

Celebrity Endorsement – A Double Edged Sword

G. Muruganathan

Abstract

Advertising is an effective tool in gaining share of consumer's hearts and mind. In this fast moving consumer world with thousands of brands competing with each other, it is a vital focus for a marketer to grab consumer's attention for their brand. Celebrity endorsement has proven to be the most successful way to bind a consumer with the brand and keep the consumer attached to the brand for a longer period of time. India is a fast developing market for celebrity endorsements. This case elucidates the need for celebrity endorsement for a strong rooting of a brand and also attempts to analyze celebrity endorsement for Indian scenario with a 360 degree approach by explains the necessity, advantages and risk elements.

Key words: *Celebrity, Brand Building, Celebrity Endorsement, Advertising strategy, Celebrity Risk*

Introduction

During the last few years, there has been a tremendous increase in the number of celebrity endorsements in India compared to ordinary advertisements. The millions spent on celebrity endorsement contracts show that celebrities, like Sachin Tendulkar, Amitabh Bacchan and Aishwarya Rai, play an important role in advertising. In the current Indian marketplace, the Bollywood and Cricket stars are seen endorsing multiple brands across multiple categories, ranging from computer to colas to cookies.¹

Celebrities are involved in endorsing activities since late nineteenth century. In 1863, the popular European beverage Vin Mariani began earning some of the very first celebrity endorsements. In India Lux Soap is being

endorsed by famous celebrities from the beginning.

Theory and practice prove that the use of superstars in advertising generates a lot of publicity and attention from the public² Celebrity endorsers are useful in marketing because they provide a 'set of characteristics' that supports consumers in evaluating the presented brand.³ In contrast to anonymous endorsers, celebrities add value to the image transfer process by offering meanings of extra depth and power, which are complemented by their lifestyles and personalities. Celebrity advertising may be influential because celebrities are viewed as dynamic, with both attractive and likable qualities. Additionally, their fame is thought to attract attention to the brand. In an age of information overload wherein consumers are bombarded with

ubiquitous marketing messages, the attention grabbing ability of the celebrities argue well for their use as brand endorsers.⁴

Celebrity Endorsement

Today one of the most prevalent forms of advertising is through using of celebrity endorsement.⁵ Celebrity endorser is defined as "any individual who enjoys public recognition and who uses this recognition on behalf of a consumer by appearing with in an advertisement".⁶ The term celebrity refers to an individual who is known to the public (actor, sports figure, entertainer, etc.) for his or her achievements in areas other than that of the product class endorsed.⁷

Celebrities are given special attention because they are perceived to be different from the rest of the population. Yet they are also considered to be like everyone else, a person with whom the public can identify and with whom they can form a para-social relationship.⁸

Celebrity branding is a type of branding, or advertising, in which a celebrity uses his or her status in society to promote a product, service or charity. Celebrity branding is all about the transfer of the value from the person to the product he endorses or stands for.

A **Brand Ambassador** would be 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. According to Shunu Sen: "A brand ambassador is a person who represents a brand both in the advertising media and the public relations function, that is, a celebrity who is the living representation of the brand to its consumer". Celebrity is a person external to the company, who is having immense attention grabbing power and large segment of the audience can instantly recognize and identify him.

In India advertisers pour crores of rupees every year into celebrity advertising. Think of Sachin Tendulkar - he means Pepsi in soft drinks, Boost in malted beverages, Fiat Palio in cars, TVS victor in two wheelers, Colgate Total in toothpaste, Britannia in Biscuits, Visa in credit cards, Airtel in mobile services and many more brands.⁹

Consumers prefer to own a brand that has a good reputation, and when someone like a famous film star or a sport star is associated with that particular brand, it is obvious that the consumers will get attracted to it, because the consumer wants to maintain some status, and feels that using a brand promoted by a star can satisfy that longing.¹⁰

Qualities of the Celebrity

Attractive spokespersons are more effective in terms of attitude change when promoting brands that enhance one's attractiveness.¹¹ Having determined the brand's symbolic features by considering consumers' needs, the advertising company has to select the celebrity

who will best be able to produce the most favourable response from consumers.”¹²

Both the credibility of these sources and the company influence consumers' attitudes. Someone who is trustworthy is likely to be believed than someone who is not. People are more likely to accept a message from someone who is perceived to be more knowledgeable or an expert about the topic than from someone who knows little. Someone with high position or status in society can also be perceived as credible.¹³

Basic Requirements for a Successful Celebrity Advertisement:

Stars are loved and adored by their fans and advertisers use stars to capitalize on these feelings to sway the fans towards their brand. Endorsement of a product/service by a celebrity gives out the message that it is as authentic and credible as the celebrity is. The urge that people have of enjoying the same recognition and status like their favorite stars is often the main reason for the increasing use of celebrities for products/services endorsement.¹⁴

Celebrities enjoy considerable popularity among some segment of the public. Advertisers hope that, by using celebrities in their ads, they can convince target consumers to change their attitudes about advertised brands.

