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REVIEW ARTICLE
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Customer perception about celebrity endorsement for retail brands

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ABSTRACT

The retail sector is one of the fastest moving sectors in India. Its target audience is mainly youth who constitute 50% of the Indian population. Retail brands need to be positioned for this segment, and one of the strategies used is celebrity endorsement. Television Audience Measurement (TAM) media research found a 49% growth in celebrity advertising in 2007. There are many studies that have been conducted on celebrity endorsements. This paper stress the relationship between endorsement and brand thereby positive and negative impact related to this strategy, costumer perception and preferred product category. The finding of the various study revealed that preference for celebrity was more for sensory products than cerebral products. Customers want celebrities to entertain them as well as give information pertaining to the products in the advertisements. The factors that customers perceived to be important in selecting the celebrities for retail brands were proficiency, reliability, pleasantness, elegance, distinctiveness, approachability and non-controversial.

Key Words : Celebrity, Endorsement, Perception

INTRODUCTION

Economic liberalization gave India a swift takeoff to become an economic powerhouse. Over the last decade, augmented investments made by firms in the retail business have made the sector one of the fastest growing in India .Rapid changes in Indian consumerism can be attributed to economic growth, demographic factors, urbanization and credit availability. Modern business is all about directly having firsthand experience with customers, giving them such a suitable experience that they would like to enjoy again and again Strategic Positioning and effective communication are the two most important "mantras" guiding brand success in today's competitive marketing environment. Corporate are ensuring all possible efforts to promote their brands and to grab the customer's mind share. The impetus is on attracting the customer's attention and developing positive associations not just to influence recall but also to induce trial and eventually effect purchase decisions. It becomes pertinent

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for companies to induct all possible measures to influence motivate and inculcate desire to purchase, in the customer through an effective advertising campaign. Using celebrities in advertising to a product or service is a popular form among many ad campaigns.

In India, the trend of celebrity endorsement began in the late 1970s and the early 1980s. AdEx India, a division of Television Audience Measurement (TAM) Media Research, found that there was a 49% growth in celebrity advertising ,six time more than the figure in 2003 (Saxena, 2008). Celebrities are known for being extremely good at something beyond appearing in advertisements, and it is their outstanding skill in their chosen field of endeavor that has brought them into public eye and made them objects of veneration and respect (Pringle, 2004). Consequently, celebrity figures enjoy high profiles, idiosyncratic qualities, and glamorous images in the eyes of the public. They draw immediate consumer attention, generate high recall rates, create and differentiate product image while generating sales and profits. Using celebrity endorsement has proven to be a valuable strategy.

Celebrities are people who enjoy public recognition by a large share of a certain group of people whereas attributes like attractiveness, extraordinary lifestyle are just examples and specific common characteristics cannot be observed though 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 (Schlecht, 2003 and Anonymous, Business Standard, Dec., 2003).

Why endorsements? :

Celebrity Endorsements act as a credible means of "*money burning".* This is because this is a world of products for which the value a consumer obtains from purchasing any given variety. This could be for reasons of social standing-People want to wear the "right" clothes, drink the "right" beverages and use the "right" fragrances. Specifically a consumer that observes messages for two different firm's products, one product's message containing a celebrity endorsed and the other not believes the celebrity endorsed product will have more purchases and so be of higher value (Clark and Horstman, 2003). Celebrity endorsement is more likely to be observed for those products having a high price-production cost margin and on a large customer base. In short, celebrity endorsements are more typical for nationally marketed Products then for local or niche market products and for products such as running shoes, soft drinks and the like for which the price cost margins are apparently large. Promoter of certain products requires co-ordination over multiple customer groups - different age, income, education groups or groups in different location. Example Credit Card. With a product of this sort a common set of advertising messages communicated to all customers is a more effective and coordinates mechanism than messages targeted at separate customer groups with common messages customer in one group receiving a message knows that customer in other groups are also receiving the message. The challenge with common message is of significant audience reach in the various customer groups at low cost. Because the celebrity is recognizable globally, it is a low cost way to achieve cross group coordination (Clark and Horstman, 2003)

Positive impacts of celebrity endorsement on the brand -benefits the 4Qs:

Quick saliency:

It gets cut through because of the star and his attention getting value. Goodlass Nerolac

has ensured high saliency for its brand with the inclusion of Amitabh Bachchan in its advertising.

Quick connect:

There need to be no insight but the communication connects because the star connects. Sachin Tendulkar, Virat Kohli, Ranbir Kapoor easy connects for Pepsi with the youth.

Quick shorthand for brand values:

The right stars can actually telegraph a brand message fast without elaborate story telling. Sachhin Tendulkar, M.S. Dhoni, Virat Kohli has done that successfully for Boost in the early 90s.

Quick mean of brand differentiation:

In category where no brand is using a celebrity, the first that picks one up use it to differentiate itself in the market.

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. A celebrity's preference for a brand gives out a persuasive message and hence, because the celebrity is benefiting from the brand, the consumer will also benefit. There is a demographic and psychographic connection between the stars and their fans. Demographic connection establishes that different stars appeal differently to various demographic segments *i.e.* age, gender, class, geography etc., while psychographic connection establishes that stars are loved and adored by their fans. Some stars have a universal appeal and therefore prove to be a good bet to generate interest among the masses. Another invaluable benefit from celebrity endorsements is the public relation opportunities.

Preferred product categories employing celebrities*:*

Clothing, fashion and accessories were more preferred product categories by the customers where they want to see celebrities as they also want to look like their favorite celebrities. It was followed by beauty care products where customers like to watch beautiful celebrities and would like to be as beautiful and stylish like them. Friedman and Friedman (1979) revealed that celebrities are more effective for luxury products. They were least preferred for the products like books, health care products and telecom products as in the selection of these products for purchase, a lot of rational or logical thinking is required. Therefore it can be said that in products where emotions, feelings and senses are involved and where the individual thinks from his or her heart, celebrities are preferred. Where logic is involved and mind is required to decide, customers do not prefer celebrities in advertisement. Thus it can be said that for sensory products customer prefer celebrities but not for cerebral products.

Customer perception :

Behavior is largely a product of the way people perceive themselves and their world around them at any given moment. Perception is a process whereby people select, organize

and interpret sensory stimulations into meaningful information about their work environment. It is a process by which individual attend to incoming stimuli and organize or interpret such stimuli into a message that in turn indicates an appropriate action or behavior (William Dember)

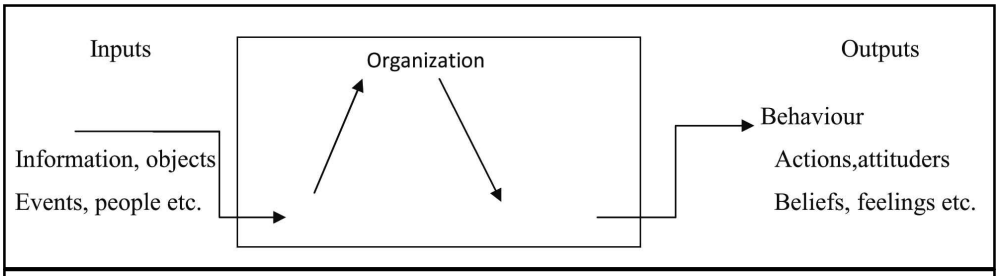

Fig. 1 : Perception process

Factor influencing customer perception:

King (1970) writes that "people choose their brand the same way they choose their friends in addition to the skill and physical characteristics, they simply like them as people". In recent years, there has been interest in the brand personality construct as its strategic importance has become more apparent. