spirit of the brand to the product, or by using a celebrity because it ensures that people will notice you, and hopefully remember what the brand is saying.



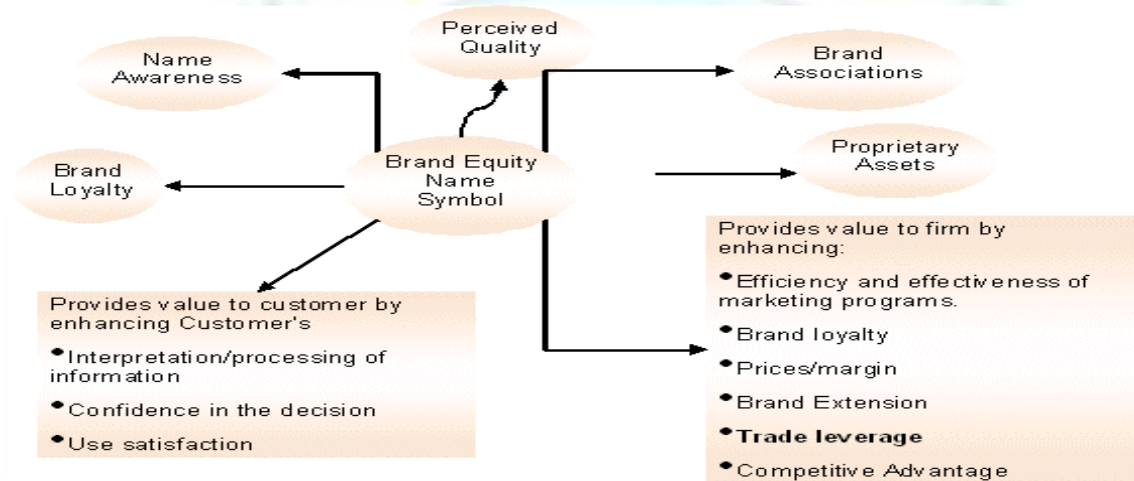
It is also important to view the consumer in their social and cultural setting to further see how celebrity endorsements increase sales and impact brands over time. Celebrities usually form a very good example of a reference group appeal. This is particularly beneficial to a marketer and a brand who can cash in on the success of the star and, hence, push his brand. People who idolize their celebrities, hence, have a biased affinity to the brand their favorites endorse. As time passes on, they believe that they by adopting the brand that their celebrity endorses are becoming more

like them. Celebrities can be used in four ways namely: testimonial, endorsement, actor and spokesperson.

Right now the current hot favorite in India is roping in celebrities for social causes like AIDS, polio etc. This has shown to be having a positive effect on the people. In India, Bollywood and sport personalities rule the mind-space and airwaves.

THE SCOPE OF A CELEBRITY ON THE INCUMBENT BRAND

Simply stating, a brand is a differentiated product and helps in identifying your product and making it stand out due to its name, design, style, symbol, color combination, or usually a mix of all these:



Before we can scrutinize the effects of celebrity endorsement on the overall brand, we have to ferret the implicit factors that act as sources of strong brand images or values: -

Experience of Use: This encapsulates familiarity and proven reliability.

User Associations: Brands acquire images from the type of people who are seen using them. Images of prestige or success are imbibed when brands are associated with glamorous personalities. □

Belief in Efficiency: Ranking from consumer associations, newspaper editorials, etc.

Brand Appearance: Design of brand offers clues to quality and affects preferences.

Manufacturer's Name & Reputation: A prominent brand name (Sony, Kellogg's,

Bajaj, Tata) transfers positive associations. The celebrity's role is the most explicit and profound in incarnating user associations among the above mentioned points.

To comprehend this, let us analyze the multiplier effect formula for a successful brand: -

S=E* D*AV -- the multiplier effect

Where

S is a Successful Brand

E is an Effective Product

D is Distinctive Identity

AV is Added Values

The realm of the celebrity's impact is confined to bestow a distinctive identity and provide AV to the brand; the celebrity does not have the power to improve or debilitate the efficiency and features of the core product. Thus, we are gradually approaching an evident proposition claiming, "The health of a brand can definitely be improved up to some extent by celebrity endorsement. But one has to remember that endorsing a celebrity is a means to an end and not an end in itself."