Famous people achieve a higher degree of attention and recall. They increase awareness

of a company's advertising as well as help in retention of message in the psyche of the audience. Celebrities also create positive feelings towards brands, connect user to brand and are perceived by consumers as more entertaining. Using a celebrity in advertising or for any, other type of communication for brand building is likely to positively affect consumers' brand preference, brand attitude, brand association and purchase intentions.

Celebrity's fit with the brand image - it is very important for the advertiser to select a brand ambassador who gels with the character of the brand which he or she endorses. Sachin for Boost, Kareena Kapoor for Sony Vaio laptops is a perfect match. Sachin personifies the energy and strength by endorsing Boost and Kareena exemplifies all the characteristics of the slim and sleek brand Sony”

Celebrity-Target audience match: The choice of a celebrity by a company's marketing department is normally based on a sophisticated marketing plan.¹⁵ The firm would determine the symbolic properties sought for the product which in fact are based on the symbolic meanings sought by the consumer. By taking into account budget and availability constraints the celebrity will be chosen who best represents the appropriate symbolic properties.¹⁶

Celebrity associated values – celebrity values are transferred or matched with brand be endorsed.

Celebrity—Product match: The celebrity himself/herself should be a strong brand and the attributes of the celebrity brand should match the attribute of the product brand being highlighted. Celebrity endorsement can be effective if the characteristics of the celebrity match with the attributes of the product.

Celebrity Likeability- Attractive endorsers are more effective when promoting products used to enhance consumers attractiveness. Attractive people have greater influence on the consumers compared to unattractive people.¹⁷

Celebrity physical attractiveness - The idea is to outdo competition in terms of attracting eyeballs, even if the costs are high. Attractive endorsers are more effective when promoting products used to enhance consumers attractiveness. Attractive people have greater influence on the consumers compared to unattractive people.¹⁸

Celebrity credibility - for celebrity spokespersons to be truly effective, they should be knowledgeable, experienced, and qualified to talk about the product. The consumer looks for a variety of aspects from the endorsement like the credibility and likeability of the endorser. Celebrities may be credible sources if they have expertise in a particular area, such as an athlete endorsing shoes or a beautiful model endorsing make-up¹⁹; and celebrities are often - well liked, possibly leading to identification and consumer persuasion in an attempt to seek some type of relationship with the celebrity.²⁰ The other important qualities are:

- Celebrity popularity.
- Celebrity availability.
- Costs of acquiring the celebrity.
- Other brands endorsed by Celebrities.
- Whether celebrity is a brand user.
- Excellence in his profession
- Celebrities have always been the easiest way for a new product launch. Hyundai Santro and Fair and Handsome are the best examples.

Compatibility of the celebrity's persona with the overall brand image is very important, as a celebrity imparts credibility and inspirational value to a brand and his or her image should perfectly match the brand's image. A good brand campaign idea and an intrinsic link between the celebrity and the message are must for a successful campaign.

Reason for Using Celebrities:

With media becoming fragmented, engaging the customer has become difficult task for advertisers. India, being a developing country is flooded with different brands and companies find it difficult to differentiate their products based on their inherent product features. Lack of differentiation and further creative ideas force the advertising agencies and Brand Managers to go behind celebrities. Today companies want immediate results. Consumer power over advertisement through remote control makes advertising more challenging. Thus to make the advertisement

more attractive and avoid the media clutter companies are using celebrities. Celebrity values, credibility and personal qualities are transferred to brand. They add new dimensions to brands. The demand for instant recall, brand awareness and emotional bonding with customers has made celebrity endorsement as the best option. An attractive person influences the audience more than a non-attractive person. Another reason for increases in celebrity advertisement is Snowball effect: when one company uses a celebrity, inevitably others start considering using one for them.

Using of celebrities in advertisements could have many benefits and advantages including: 1) facilitating of brand identification 2) changing or impressing the negative attitude towards a brand 3) repositioning an existing brand 4) global marketing or positioning of a brand or product 5) affecting purchase intentions of consumers.²¹

Celebrity can serve as a influential tool for buying decisions A firm that decides to employ a celebrity to promote its product or services has the choice of using the celebrity to give a testimonial, or an endorsement as an actor in a commercial or as a company spokesperson.²²

Celebrity endorsement is today more and more seen as an integral part in an integrated marketing communication strategy. It should therefore be viewed in the context of the communication process as a whole. There are three macro factors in the market today that

largely influence the reason why celebrity endorsement can be a valid strategy: (1) increasing opportunity for interactivity between brands and their customers; (2) 'era of consent' referring to the situation where in the consumer has more control over the messages they receive (digital television, ad filters online etc.), (3) increasing media fragmentation and commercial communication clutter.²³ Put these together and it makes it increasingly difficult for brands to gain the consumers attention and interest.²⁴

- Celebrity values-personal qualities are transferred to products Celebrities add new dimensions to brands.
- Celebrities are acting as a brand - building tools.
- Celebrity endorsement does have an impact in terms of brand recall
- Celebrities' ability to generate PR coverage
- One of the biggest challenges in Marketing communication is how to break through ever increasing media clutter -Celebrity endorsement as one way to overcome media clutter
- Lack of Creativity
- If nothing works then simply appoint a celebrity to endorse the brand.

