



# Impact of Celebrity Branding in India

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## Introduction:

An Indian family has at least one television set and a consumer is exposed to around 3000 ads per day. Likewise, there are more than hundreds of television channels in India broadcasting over 3 million television commercials each year in India. The media-explosion can thus be easily demonstrated. More over, people forget 80% of the information in just 24 hours! Just imagine the plight of the marketer to make his brand shout over the deafening clutter of all the brands! Some where in the 80an Indian marketer found the solution, 'Celebrity Endorsement' for the brand! Since then, Indian advertising has metamorphose hosed into a strategic tool that enhances sales, siphons more profits and helps in the process of brand-building and product promotion. With this evolved a strategy that tried to benefit from the emotional attachment of the admirers or the fans of the celebrities in the form of celebrity endorsement. It does help in creating instant awareness and visibility; but for a cost. This paper tries to look beyond the obvious benefits that might be derived out of celebrity endorsement. It tries to understand the process of consumer psychology and impact of celebrity endorsement on the overall process of brand building. As a first step to answer this question, this paper will examine the relationship between celebrity endorsements and brands, by applying a selection of widely accepted principles of how consumers' brand attitudes and preferences can be positively influenced. Thereby the concepts of source credibility and attractiveness, the match-up hypothesis, the meaning transfer model and the principles of multiple product and celebrity endorsement will be used.

## Meaning of word Celebrity

Celebrities are people who enjoy public recognition by a large share of a certain group of people. Whereas attributes like attractiveness, extraordinary lifestyle or special skills are just examples and specific common characteristics cannot be observed, it can be said that within a corresponding social group celebrities generally differ from the social norm and enjoy a high degree of public awareness.

## Spokesperson as Celebrities

Celebrity endorsements are a staple in advertising, with more than 20 percent of all ads today featuring a famous face, voice or likeness. Even smaller businesses are using celebrity spokespersons. The reason is simple: Celebrities sell. Consumers pay attention to celebrities because they are attracted to the familiar. But celebrities don't have to be major

national names. Local and regional "celebrities" can also help pitch a marketing message for your small business. Three ways your business can use a celebrity spokesperson are:

1. Advertising: Celebrities can pitch your product via print, television, radio and even online
2. Appearances and events: Celebrities can make personal appearances for your business at events ranging from charity fund-raisers to grand openings.
3. Media opportunities: your spokesperson can speak on your behalf on TV talk shows or at press conferences, trade shows or other media events.

### **Impact of Brand Image Beliefs on Brand Preference**

To test H2, H3, and H4, we employed Ordinary Least Squares regression procedures and determined the incremental impact of brand image beliefs in predicting brand attitudes and purchase intentions, over and above that due to "functional beliefs." Because many of these analyses (described later) involved interaction terms, the data for the independent variables were mean-centered prior to analysis, because otherwise interpretation of interaction terms becomes problematic (see Yi, 1990, for a discussion of this strategy). Because we were predicting attitudes and intentions, the predictors of interest were adequacy-importance (AI) product terms (cf. Ahtola, 1975; Wilkie&Pessemier, 1973) in which the beliefs about a particular attribute or benefit (e.g. is/is not great-tasting) were multiplied by the stated importance of that attribute or benefit (not at all important/very important).

### **Source credibility and attractiveness**

Pursuing a celebrity endorsement strategy enables advertisers to project a credible image in terms of expertise, persuasiveness, trustworthiness, and objectiveness. To create effective messages, celebrity advertisers also have to consider the attractiveness of the spokesperson. Source attractiveness refers to the endorser's physical appearance, personality, likeability, and similarity to the receiver, thus to the perceived social value of the source.

Celebrity endorsements give a brand a touch of glamour, and the hope that a famous face will provide added appeal and name recognition in a crowded market. In the battle for the mind, you get the customer excited by showing him a known face, and an effective demand is created. This would normally work best when the concerned brand has close substitutes, or has a need for differentiation, or requires quick entry in a short lifecycle category. Sports people have always been celebrities. Only now, the advertising industry is trying to cash in on their mass appeal. In the field of sports, the cricketers take the lion's share of advertisement contracts for their wide mass appeal where this sport is considered as a religion and Sachin as God. The much sought-after players of Indian Cricket are: Sachin Tendulkar, Sourav Ganguly, Rahul Dravid and Virendra Shewag. Apart from cricket and cricketers other sport and sportspersons also attract considerable endorsement money. Leading tennis players like Leander Paes and Mahesh Bhupati, footballer Baichung Bhutia chess wizard Viswanathan Anand (NIIT), golfers Jeev Milkha Singh and Jyoti Narain Karthikeyan attract sizeable endorsement money among others.