An appropriately used celebrity can prove to be a massively powerful tool that magnifies the effects of a campaign. But the aura of cautiousness should always be there. The fact to be emphasised is that celebrities alone do not guarantee success, as consumers nowadays understand advertising, know what advertising is, and how it works. People realize that

celebrities are being paid a lot of money for endorsements and this knowledge leads them to think twice about celebrity endorsements.

An Indian Perspective Of Successful Celebrity Endorsements for a Brand

The latter part of the '80s saw the burgeoning of a new trend in India - brands started being endorsed by celebrities. Hindi film and TV stars as well as sports-persons were roped in to endorse prominent brands. Advertisements featuring stars like Tabassum (Prestige Pressure Cooker), Kapil Dev (Palmolive Shaving Cream) and Sunil Gavaskar (Dinesh Suitings) became common. Of course, probably the first ad to cash in on star power in a strategic, long-term, mission statement kind of way was for Lux soap, a brand which has, perhaps as a result of this, been among the top three in the country for much of its life-time.

The objective was to garner faster brand recognition, association and emotional unity with the target group. Star power in India can be gauged by the successful endorsement done by Sharukh for three brands- Pepsi, Clinic All Clear and Santro.

Confining to India, it would not be presumptuous to state that celebrity endorsements can positively affect the overall brand. We have numerous examples exemplifying this claim. **The Parker brand of pen, which by itself commands equity, used Amitabh Bachchan to revitalize the brand in India.** According to Pooja Jain, Director, Luxor Writing Instruments Ltd. (LWIL), **post-Bachchan Parker's sales have increased by about 30 per cent.**

India is one country which has always idolized the species of the celluloid world.

Therefore, it makes tremendous sense for a brand to procure a celebrity for its endorsement.

Some Global Examples

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. Roger Federer also endorses Nike brand.



CELEBRITY ENDORSEMENT: FACTORS INVOLVED

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

Price vs. Profit

The most important issue is that of return on investment (ROI). Companies need to perform a cost-benefit analysis prior to endorsement. The process of gauging the effectiveness of endorsement on the overall brand is but difficult. The companies expect to bring, in the long run, future sales, revenues and profit from the present investments on celebrity endorsement.

Celebrity endorsement is an expensive means of brand promotion and the price burden almost always shifts on to the consumers; if not, then it narrows the companies' profit.

Multiple Brand Endorsement vs. Multiple Celebrity Endorsement

In the advertising landscape, we find either a celebrity endorsing multiple brands or multiple celebrities being used to endorse a single brand. Sachin Tendulkar, for example, in 2002 endorsed 12 brands (including Pepsi, Boost, Colgate Total, Gillette, Britannia Tiger, Fiat Palio, TVS Victor, Fiat Sienna, MRF, Adidas, Visa Cards and Home Trade). Tripp et al, says that the endorsement of as many as four products negatively influences the celebrity spokesperson's credibility and likeability.



Multiple Brand Endorsement (Shah Rukh Khan)

Also, the use of multiple celebrities to endorse a brand may hinder the meaning transfer process, and thus, lead to confusion among the consumers.



Multiple Celebrity Endorsement (Adidas & Hyundai Santro)

Factors Impacting a Brand while being viewed by a Consumer in Media

The model above shows the various factors that affect a celebrity endorsed brand while viewed by a consumer in the media (both TV and print). The central idea being the impact on brand. The three major parts to a brand being shown are: -

- The Product
- Advertisement
- The celebrity endorsing it

It is important is to study the relationship between these factors and how they together act for or against the brand.

The product is important, of course, it may fulfill a need, want or a desire. Quality is

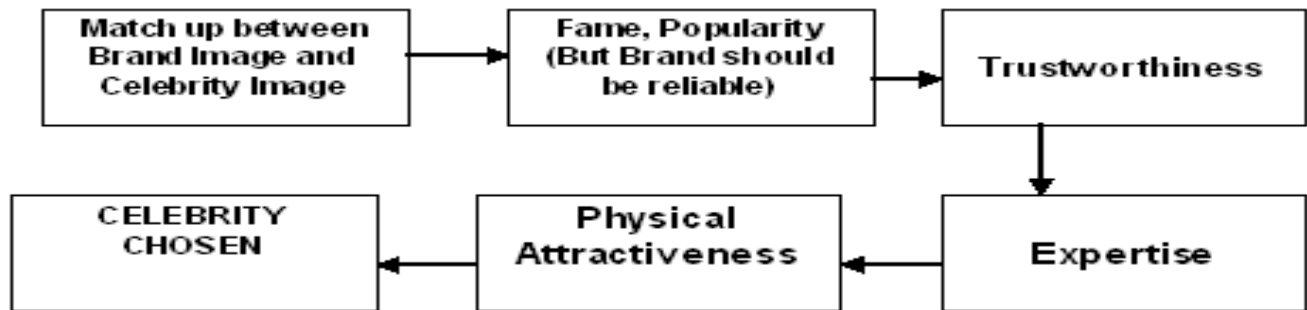
quintessential and, hence, nowadays it is understood the product is of highest quality. So what next? The advertisement is important as a good product could see an early exit if the advertisement is handled badly, and otherwise, a mediocre product which is tastefully handled goes a long way. Lastly, the celebrity in the advertisement, recall, trust, familiarity are some of the reasons that they are used. Now consider the interactions of these individual factors. The best

of superstars can be doing the advertisement but if the product is far from the image the star has, the whole advertisement is a waste. Imagine an Amitabh doing an advertisement for ad for youth apparel. Well, exceptions can be there but then again it depends on the way it is done. Believability is of vital importance, the TVS Victor advertisement shows us the bike being compared to the bat of Sachin and the strokes he plays. The relationship between a product and its advertisement again can be either dependant or none.

In that case, a shock value makes people remember the brand better and, hence, a possible long term loyalty.

Selection Of Celebrity

Anyone who is famous may be the right celebrity. However, the appropriateness of the celebrity largely depends on the product or service. Most advertisers insist that their celebrity spokespeople have charisma and current popularity. That is why we see more movie and television stars, athletes, real-life heroes, and musicians acting as brand ambassadors in the market.



How a Marketer chooses a Celebrity

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: -

The Q-SCORE Method

The FRED Principle

The 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, and you can purchase the Q-Scores of the candidates you're considering.

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 you've defined the kind of endorser you need (e.g., athlete, actor, male/female, young/old, etc.), it's well worth going through the Q-Score exercise.

Evaluating the contribution of the endorser after you've already made the decision is not nearly as straightforward. One time, many years ago, a company actually shot a commercial with a well-known (high Q-Score) endorser for national use, and it shot the same commercial with a good actor, not so well-known. The company ran a limited market test for 6 months with the unknown actor (cutting in the commercials locally, over national network schedule) so could quantify the sales impact of the celebrity. By the way, the celebrity was worth every penny of his outrageous fee. It ended up using him for years, and he helped the brand reach market leadership almost entirely on the strength of the commercials in which he appeared.

The 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 to 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 & 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.

THE IMPACT

As defined earlier, impact would be both short term and long term, but here the focus would be more on the long term implications of the brand. Measurement of this would be challenging and

data would be difficult to obtain. The parameters on which impact could be measured would be on a comparative basis of the brand before and after the celebrity began endorsing the brand.

Sales / revenue, market share, brand recall, level of repurchase, brand loyalty, trust, image and perception of the brand per say.

In this trend of creative advertising, we see usage of celebrities of all walks in life – particularly actors, film stars, models, sports persons, and the whole gamut. But the usage can always backfire if the choice of the star is completely contradictory in nature to the brand. Believability and association of brand to celebrity is important.

Selection of celebrities can be done while they are at their peak or when they are destined for greatness in the near future. Again a risk that may go either way. What is important at some level is the value that a celebrity adds to a particular brand. The advertiser tries his best to make the celebrity and brand as analogous as possible.

The celebrity endorser is seen to score quite well on dimensions such as trustworthiness, believability, persuasiveness, and likeability when tested for

reaction from people. This is important to a marketer as if he can get a celebrity to make the masses follow, believe or listen to him, he has been successful.

The basis for the effectiveness of celebrity-endorsed advertising can be linked to this process of identification and internalization of the desired behavior. Price of fame may be high for the celebrity endorsed brands but they have both what the markets and the everyday common man want - attention, power and star sizzle.