Celebrity endorsements are powerful. This power is offered by the following elements,

which also creates a 'Top of the Mind Position'.

- Instant Awareness, knowledge about the brand and easy recall.
- Values and image of the brand is defined, highlighted and refreshed by the celebrity.
- Credibility, trust, association, aspiration and connectivity to brand.

Time saving to the marketer by using celebrities, attention to action time for the consumer to buy the brand is reduced. Direction from the board/top management to use a particular celebrity for brand promotion. During recession time to achieve the results.

To manage the crisis: Pepsi used a celebrity during best crisis and Cadbury used celebrity to overcome worm crisis.

Brand Repositioning:

If the positioning of a product or brand does not work as the company had hoped for, celebrity endorsement can be a good way to repositioning the product or brand by giving the brand a new image through the endorser.

Failure of Positioning Strategy:

Celebrities can be hired when positioning strategies has failed to reach interest from consumers. Hiring a celebrity endorser can give the product the new desired position on the market.

Image Polishing:

If a company's or brand image has suffered and is going in the wrong direction, celebrity endorsement can be a good way to polish the image of the company or brand since the celebrities own image which is known by the public will be transferred to the product in that way give the product or brand a new image.

To make use of Reference Group Association:

The reason why companies should use celebrity endorsers is that celebrities are effective endorsers because of their symbolic inspirational reference group association. Reference groups are defined as groups that a person refers to, and identifies with, to the extent that the group becomes a norm, standard or point of reference. A reference group is, in other words, a group to which a person will compare himself or herself, to determine his or her own relative standing. Consumers also look to reference groups for guidance and advice.

The degree to which a reference group will affect a purchase decision depends on an individual's susceptibility to reference group influence and the strength of his/her involvement with the group. Factors that affect reference group influences are credibility, attractiveness and power of the reference Group.

Promoter of certain products requires co-ordination over multiple customer groups - different age, income, education groups or groups in different location. Eveready batteries used Amitabh to endorse the brand because of his national reach and acceptable by all age groups.²⁵

The attitudes towards the ad is found to be higher if it is more credible, evokes positive likable feelings, uses humor, uses relevant or liked music, sex appeal or other such executional devices, uses likable and attractive celebrities, contains useful information, but not too much too make it boring, Contains information that is itself liked, and is placed in a media environment that itself is liked.²⁶

When a brand is endorsed by celebrity it creates a kind of comfortness in comparison to the unpopular brands. Advertisers spend enormous amounts of money on celebrities in the expectation that their audiences will react positively to a celebrity's association with their product. Celebrities represent, to some extent, the idealization of life for the consumer.

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

Advertising liking and disliking of the television commercials is attributed to general Indian values, family values and religious adherence.²⁷ India is Celebrity obsessed society. We have numerous examples

exemplifying this claim. A standard example is Coke, which had not used celebrities in any international market but used Amir Khan for the first time in Indian market. If the company selects the popular cine celebrity and place the brand for in-film advertisement his fans also get attracted towards the brand.

Celebrity Effect:

Research has demonstrated that celebrity endorsement affects consumers' feelings in general and it could affect the attitude of consumers towards the advertisement and brands too. This could result in enhancing of purchase intentions and as a result enhancing of sales. Some properties like credibility, physical attractiveness and likeability of celebrity endorser influence the ability of one person to impact other person.²⁸

Celebrity endorsers enhance awareness of a company's advertising, create positive feelings towards brands and are perceived by consumers as more amusing. Thus using of a celebrity in advertising causes to influence brand attitude and purchase intentions of consumers in a positive way. Celebrity endorsement has a strong effect on consumers' memory and learning approach too. Marketers use celebrity endorsement in order to help better storage of information in consumers' minds which they can easily remember in purchasing situations. When a company announces a celebrity endorsement contract; stock prices increase.²⁹

The other strategic benefits include instant awareness, knowledge about the brand and easy recall. Values and image of the brand is defined, highlighted and refreshed by the celebrity. The celebrity adds new edge and dimension to the brand- Credibility, trust, association, aspiration and connectivity to brand- Belief in efficiency and new appearance that will result in at least trial usage.