### **Match-up Hypothesis**

An Investigation into the "Match-Up" Hypothesis in Celebrity Advertising: When Beauty May be Only Skin Deep .This study represents a supportive test of the attractiveness aspect of the "match-up" hypothesis of celebrity product congruence discussed in depth by Kahle and Homer (1985). The hypothesis implies that the physical attractiveness of a celebrity endorser may only enhance both product and ad-based evaluations if the product's characteristics "match-up" with the image conveyed by the celebrity. Empirically, it was found that for an attractiveness-related product, use of a physically attractive celebrity was observed to significantly enhance measures of spokesperson credibility and attitude toward an ad, relative to use of a physically unattractive celebrity (Hrithik roshan). Alternatively, the physically attractive celebrity was found to have no effect on various spokesperson, product-and ad-based dependent measures relative to the physically unattractive celebrity for an attractiveness-unrelated product. Implications of these findings for advertising strategy are discussed, and directions for future research are outlined.

**Table 2 Differential effect of national vs. regional celebrities on consumer attitudes**

Brand	National brand Ambassador(Northern)	Regional or South Indian brand Ambassador
Kurkure Snack Food	Juhi Chawla	Simran
Navratna Oil	Amitabh Bachchan	Surya, Mahesh Babu
Tata Indicom	Kajol	Trisha
Idea Cellular	Abhishek Bachchan	Siddharth
ThumsUp	Akshay Kumar	Mahesh Babu,
Close up & Fair and Handsome	Shahrukh Khan	Surya
Pepsi	Ranbir Kapoor	Ram Charan Tej,

**Source:** Celebrity endorsements in South India – the next ‘Big thing’. Retrieved 01/06/2010 from <http://www.allusirish.in> 2010 celebrity-brand-ambassador-south-India/

### Celebrity Endorsement and Multiple Brands

The most important criteria which is considered in bringing a brand endorser on board is whether he / she is the right fit for the product or not. And Sony, Levis, Pepsi, P & G, all are following the same. So today companies are saying It is the age of differentiation in every possible way. And if using different brand endorser for different segments helps, so be it. Sony uses Kareena for Vaio and Deepika Padukone for its cameras. Gitanjali uses different brand endorsers for its different collections like Nakshatra, Gili etc. In such cases if different brands operate across segments, socio economic classes and also undergo extensions, using multiple brand endorsers is beneficial. In the case of Gitanjali, different brands convey different emotions thus stimulating the need for different brand endorsers. Obviously a well known face for a brand works. But after that, the match of the ambassador and the brand and also its ability to strengthen its positioning and values is the most important factor.

The satisfying results have been achieved on the concept of multiple celebrity endorsement. Studying the effectiveness of the ‘Airtel’ on consumer perceptions, found that endorsing a product with multiple celebrities “can be beneficial for appealing to various audiences to which the product is aimed.”

The Airtel; today it is using Kareena Kapoor, Saif Ali Khan, Bipasha Basu, Shahrukh Khan and Saina Nehwal as its brand endorser for different segments. With Rs 400 cr set aside for just promotional campaigns (17% TV ad volume share), Airtel seems to say, if you have got the money, why not use it. With such distinct personalities, Airtel aims at breaking through the clutter of the competition. (View Figure 5).With celebrity spokespersons representing a diverse mix of type, gender, and age, they can effectively be used to endorse specific brand lines of a company as shown by the cosmetic manufacturer L’Oreal, which matches its diverse product lines in accordance with the celebrity’s meanings.

## Conclusion

This research paper has addressed a popular method of marketing communication: the use of celebrity and spokespersons in advertising to endorse brands. A brief assessment of the current market situation indicates, that celebrity endorsement advertising strategies can under the right circumstances indeed justify the high costs associated with this form of advertising. However, as several failures show, it is essential for advertisers to be aware of the complex processes underlying celebrity endorsement, by gaining an understanding of the described concepts of source credibility and attractiveness, match-up hypothesis, multiple products and celebrity endorsement. While these concepts can help to answer the question if and when celebrity advertising investment pay off, it has to be the goal of further research efforts to develop an extensive, consistent and user-friendly tool to avoid arbitrary decisions and enhance the strategic character of celebrity sponsorship decisions