Celebrities are people who enjoy public recognition of a large group of people. Celebrities may convey a broad range of meanings, involving demographic categories (e.g., age, gender and status), personality and lifestyle types. For instance, people adore Sachin Tendulkar because he represents a middle-class Maharashtrian boy who made it big with sheer hard work. Likewise,

Amitabh Bachchan for most is an icon of style, trust and dependability.

CELEBRITY ENDORSEMENTS CASES:MAKE OR BREAK

1. Sharukh Khan - Mayur Suitings (Positive Impact)

”Sharukh Mayur Khan” is how this product came to be known, Shahrukh brought to the product his persona of high class lifestyle, giving the consumer the belief to aspire and good clothing a sure way to reflect the aspiration. The ad shows a great fit between what the product stands for, what the consumer expects and what the celebrity means to the consumer, hence explaining the strong impact in sales and brand recall.

2. Amitabh Bachchan (Cluttered Identity)

Our framework argues that exclusivity makes the product-celebrity association stronger thereby making the product resonates with the qualities of the celebrity. In cases where the celebrity endorses multiple products, he dilutes his equity.

There’s no better example in the Indian industry than Amitabh Bachchan who endorses ICICI Bank, Cadbury, Versa, Dabur, Rin, Parker Pens, Pepsi, Nerolac Paints and many more. In each of the cases the ads use some or the other attribute of Amitabh to endorse the product, but makes no strong link in the minds of the consumer. Hence in the end the consumer is lost and has difficulty identifying, what does Amitabh really stand for?

3. Vodafone – Zoo Zoo (Created Spokesperson)

Hutch managed to grab the attention of the consumers, by not using a celebrity.

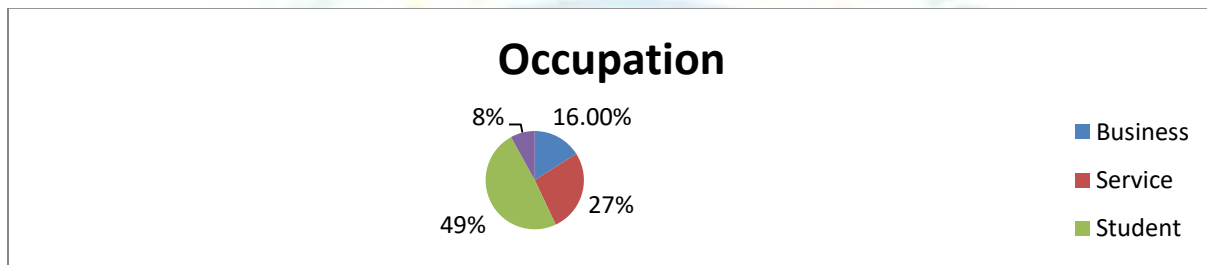
The zoozoo campaign came across as a fresh initiative at endorsing a product.



7. Sachin Tendulkar - Fiat Palio (Financial Viability)

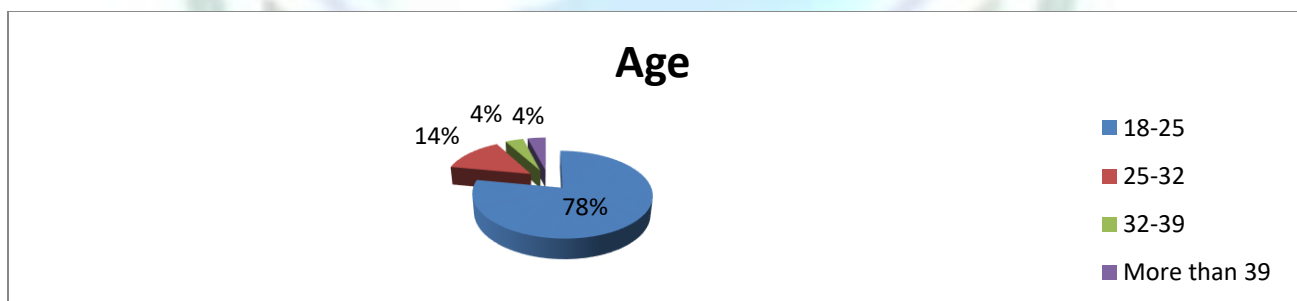
Sachin Tendulkar was paid a huge sum of Rs. 12 Crore to endorse Fiat Palio, even though Tendulkar as a brand could command such an exorbitant amount. It's for the company to evaluate if the returns generated by the endorsement would commensurate the initial spend. In this case due to excessive spending and failure of the product to take-off the advertisements had to be withdrawn.