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 product. Celebrities ensure attention of the target group by breaking the clutter of advertisements and making the advertisement and the brand more noticeable. Celebrity is transferred to the brand and therefore helps create an image that can be easily referred by consumers. Consequently by association the brand can very quickly establish the creditability get immediate recognition and improve sales.³⁰

To the average consumer, advertisement is an irritating interruption between whatever he is watching. So an advertisement has to be entertaining, engaging and clutter-breaking. If delivered in correct manner, celebrity endorsement is helpful in popularizing the brand, creating interest to see the particular advertisement, and can provide a point of differentiation to position the brand in the target segment mind. Marketers can use the celebrity innovatively and creatively. Celebrity appeal needs to be perfectly blended

intelligently and strategically to reap the benefits and make the brand highly competitive.

Emerging role of Regional Celebrities:

Today in India single brand is endorsed by more than on celebrities. Regional flavor is added to a brand by regional celebrities. Brands have successfully utilizing the cultural aspects and are realizing that to appeal to today's new age, well-informed consumers they should make campaigns that talk in their language, reflect their beliefs and be relevant to their culture.

Each state or region is becoming a huge market by itself. Andhra Pradesh is India's third largest economy. Thums Up has a separate brand ambassador for Andhra. It's because the state contributes nearly 20% of their national sales. Airtel tie up with a movie for cross promotion every month. Andhra Pradesh is their single largest market for the brand where they hold the No.1 spot. Likewise, for every product or service – be it electronics, housing, food & beverages, financial products – the southern markets are huge. To catch the southern market companies use exclusive celebrities for that market.

Some of the smarter brands have realized they need a regional /local brand ambassador if they have to improve the 'connect' between their consumers and their ads. In another case, companies use International celebrities like Jackie John to endorse brands in Indian market. Exhibit 5 shows the brands endorsed

by two celebrities one for north and another one for South Indian Market.

Celebrities in Social Cause ads:

The same advertising techniques used to promote commercial goods and services can be used to inform, educate and motivate the public about non-commercial issues, such as AIDS, energy conservation, deforestation, better health and hygiene, etc., Idea mobile advertisement is best example which uses celebrity to promote a brand with social message.

One of the most successful campaigns has been executed by PETA in which celebrities like Shilpa Shetty, Amisha Patel, Yana Gupta, Sheetal Malhar, Mahima Choudhary claimed to believe in PETA's philosophy, and thereby endorse the brand. Celebrities can be used to create social awareness and health related aspects. Amitabh Polio, Aishwarya Rai- Eye donation.

Risk attached with Celebrity Endorsements:

Today no human life is untouched by advertising. Number of advertisements is keep on increasing for any programme. It is easy to choose a celebrity but it is tough to establish a strong association between the product and the endorser. A popular drawback of celebrity endorsement is the 'Vampire Effect' or the celebrity overshadowing the brand.

Multiple product endorsement also has a negative impact on customers' purchasing intentions and lead to media clutter. Celebrity

endorsing multiple products and multi brands in a category has left the customer confused and has lead to dilution in the celebrities' value. Too much importance is given to celebrity rather than the brand.

There are many cases of brands failing in the market place despite famous celebrities endorsing them.²⁹ IPAN-IMRB-Celebrity Brand Endorsement study 2008, reveals that celebrity endorsement plays a small role in influencing the consumer purchase decision.

Failure may be attributed to improper positioning, negative perception after use of product / service (inferior products), misapprehension of the meaning of the endorsement, etc. Brand may also fail to get noticed given a recent negative publicity of the celebrity endorser not performing in their chosen field for example movies are flopped or continuous non performance in cricket or sports. Tiger woods' personal controversy led to the fall of sales of Nike.

Hutch managed to grab the attention of the consumers, by not using a celebrity. The child and dog campaign came across as a fresh initiative at endorsing a product. Most of the award winning advertisements are non-celebrity endorsed. Zoo Zoo advertisement is an another trend setter.

An appropriately used celebrity can prove to be a massively powerful tool that magnifies the effects of a campaign. The fact to be emphasized is that celebrities alone do not guarantee success, as consumers nowadays

understand advertising. They know what advertising is and how it works. People realize that celebrities are being paid a lot of money for endorsements and this knowledge makes them cynical about celebrity endorsements. There is strong claim that use of celebrities will increase the cost of the product. They are endorsing only for money and they are not actually using the endorsed brands.

Celebrity endorsement alone will not do any wonders for the brand. If the company is not

interested to use the celebrities, they should concentrate more on product features, quality, pre and post sales service and also an effective integrated marketing communication. The company can empower people to become the brand ambassadors. The CEO of the company or any famous performing person in top management or a satisfied customer(s) of the company also act the ambassador for the brand building. That is cost effective and the most trustworthy strategy.

SWOT Analysis for Celebrity Endorsement

<p>Strengths</p> <ul style="list-style-type: none"> Instant Brand Awareness and Recall. Celebrity values define, and refresh the brand image. Celebrities add new dimensions to the brand image. Instant credibility or aspiration Generating PR coverage. 	<p>Weakness</p> <ul style="list-style-type: none"> Multi brand endorsements by the same celebrity. Celebrity not using the endorsed brand Celebrities endorsing one brand and using another (competitor). High Cost factor Lack of ideas.
<p>Opportunities</p> <ul style="list-style-type: none"> Mass Appeal Demographic Connect Regional Celebrities to attract regional population Social Awareness Mitigating a tarnished image Can help to re establish a brand during critical situation. To position and reposition the brand. 	<p>Threats</p> <ul style="list-style-type: none"> Mismatch between the celebrity and the image of the brand Celebrity overshadowing the brand Rising cost of celebrity endorsements. Any personal deterioration of image of celebrity may deteriorate the name of the brand.

Source: Compiled by the author

Celebrity Management Firms

Celebrity managers are hunting for the celebrities in every walk of the life. The celebrity management industry is growing into high turnover industry and posing a need to

introduce wide range of celebrities from Celluloid to modeling. Many celebrity management companies have evolved in India. One such is Globosportworld, a celebrity management firm promoted by Indian tennis star Mahesh Bhupathi and involves in the

celebrity endorsements of the Bollywood stars, South Indian Stars, Models and Indian Sports Celebrities.³¹

Atul Kasbekar, chairman and managing director of Bling (A talent and celebrity management company), the celebrity endorsement space is now a Rs 1,000-crore business, growing at 20-25 percent year on year and attracting the attention of professional managers and private equity players. Celebrity managers do put in a lot of methodical work. "When they are commissioned by a company for endorsements, they map the DNA of the brand and identify for them the kind of celebrity that would fit in well as per their budget. Bling has of late closed deals for Nestle, Coca Cola, Marico, Samsung and Pepsi, to find the right fit and to manage the relationship with the brand.³² Other famous Celebrity management firms are Kwan and Percept.

Current Trends

Companies like HUL, Emami, ITC, and Dabur are the top spenders for Celebrity Endorsement. In Tamilnadu shopping malls in Thiyagaraya Nagar (T.Nagar) are using more celebrity advertisement for promoting Apparel retail outlets and Jewellery retail outlets. Particularly in South India Jewellery retail outlets are spending good amount for celebrity endorsement to attract more traffic in retail outlets. Differentiation is difficult in jewellery retail business due to lack of differentiation in terms of product design, quality price forces

the retail outlets to depend on Celebrities. More celebrities for one brand trend are also increasing. The same brand, at the same time is using multiple celebrities: Katrina Kaif, Shilpa Shetty, Sonakshi Sinha and Bipasha Basu in one Pantene ad is the classic example that comes to mind. Airtel has used ten celebrities in a single TV commercial.

Automaker Company BMW has roped in Sachin for Brand Ambassador who is a well known fan of Ferrari. This step has strengthened the scope of BMW in India especially in the luxury car segment. Tendulkar was previously brand ambassador for Fiat, Ferrari's parent company, in 2001 for its small car Palio. Yamaha who is entering the scooter market has finalized Deepika Padukone to compete with the already existing competitors. Honda and Bajaj are the leaders in the market and have capitalised upon the Young actresses such as Priyanka Chopra and Saniya Mirza.³³

Celebrities are also interested in endorsing themselves in the product as they get compensation for it and their image is been developed considerably. There is healthy competition among celebrities to endorse the brands and be in the limelight. Major celebrities are having a celebrity management company or manager or have tie up with ad agencies for brand endorsement. Bollywood star Amitabh Bachchan is the new brand ambassador of Kalyan Jewellers, the jewellery retail chain. Mr. Bachchan will endorse Kalyan Jewellers' range of products. Amitabh

Bachchan as saying that “throughout my career, I have been very selective about aligning myself with brands. Kalyan Jewellers are an iconic jewellery brand with a great heritage and strong presence in South India. I am overwhelmed to partner with them and represent the brand across India.”³⁴

Top companies are using a growing set of Net celebrities who enjoy huge popularity on social media platforms to replace Bollywood and sports stars as brand promoters. Google has a campaign featuring blogger Archana Doshi, while the MTS television commercials show YouTube singer Shraddha Sharma. The concept of online celebrities for endorsement is emerging as a new and cheaper method for brands looking to tap the Net-savvy, high-spending youth market.³⁵ Even though cost of the celebrity is more, now days across the business celebrities are used to promote various brands. Aamir Khan reportedly cost ICICI Bank Rs 10 crore for endorsements and the Gujarat government spent Rs 40 crore on a series of films featuring Amitabh Bachchan promoting tourism in the state. Public and private sector banks are also using the celebrities to attract the customer and to make the service differentiation.

