

A Theoretical Review on Celebrity Endorsement: An Effective Apparatus for Marketing Communication

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ABSTRACT

Celebrity Endorsement is a kind of advertisement campaign which involves a famous persons image to promote the product or service of a particular organization. In other words, the organisation makes use of celebrities fame in order to increase their sales of product or services, if that well known personality agrees to endorse the product or services of the organization at the agreed amount of money, it is called Celebrity Endorsement. The celebrity can be from any field of work like Sports person like Sachin Tendulkar, Rahul Dravid etc. or film Star like Salman Khan, Shahrukh khan, Kajol etc. or musician like Sonu Nigam, Lata Mangeshkar, Asha Bhosle etc. or Cartoon Character like Angry Birds, Tom and Jerry, ChinChan etc. Celebrities are gods to massed. In today's advertisement world the endorsement of products or services by the celebrities have become an essential part. It has become a part of every organizations to get their brands endorsed by some famous celebrities and add value to their brand. It is very essential to choose the right combination of celebrity and the brand. If any product of service is endorsed using any famous person's image without his permission, then the product or service is termed as "Bootleg" or Knock-Offs". Celebrity endorsement plays a big role in making purchase decisions of audience.

In India endorsement of products or services by celebrities have stated during the late 80s. In a county like India, people like to live in dreams, they are big fan of the celebrities, whether it is a Film Stars or Sports Person or Musician or any other famous personality. They worship them. They consider them as their Deity. In order

to enhance the sales, the Industry make good use of these personalities by offering them whooping amount of money to endorse their product or services.

The main objective of this paper is to give review or suggestions based on various researches related to celebrity endorsement in India which have been done so far. This paper is purely empirical and is based on secondary data which is collected from various research articles, thesis and conference proceedings.

Keywords: Celebrity endorsement, brand image, advertisement, consumer behavior.

INTRODUCTION

Background

Endorsements of products or services have started in India since a long time. Celebrity Endorsement have become trend or we can say of the strong advertisement tool for marketing of products and services and building of brands. Due to the economic LPG, it has become easy to invest in the market of the Indian country. There are variety of substitute products and services available in the market. The marketer finds it difficult to attract the attention of customers for their brands. So, other than to maintain quality in the brand it is very important to use an effective marketing strategy so that customers will come get attracted towards that brand. Celebrity endorsement helps to do wonders for the company. As celebrity endorsement has become a common advertisement tool today, it is very important to link the brand and the endorser personality because if endorser and the brand is properly matched, it can make the industry to reach the sky, but if the endorser and the brand does not match it can reduce the sales level and can even produce bad image to the brand.

Vice-President(Marketing) of Dabur India Ltd quotes

“A Celebrity does help in increasing brand sales, but only if he/she is selected carefully and used effectively. The personality of the brand and the celebrity have to complement each other and the selection of the celebrity is, therefore, very important.”

Indian economy is expanding and in this competitive environment and with the growing competition with MNC's the Marketers are trying to use best tool of advertisement which will enhance the sales of company and grasp maximum market share. Growth in businesses has led to the growth of advertisement industry also. The industry spends huge amount of money on these famous personalities for endorsing their product or services with the belief that these celebrities are the best spokesperson for their brands and they can create a better image of the product or services in the minds of customers. In the past few years, the usage of celebrity endorsement as an advertising strategy has increased drastically. These well known persons are used to endorse variety of products and services. These celebrities does not endorse the brands of only one kind of industry but they have make their influence to endorse

brands of various sectors of economy like FMCG, financial sector, banking sector, telecommunication, automobile industry, luxury etc. The endorsements of the products or services by these famous well known personalities give a glamorous touch to the brands.

OBJECTIVES OF THE STUDY

1. To study the effectiveness of celebrity advertisement on various brands.
2. To make the theoretical review and give suggestions to the advertisers to make the celebrity endorsement more effective.

Endorsements of brands by the celebrities has been an effective tool. There are various researches which have been done in India as well as abroad regarding the impact of celebrity endorsement on various brands. The basic aim of this research is to check the effectiveness of the celebrity endorsements of brands in India. This research also aims to find out how correctly choosed celebrity makes the impact on consumer buying behavior of various brands.