IMPACT ON CONSUMER BUYING BEHAVIOUR



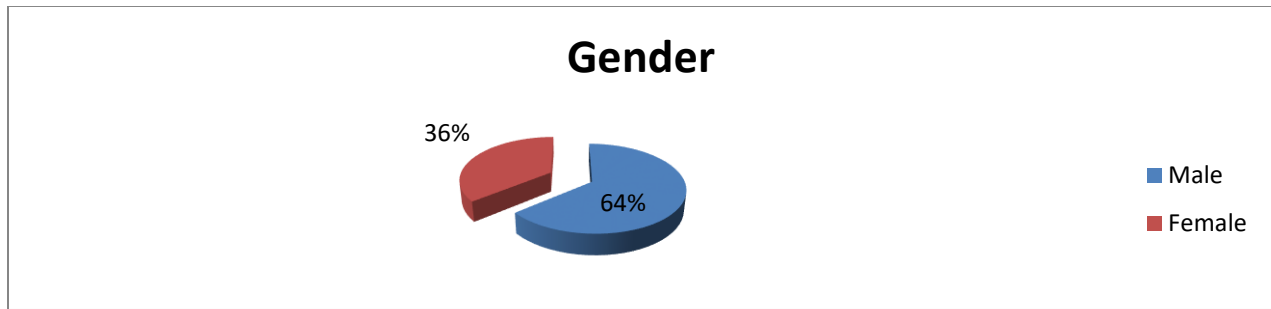
Interpretation:

From this pie-chart it is clear that majority of the respondents are students and rest of the share is occupied by service and business class.

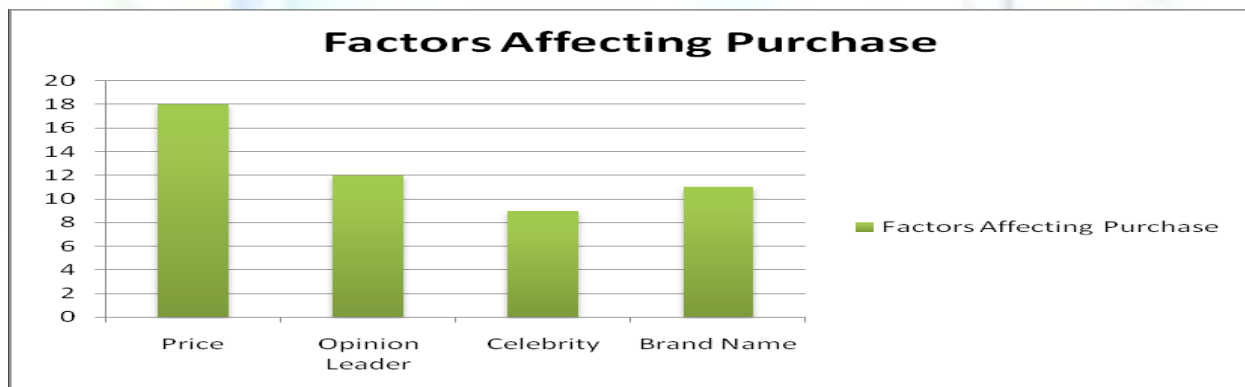


Interpretation:

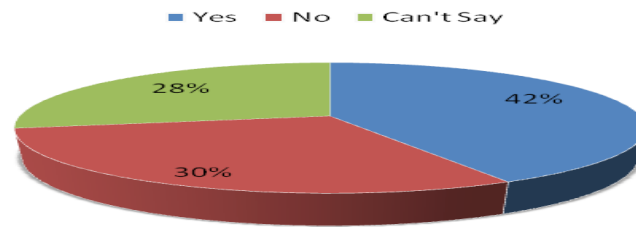
This pie-chart depicts that most respondents are young and while rest are above 25 years.