Even though the common wealth games produced more celebrities, but still there is shortage of celebrities. That is the reason in India; one celebrity is using more than twenty to thirty brands in different categories at a given time.

The research conducted by author to know the effect of celebrity endorsement in personal care brands provides the following insights. To avoid the frequency of change of TV channels during advertisements and to get attention of the audience, every six months new celebrities can be used to endorse the brand rather than same celebrity endorsing the brand for two or three years. To increase the image of the brand, to avoid audience boredom and increase the appeal to multiple audiences, two or more celebrities can be used to endorse the single brand in the same or different TV advertisements. Consumers have shown much interest towards watching multiple celebrities in a single advertisement. Effective reach of the advertisement regional cine celebrities presenting the product message in the form of song will give greater impact.

Conclusion

Celebrity endorsements works well in Indian scenario. The level and the magnitude of the effect vary with the celebrity and the product category but most endorsements have a favorable impact. As noted by an advertising guru, a celebrity is perceived as god by masses. They touch their feet, create idols and worship, garland their photographs, wait for their "Darshan" in hot sun or heavy rains for hours together, follow fashions of them - wear similar clothes or have similar hair style as that of celebrity, and on wrong side even commit suicide if celebrity fails to deliver results.

Advertising has evolved a great deal over the years. Advertising has moved on and today it is all about entertaining. Advertising needs to entertain but it has to sell as well. Advertising must be crafted carefully based on consumer insight and behavior. “Consumer demand is the source of revenue for advertising. Using celebrities for promotion has been a common marketing communications strategy, practiced globally. The man behind the popular Pepsi ads, filmmaker In India, celebrity endorsements are believed to be particularly useful as the average consumer reportedly identifies more strongly with celebrities than in other countries.

Exhibit: 1

Top 10 Brands Endorsed by Celebrities

Rank	Brands
1	Colgate Max Fresh Gel
2	Idea 3G
3	Idea Cellular
4	Vivel Satin Soft
5	Pantene
6	Santoor Sandal and Turmeric
7	Dish TV HD
8	Pepsi
9	Lux Fresh Splash
10	Wheel Active

<http://www.mxmindia.com>

Exhibit: 2

Top 10 Advertisers of Celebrity Endorsement - Period: Jan- Sept 2011

Rank	Brands
1	Hindustan Lever Ltd.
2	Procter & Gamble
3	Idea Cellular Ltd.
4	L'Oreal India Pvt. Ltd.

5	Reckitt Benckiser (India) Ltd.
6	Colgate Palmolive India Ltd.
7	Pepsi Co.
8	ITC Ltd.
9	Gitanjali Gems Limited
10	Pepsi Co. India Holding (p) Ltd.

<http://www.mxmindia.com>

Exhibit: 3

Share of Celebrity Endorsements on TV by Profession (in %)

Profession	Jan-Sept 2010	Jan-Sept 2011
Film Actress	45	39
Film Actor	41	37
Sports Person	12	19
TV Actor	1	2
TV Actress	1	2

<http://www.mxmindia.com>

Exhibit: 4

Top 10 Celebrities as per ad Volume (share %)

Rank	Celebrity	Share %
1	Shahrukh Khan	6
2	Katrina Kaif	5
3	Kareena Kapoor	5
4	M S Dhoni	4
5	Sachin Tendulkar	4
6	Abhishek Bachchan	3
7	Amitabh Bachchan	3
8	Saif Ali Khan	3
9	Akshay Kumar	3
10	Priyanka Chopra	2

(Data source: TAM AdEx Media: TV Period: Jan Sept 2011)

*Figures based on ad volumes (secs)

*Advertising during commercial time (Promos are excluded)

*Base: Celebrities (Actor/Actress) from Hindi – Movies & TV Industry and Sports personality considered).

Exhibit: 5
National Regional Celebrities for the Same Brand

Brand	National brand ambassador (or for northern belt)	Regional or South India brand ambassador
Fair and Handsome	Shahrukh Khan	Surya
Pepsi	Ranbir Kapoor	Ram Charan Tej, previously Pawan Kalyan
Kurkure	Juhi Chawla	Simran
Navratna Oil	Amitabh Bachchan	Suriya, Mahesh Babu
Tata Indicom	Kajol	Trisha
Fanta (previous campaign)	Rani Mukherjee	Trisha
Perk (previous campaign)	Preity Zinta	Trisha
Idea Cellular	Abhishek Bachchan	Siddharth
ThumsUp	Akshay Kumar	Mahesh Babu, previously Chiranjeevi
Vivel Shampoo	Hrithik Roshan	Trisha
7Up	Mallika Sherawat (previously)	Allu Arjun

Exhibit: 6

Image of Celebrity Sushmita Sen in Pantene Advertisement



“I have been using Pantene long before I even thought of endorsing it. Pantene encourages the spirit of ‘Shine.