RESEARCH METHODOLOGY

This paper is based on empirical study and is qualitative in nature. For the present study, secondary data has been used to make an analysis of the impact of celebrity endorsement on brands. Various Research papers, Thesis, journals, newspapers etc have been used as instruments to gather the information. This paper is purely theory based in order to make a theoretical review of the impact of Celebrity endorsement on various brands.

LITERATURE REVIEW

Anmol and Javeed (2014) have made study on the perception of celebrity endorsement on FMCG products. They have used primary as well as secondary data to obtain the information. After making analysis of data it was find that endorsement of products or services by the celebrities can help the customers to recall the brands easily rather if the advertisement is made by some non celebrity. Also, it was found that celebrity who endorse the brands may not use the same brands themselves and the product or service shown in the advertisement may not be that much good in quality as shown in the advertisement. **Zohra (2013)**, has made a study to analyze the impact of celebrity endorsements on image of brand and product purchases. This study is done in Pune region of India. The author has used the primary data to collect the information and has applied various statistical tools to analyse the data. After analysis the author found that there is a significant relationship between the celebrity endorsement and the sales of the company. The company's sales level goes up if the brand is endorsed by some famous personality. The celebrity endorsement gives a favourable impact not only to the FMCG products but it has proved beneficial for various industries also like automobiles, financial sector, etc. **Garima (2014)** has made the comparative study on impact of celebrity endorsement on FMCG products in Rural and Urban areas in India. The author has collected the information using primary data with the help of questionnaire. After

analysis it was found that both primary and urban people are interested in celebrity endorsement. But in rural areas mostly women are influenced by celebrity endorsement than males. So we can say both the rural as well as urban people are influenced by celebrity endorsement. The study also revealed that almost 43 percent of respondents are service class employees and students who gets mainly influenced by celebrity endorsements. **Rajmeet and Aggarwal (2012)** have made study on children buying behavior due to celebrity endorsement. A comparative study was made among the rural and urban children of Punjab and Chandigarh. They found that all age group children are influenced by the celebrity endorsements. Most of the children think that the product which is endorsed by some famous celebrity, is itself used by that celebrity. Most of the children buy those products which are endorsed by famous celebrities because they feel that celebrities always endorse good quality products and they will not promote any sub-standard product or services which can be harmful. It means children too have a sense of social responsibility. According to **Saroj and Deepti (2012)** Companies mainly use some famous persons as spokesperson who can deliver the ad of the company and can convince consumers for using their brand. A huge amount of money is spent on celebrity endorsement every year and it can be seen as a beneficial investment which bring a handsome amount of returns. Also the success of celebrity endorsement depends upon the kind of products. It also depends upon for which demographic segment the ad is used, whether it is meant for teenagers, or males or for white collar workers or housewives, or for students or any other business personnel etc. According to **Blazey and Ganti (2005)** Giving a face to a brand is more than just any strategy of marketing which aims at increasing the sales and increase market share. Only a truly designed celebrity endorsement can take up the brands to reach the sky or can change the future to the brand forever. **Kulkarni et.al. (2005)** has conducted a study on Impact of Celebrity Endorsement on Overall Brand. The authors have used both primary as well as secondary data for the related study. After applying certain statistical tools and making analysis it was found that it is not always necessary for a brand to get success only when it will be endorsed by some celebrity. In fact there are few brands which have been established without any famous person endorsement. For example, Proctor and Gamble promoted one of its Brand that is 'Rejoice' in India. This brand was endorsed by an ordinary woman and that advertisement worked very well. They don't believe in the endorsement of the product by some famous celebrities, in fact they stress upon the quality of the product. Some more example can be like Lifebuoy, Medimix, Fevicol, Aashirwaad Aata etc. According to **Anosh and Hamad (2015)**, Most of the customers of FMCG products are brand loyal and they are highly inspired by the commercial advertisements. For the building of a particular brand the celebrity's credibility is very important. Also, it should be kept in mind that the celebrity should not be involved in any kind of controversy or should not have some negative image in the minds of the customers. For example, in year 2009, one of the FMCG product i.e. Lays Chips was considered as Haram food (means food which is prohibited in Islam to Consume). But later on, the famous celebrity Junaid Jamsheed clarified the doubt of the people and make them clear that Lays Chips are the Halaal food (means food which is allowed by Islam to consume). Due to this, the sales level of Lays chips raised again. We can say that these celebrities have a

great influence on our minds. Celebrities play a very important role in the brand equity. **Anosh et. al. (2015)** have made survey on Impact of brand equity drivers on purchase intention. It was a study made on smart phone market. The study has tested some elements of brand equity. It was found that brand loyalty and brand image has a positive correlation with the sales and these two variables have more influence on sales than other variables. According to **J. Sridevi (2014)** celebrity advertisements have a positive effect on the brands of all industrial sectors be it finance, automobiles, etc but it has its more influence on FMCG. It is revealed from the study that consumers give more importance to that product which is endorsed by celebrity. It is because the celebrities can capture the attention and mind makeup of the consumers very easily. **Kamins (1989)** studied that advertisements which are endorsed by celebrities makes positive effect on consumers mind than the non-celebrity spokesperson. **Kaikati (1987)** stated that endorsing the products using celebrity spokesperson is not a new marketing strategy, but it has a very long history. A famous potter namely Josiah Wedgwood has pioneered celebrity for his advantage in the eighteenth century.

CONCLUSION

By viewing various research papers we can say that endorsements of product or services by the celebrities have a positive impact on the brands. These famous personalities play a key role in making effect in the minds of the people. It has been a time tested strategy to sign up the celebrities for endorsement of products or services. Celebrity endorsement strategy have been an effective tool to differentiate one's product with the competitor's product. Various researches have shown proved that most of the customers use a particular brand because they say that their favourite Film star or Sports Person or Cartoon Character or Musician or Athlete etc use that particular brand. Studies have also proved that celebrities endorsements does not always brings huge profits but sometimes they may have pitfalls which the organizations should check before hiring them.

The benefits which they can make for a brand includes build brand equity, help the people to remember the advertisements and makes customers believe that the product is of high quality. Although the celebrity makes the good impact on brands they endorse but still there is possibly risk of getting celebrities image change, they can become overexposed etc. therefore it is very important to select the Celebrity very carefully. Celebrities really creates differentiation of brands.

Celebrity endorsement has a significant impact on the brand image. The celebrity endorsement gives a favourable impact not only to the FMCG products but it has proved beneficial for various industries also like automobiles, financial sector, etc. Research results have also shown that most of the people who get influenced by celebrity endorsements are basically Students and service class people. When celebrity endorsements will be used consistently over time then it will be more effective which strengthens the celebrity and brand link. Also it will be more effective when the advertisement which is to be endorsed will be simple and free of irrelevant elements of design. Only those celebrities should be opted for

advertisements which do not have any strong association with any other brand. Those products or services for which consumers are unaware or have less knowledge, the celebrity endorsement will be more effective. It will be more effective when the celebrities are not changed frequently in order to endorse the same brand. Some of the surveys have shown that even children are greatly influenced by the celebrity endorsement and they think that these celebrities are aware of the social responsibility and they will not endorse any product which can be harmful. The most effective advertisement strategy which a company can make is to get endorse the products or services by some famous celebrities. In order to capture a big share in the market, the organisations should endorse the brands according to the target audience or according to the demographic factors. Spending on celebrity endorsement is a good investment as company gains in terms of finance and it also helps to capture a big share of market. Some research have also shown that it is very important that endorsement of brand should be done by a very reputed celebrity. In other words, we can say those celebrities who have some negative image or are struck in some scandals may create bad image of the brand endorsed by them. It may be risky to select these celebrities for the brand endorsement because celebrities have a great influence on the minds of the people. In order to have the better effect of advertisement, more focus should be given on the feature of brand because if the celebrity is influencive then it can overshadow the product. Celebrity endorsement is practiced with the assumption that the value of celebrity is being shifted to the brand when they endorse it which in turn helps in building an image which can be easily referred to by consumers. There must be a congruency between the celebrity and the brand and the attributes of celebrity must match with the attributes of the brand.

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