

Is Celebrity Endorsement Really Necessary for Brand Endorsement?

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Abstract: This paper is about the study on consumer behaviour under the impact of celebrity endorsement and describes a view of how a brand's product and endorsing strategy affects its market performance. Brand endorsement approach and its effectiveness is described with some examples and how brand has performed with respect to celebrity endorsement factor is explained.

Keywords: brand recognition and brand recall, celeb's impact in advertisement, brand's product advertisement styles, effective marketing schemes, impact of celebrity's credibility and publicity, types of advertisement approach.

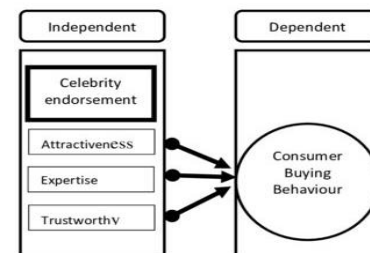
1. Introduction

A. Brand Recognition & Celebrity endorsement

To understand this terms, we need to understand the term brand ambassador. An Ambassador of any brand is considered the face of the brand. For example, Amitabh Bachchan is brand ambassador of Gujarat tourism, Aamir Khan is brand ambassador of VIVO mobiles, Shahrukh Khan is brand ambassador of Nerolac paints Etc. Now discussing the concept of brand recognition and recall. Brand recognition means a brand being recognized by any means of subject such as by its tagline, Advertisement jingle, brand ambassador etc. In simple language its works as in people who tend to buy any product from vendor instead of recalling the exact brand name they are most likely to describe brand's tagline or Advertisement jingle or brand's Ambassador. Simple example can be taken as, suppose a customer goes to vendor shop and says that he/she wants to buy a phone and describes that they want to buy a phone from advertisement in which Aamir Khan is present then vendor simply recognize that customer is asking for VIVO mobile as he knows that the brand ambassador of VIVO mobiles is Aamir Khan.



The impact of celebrity is created with some major factors. Let's understand this factors with some examples. Starting with factor of Celeb's current BOX Office Status i.e. whether that is that celebrity is giving a hit movie on box office because that defines how much the celebrity is loved by public. More the craze of that celebrity, more likely is the impact level increases of celebrity on endorsement of the brand of which he/she is the Ambassador of. Similar to the above concept there is also a factor where celeb's Stardom or we can say celeb's reputation in public, plays a significant role because celeb's years spent on Box Office assures brands that people believe in that particular celebrity and percentage of popularizing that brand, among the public because of celebrity's stardom is high. Besides this, there is also a loop hole while endorsement of a brand. Suppose there is a brand A and this brand is a marketing or sponsor partner in a movie, the actor in that movie helps the brand get endorsed and it also endorses brands for which he is a brand ambassador. Understanding this concept via example let's say OPPO mobiles for its endorsement sponsors a movie or is a marketing partner of that movie and in that movie let's say AAMIR KHAN is celeb, here OPPO mobiles will get endorsed as the movie is now on cinema house and advertisement about OPPO mobiles marketing that movie helps OPPO brand to popularize in market but even VIVO mobiles will get endorsed as AAMIR KHAN is brand Ambassador of that brand. Here celebrity is endorsed by the movie and because of this brands endorsed by him also get endorsed. This concept is known as relative recognition endorsement.



Now let us discuss about how this brand companies want their product to get endorsed and what is the final goal of all this brands? Well the brand companies aim that their brand name should replace the name of the actual product. This concept is a little tricky and can vary with people's personnel

choices but here we focus that these brand name get use as a Slang word. This particular concept can be explained via some examples. Starting with hand-wash product we can unanimously agree that we sometimes say to vendor that do they sell Dettol or Life-Buoy for hand-wash or germ free soap products. Similarly, for festival celebrations Chocolates we know a defined answer is CADBURY CHOCOLATE Celebrations BOX. Similarly, for goggles we can all agree in India most of them would say RAY-BAND goggles only.

B. Brand's Endorsement without celebrity's endorsement

So far we have discussed about the brands endorsed by the celebrities now there are some brands which are irrespective of celeb endorsement are famous because of their taglines and way of advertising approach. Let's understand this concept in brief. Brand companies want to be known by their taglines or their jingle songs from advertisement. Some of the popular taglines in market such as for TATA-SKY: 'ISKO LAGA DALA TOH LIFE JHINGALALA', LIC INSURANCE: 'ZINDAGI KE SAATH BHI, ZINDAGI KE BAAD BHI', AMUL MILK PRODUCTS: 'AMUL DUDH PITA HAIN INDIA', MOUNTAIN DEW: 'DARR KE AAGE JEET HAI' etc. Such approach works on human psychology concept where its assumed that a listened tune or dialogue is tend to remember better as once the tune is played the person itself either sings the tune or completes the dialogue. So here brand's celebrity doesn't matter because people are familiar with advertisement jingle of brand. Similarly, there is also a concept of branding a product based on seasons. This can be explained via examples such as in India on television if we see advertisement of MANGO FRUITI, DERMI COOL people tend to interpreted that it's a start of summer season, now here we need to understand that this brands have made a market for their seasonal products in such a way that people know this product as per seasons. Some other examples are if we see advertisements of Cadbury Celebrations Box Advertisement Indian public interprets that it's time of festive season and in particular we can say as Raksha-Bandhan or Diwali festival.