I Believe I Can.’ and that’s exactly what I’ve lived every moment of my life with. So when two ‘beliefs’ come together, then automatically there is an instant sync and magic. With Pantene,

I know my hair is looking great, and with that taken care of, I get the confidence I need to go out and Shine in whatever I do.”

Sushmita Sen

Source : <http://www.pantene.com/>

Exhibit: 7

Growth of Celebrity Endorsed Advertisement in India

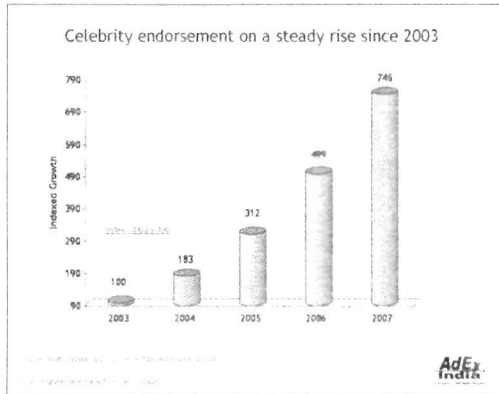


Exhibit: 8

Number of Brands Endorsed by Single Celebrity in 2010

Celebrity	No. of Brands
MS Dhoni	24
Shahrukh Khan	16
Sachin Tendulkar	15
Karina Kapoor	11
R Madhavan	10

Exhibit: 9

Future Potential Celebrities: (Below mentioned are Participants from India at London Olympics).

MARY KOM
29-YEAR-OLD BOXER, MANIPUR

SKILL SETS: Ability to transcend categories; can tackle bigger opponents with ease.

ACHIEVEMENTS: First woman boxer from India to win 5 world titles consecutively. Has more than 3 Asian titles and 11 national titles to her merit.

CATEGORY FIT: Milk based nutrition products, women's health products, feminist brands, radical off beat brands, child nutrition, milk-based beverages, glucose biscuits, energy drinks.

For: Life story; genre of sports

AGAINST: Limited reach (North East); not polished, over exposure in Media

BRAND POTENTIAL
6/10

Endorsement Potential: **₹75-90 lakh**

GAGAN NARANG
29-YEAR-OLD SHOOTER, HYDERABAD

SKILL SETS: Precision, is a perfectionist, ability to focus in adverse circumstances

ACHIEVEMENTS: Won four gold medals in the 2010 CWG.

CATEGORY FIT: Formal wear, insurance brands, telecom brands, SUVs, laptops and computers, premium brands, 'patriotic brands' – LIC, home-grown banks, finance companies

FOR: Mannerism

AGAINST: No regional appeal; genre of sports

BRAND POTENTIAL
5/10

Endorsement Potential: **₹45-50 lakh**

Source: <http://www.afaqs.com>

In the shadow of Olympics games the celebrity advisors are searching for the national as well as the local sportspersons for the Brand Ambassador Jobs. There is a huge scope for the brand advertisements with the Olympics athlete in their respective states and regions as they are easily identified with the local population. The Olympics athletes are from various socio-economic strata and could be capitalized for a greater reach of the brands.

End notes

Victor. S Anandkumar and S. Armstrong Jeyakumar Celebrity Endorser Selection Using the Brand Personality Scale: Fourth AIMS International Conference on Management.

Ohanian, Roobina (1991), "The Impact of Celebrity Spokespersons' Perceived Image on Consumers' Intention to Purchase," *Journal of Advertising Research*, 31 (1), 46-53.

Martin, James H. (1996), "Is the Athlete's Sport Important when Picking an Athlete to Endorse a Nonsport Product?," *Journal of Consumer Marketing*, 13 (6), 28-43.

Atkin, Charles and Martin Block (1983), "Effectiveness of Celebrity Endorsers," *Journal of Advertising Research*, 23 (1), 57-61

White, D.W., Goddard, L. and Wilbur, N. (2009), "The effects of negative information transference in the celebrity endorsement relationship", *International Journal of Retail & Distribution Management*, Vol. 37 No. 4, pp. 322-35.

McCracken, G. (1989), in Lukas, A.B. and Seno, D. (2005). "The equity effect of product endorsement by celebrities", *European Journal of Marketing*, Vol.41, p.122.

Friedman, H.H. and Friedman, L. (1979), "Endorser effectiveness by product type", *Journal of Advertising Research*, Vol. 19 No. 5, pp. 63-71.

Glover, Petra. "Celebrity Endorsement in Tourism Advertising: Effects on destination image." *Journal of hospitality and tourism management* 16 (2009): 16-23.

Khatri, Puja. "Celebrity Endorsement: A strategic promotion perspective." *Indian Media Studies Journal* 1, No. 1 (July-Dec 2006).

Kahle, Lynn R. and Pamela M. Homer (1985), "Physical Attractiveness of the Celebrity Endorser: A Social Adaptation Perspective," *Journal of Consumer Research*, 11 (4), 954-961.

Ohanian, R. (1991), "The impact of celebrity spokespersons' perceived image on consumers' intention to purchase", *Journal of Advertising Research*, February/March, pp. 46-54.

James H. Martin, (1996), "Is the athlete's sport important when picking an athlete to endorse a nonsport product?", *Journal of Consumer Marketing*, Vol. 13 Iss: 6 pp. 28 – 43

Hoyer, W.D. and MacInnis, D.J. (1997), *Consumer Behavior*, Houghton-Mifflin, Boston, MA.

Reddy, Sadhu Ramakrishna and Santhosh. "Celebrity Endorsement- An effective tool for building brands?" *ICMR*, 2010.

Ohanian, Roobina (1991), "The Impact of Celebrity Spokespersons' Perceived Image on Consumers' Intention to Purchase," *Journal of Advertising Research*, 31 (1), 46-53.

Roozen, Irene. "The Relative effectiveness of celebrity endorsement for beauty, high and low involvement product print advertisements." PhD thesis, University of Antwerp, 2007.

Simonsson, Johanna Jansson Rajakaski and Regina. "The subject of celebrity

endorsement: what it was and what it has become. A literature review." Bachelor Thesis, Department of Business Administration and Social Sciences, Lulea University of Technology, 2006.

Ratneshwar, S., and Chaiken, S. (1991). Comprehension's role in persuasion: the case of its moderating effect on the persuasive impact of source cues. *Journal of Consumer Research*, 18(1), 52-63.

Baker, Michael J. and Gilbert A. Churchill (1977), "The Impact of Physically Attractive Models on Advertising Evaluations," *Journal of Marketing Research*, XIV (November), 538-555.

Belch, G.E. and Belch, M.A. (2007), *Advertising and Promotion: An Integrated Marketing Communications Perspective*, 7th ed., McGraw-Hill/Irwin, New York, NY.

Kaikati, J.G. (1987), "Celebrity advertising, a review and synthesis", *International Journal of Advertising*, 6, 93-105.

Schiffman, Leon G. and Kanuk, Leslie Lazar, *Consumer Behaviour*, 9th Edition, Pearson Education, 2007, pp. 341-343

Pringle, Hamish. *Celebrity Sells* (West Sussex: John Wiley, 2004).

Temperley, J, Tangen, D (2006), „The Pinocchio Factor In Consumer Attitudes Towards Celebrity Endorsement: Celebrity Endorsement, The Reebok Brand, And An Examination Of A Recent Campaign, Special Edition On Consumer Satisfaction – Global Perspective, *Innovative Marketing*, Volume 2, Issue 3,

Clark, Robert C. and Horstman, Ignatius J. (2003) *Celebrity Endorsers* (www.bu.edu/e.con/seminar/micro/pdf/fav/celebendorse.bu.pdf)

Darrel D. Muehling and Michelle McCann, "Attitude Toward the Ad: A Review," *Journal of Current Issues and Research in Advertising*, 15, no. 2 (Fall 1993)

Lee S.; Scott D.; Kim H. (2008) *Celebrity fan involvement and destination perceptions. Annals of Tourism Research* 35(3): 809–832.

Amos, C., Holmes, G. and Stratton, D. (2008), "Exploring the relationship between celebrity endorser effects and advertising effectiveness: a quantitative synthesis of effect size", *International Journal of Advertising*, Vol. 27 No. 2, pp. 209-21.

Agrawal, J., & Kamakura, W. (1995). The economic worth of celebrity endorsers: An event study analysis. *Journal of Marketing*, 59(3), 56-62.

Khatri, Puja. (2006). "Celebrity Endorsement: A strategic promotion perspective." *Indian Media Studies Journal* 1, no. 1.

US co buys 50% stake in Bhupathi's Globosports, *The Financial Express*, 26 July 2012.

Varada Bhat, *From stars to big brands*, *Business Standard*, 13 July 2012.

http://articles.economictimes.indiatimes.com/2012-07-23/news/32804571_1_hiroyuki-suzuki-brand-ambassador-india-yamaha-motor

<http://www.thehindu.com/news/cities/Kochi/article3639101.ece>

Jayati Ghose , *Advertisers pen Net celeb paeans*, www.telegraphindia.com/1120730/jsp/business/story_15788243.jsp

About the Author

G. Muruganathan is an Assistant Professor at Management Studies NITT. The author can be reached at muguran@nitt.edu