**Interpretation:**

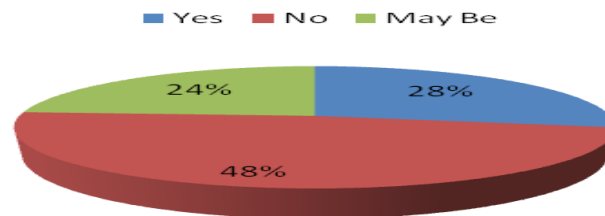
This pie-chart depicts that 64% of the respondents are male and 36% are females.

**Interpretation:**

This graph depicts that most respondents are influenced by the price of a product and least by the celebrity endorsing it.

Male celebrity more effective than female**Interpretation:**

This pie-chart depicts that most of the respondents consider a male celebrity endorsing a product is more effective than a female celebrity .

Celebrity using the endorsed product**Interpretation:**

This pie-chart depicts that 48% of the respondents believe that a celebrity endorsing a product never uses it in reality.

FINDINGS AND CONCLUSIONS

India is a country where people love to live in dreams. They worship celebrities.

celebrities which might be cricket stars like Sachin Tendulkar, Mahinder Singh Dhoni or Film Stars like Shah Rukh Khan or John Ebrahim. They treat them as God. Marketers use this very preposition so as to influence their target customers may be existing or potential ones.

For this they rope in these celebrities and give them whopping amount of money. They believe that by doing this they can associate their products with their target customers. This is called *celebrity endorsement*.

Aristotle said, “Beauty is a greater recommendation than any letter of introduction.”

This could aptly summarize why innumerable products are endorsed by celebrities, with or without a significant need or benefit from the same. Similarly every product has an image. The consumer tries to consume a brand which has the maximum fit with his/her own personality/image. The celebrity endorser fits in between these two interactions, where he tries to bring the image of the product closer to the expectation of the consumer, by transferring some of the cultural meanings residing in his image to the product.

Now, despite the potential benefits derived from celebrity endorsements, they increase a marketer’s risk manifolds and should be treated with full attention and aptitude. A brand should be cautious when employing celebrities to ensure promise believability and delivery of the intended effect. The growing importance of mythical characters as celebrities and their sway over the target segments are ample proof of public demand for icons to look up to. As the celebrities traverse from a mere commercial presence to public welfare message endorsements, a whole new dimension is added to this process and helps us in achieving a holistic view of the impact which celebrities generate in every sphere and segment through their well-versed endorsements.

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APPENDIX

QUESTIONNAIRE

Dear Respondents,

I, Jyoti Kasana, Assistant Professor in Lakshmibai College is conducting a survey on “**Impact of celebrity endorsement on buying behaviour of customers**”. For this purpose I need your cooperation in fulfilling this questionnaire. It will take few minutes of your precious time.

1) Name of the respondent.....

2) What is your gender?

a) Male

b) Female

3) What is your age?

a) 18-25

b) 26-32

c) 32-39

d) More than 40

4) What is your occupation?

a) Business Class

b) Service Class

c) Student

d) Others

5) What factor affects your buying behaviour towards a purchase?

a) Price

b) Opinion-leader

c) Celebrity endorser

d) Brand name

6) Do you like to see any celebrity endorsing the brand on television?

a) Yes

b) No

c) Can't say

7) Does a celebrity endorsing a product actually uses it?

a) Yes

b) No

c) May be

8) "Celebrity endorsement is an effective tool of persuasion of buying a product". Express your opinion.

a) Strongly agree

b) Agree

c) Indifference

d) Disagree

9) “Male endorser is more effective as compared to female endorser.” Express your opinion.

a) Strongly agree

b) Agree

c) Indifferent

d) Disagree

e) Strongly disagree

10) Out of the following celebrity persona whom do you like most?

a) Bollywood Stars

b) Sports star

c) None of above

11) Motivation factor for buying a :

i.) Motor Vehicle

a) Luxury

b) Esteem

c) Brand

d) Celebrity

ii.) Clothing

a) Status

b) Few Prices

c) Trends

d) Celebrity

iii.)Food Products

a) Quality

b) Packaging

c) Brand Name

d) Celebrity

Suggestions, if any.....

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