We will now see brands who without celebrity's endorsement have performed well in market. Here we observed that instead of investing money in celebrity they tried to innovate advertisement using different approach. We will see this approach via examples. Let's start with the first approach where an advertisement cast became celebrity itself. We can understand this concept by recalling a brand named M.D.H Masala. In this, company by casting that old man and working on advertisement, made him a celebrity itself because now you see people remember that advertisement by that old man's face. And now strangely that man DHARAMPAL GULATI is a star in FMCG sector.



One more example we relate here is of TRIVAGO hotel booking site. Now in this, they also have not used any celebrity for their endorsement but to our surprise the person in advertisement Abhinav Kumar is actually the Development Head for India wing of TRIVAGO. Even they do have a catchy tagline phrase "KYA AAPNE KABHI ONLINE HOTEL SEARCH KIYA HAI? And whenever we here this advertisement we can agree that this man is popped up in our mind and we say it's a TRIVAGO ad. Now here also we can see via advertisement this man has now become a popular face in India just like the above example of MDH Masala.



Another example which many Indians can relate is the actress in Airtel Advertisement. She became a public figure after being casted in this advertisement and is now a popular face on Social media. She is commonly known as the AIRTEL 4G girl, her name is Sasha Chettri. She is a perfect example of how because of advertisement now the cast has become a Celebrity itself. Airtel also have tried with many celebrities before but because of the presentation of advertisement i.e. concept of 4G challenge made Celebrity endorsement unnecessary for Airtel brand.



Similar approach but a whole new effort was carried out by RAMDEV BABA a man who introduced a brand named PATANJALI and now has established a huge market by introducing various products such as toothpaste, facial products and even some FMCG products. So here we can see that without a celebrity they just focused on expanding brand in new market products.

Second approach is where the brands without using some cast for an advertisement they tried to show off a survey of products used by their customers. We can understand this concept via Advertisement of COLGATE brand. In that advertisement they showed a survey of mothers using Colgate toothpaste. Here they tried to make this survey more effective by using tagline: 'MAA KA BHAROSA COLGATE' and by this tagline they tried to capture the market and we can observe that Colgate brand is performing well in Indian market. In addition to this we also need to understand that COLGATE when need to introduce new product like toothpaste with neem, lemon, salt etc they endorsed their brand by casting ANUSHKA SHARMA, PRIYANKA CHOPRA, RANVEER SINGH etc. and endorsed new variation in COLGATE toothpaste.

Third approach is the most innovative approach introduced by Vodafone where instead of endorsing the brand via celeb they introduce animated characters named 'ZOOZOOS'. This animated ZOOZOOS concept help their brand to get recognized based on advertisement characters.



Similar Approach but instead of characters animals where used by Hutch which is part of Vodafone where the dog breed Pug is now recognized as hutch/Vodafone dog you can even google it as Hutch dog and pictures of Pug dog will be in results.

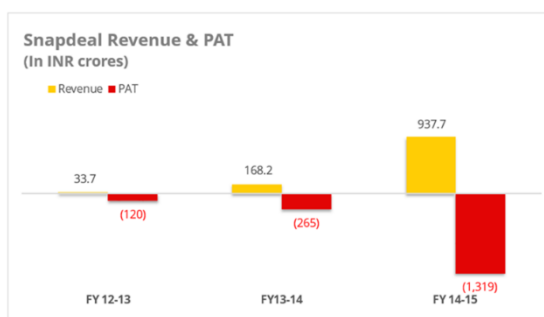


Some other examples would be NESTLE's MAGGI product. Now here we can observe that this product such a hype in Indian market that people have recognized MAGGI as a name of product itself instead of saying noodles they address them as

MAGGI. Such a wave is created because of the advertisement that MAGGI is cooked in 2 minutes. People even say MAGGI is a bachelor's food or a night savour food and by this they captured the market. Here we can see that they don't need a celeb to endorse the brand product. Just the right way of advertisement can product does well in Indian market.

C. Brand's endorsed by celebrity still failed in market

Up till now we studied about brands performing well in market by endorsing themselves by Celebrities. Now we have come up results of some brands who though have been endorsed by Celebrity. Some of them are as follows: Snap-deal an online site for purchasing products have also endorsed themselves by hotshot star AAMIR KHAN but still they have failed to capture market below are some stats about Snap-deal:



Source: <https://dsim.in/blog/2017/04/29/really-went-wrong-snapdeal-case-study>

Similarly, we can see in Mobiles and Telecommunications sector GIONEE mobiles have failed to capture the market. GIONEE mobiles too have endorsed their brand via celebrity. The Ambassador of this brand was ALIA BHATT but we can see it was not effective in Indian market. Some stats are as follows:

- Tables have turned as GIONEE mobiles who once were the major players in smartphone market are now facing bankruptcy
- As per the article in Securities Times, GIONEE's market performance is falling at consistent rate from failing to make payments to suppliers to losing many deals. As per the recent reports from GSMARENA 400 smaller companies have failed to receive payments and the Company's debt has crossed over \$2.15 billion from market.
- Article of Securities Times also claims that company's chairman LIU LIRONG has been found laundering company funds for personnel use. Article also mentioned that Company has faced a huge blow after chairman LIU LIRONG lost over \$144 million in gambling.

Similarly, we came across one other brand, the MUTHOOT FINANCE GRP. They had their brand ambassador AKSHAY KUMAR initially and after sometime they had AMITABH BACHCHAN for their endorsement. We can see this brand

tried with two Celebrities but still failed to capture market in India. Some of their stats are as follows:

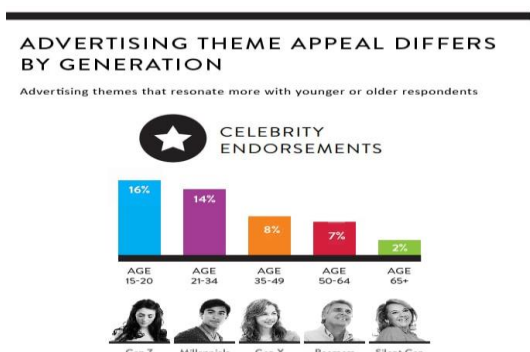
Particulars	Standalone		Consolidated	
	Year ended 31st March, 2018	Year ended 31st March, 2017	Year ended 31st March, 2018	Year ended 31st March, 2017
Total Revenue	6,243	5,747	6,705	5,938
Total Expenses	3,486	3,828	3,833	3,980
Profit Before Tax	2,757	1,921	2,872	1,958
Tax expense	1037	741	1,074	751
Profit for the year	1,720	1,180	1,798	1,207
Shareholders' Funds	7,760	6,516	7,842	6,538
Total Liabilities	23,821	24,197	26,463	25,646
Total Assets	31,381	30,713	34,305	32,184

Source: <https://economictimes.indiatimes.com/muthoot-finance-ltd/directorsreport/companyid-33218.cms>

Now a survey based on opinions of people over the world about the topic.

2. 'is celebrity endorsement really necessary for brand endorsement?'

Here are some statistics on how effective celebrity endorsement is based on their age groups:



Source: <https://www.guided-selling.org/impact-of-celebrity-endorsement-on-consumer-buying-behavior>

Let's discuss them as per age groups:

Age group: 15-20.

- It's observed that in this age group people considered basically two major points: 1. Celeb Outfit Look 2. Brand's market trend. In this age group celebrity look is what captures the market as youngsters want to look Cool and dashing like a star so they buy products of these brands.

Age group: 21-34

- It's observed that in this age group points considered by people are 1. Brand market review 2. Product material. This age group focuses on how the brand is performing and they believe to trust the product after using it once.

Age group: 35-49.

- It is observed that in this age group points considered by people are 1. Brand experience and standing in

market. 2. Product effectiveness in use is given more attention. The phenomenon worked as, this age group people don't bother who the celeb is, if the product suits after first use then even if it is not a recognized brand still they are going to buy it, besides if the brand is been in market for a long time then people of this group prefer to buy products of that brand.

Age group: 50-65

- It is observed that in this age group points considered by people are same as the age group of age 35-49. Here main behaviour that we observed was they tend to buy products of brands been in market for a long time. Trying new brands is preferred less so endorsing of celeb won't matter at all.

3. Conclusion

As per the study we came to a conclusion on this topic as follows:

- For a brand to introduce its product in market for first time it is preferable to do it with celebrity endorsement as by this, the product's brand will get recognized and grow fast in market.
- For a well-established brand, they can move forward and use less brand endorsement via celebrity as they have gained trust in market and instead of endorsing they should focus on keeping the reputation as it is, in the market. Focus should be given to product performance and on that basis strategy of endorsement should be decided.
- Endorsement strategy should be based on target audience, as per the above study we can see that for different age groups the level of impact of celebrity endorsement varies so fancying the audience via a creative approach can also be an option.
- For a brand sometimes product is efficient but if its marketing is not done at a big scale may be recognition of product in general market won't raise, resulting in failure of the brand in terms of performance in market.

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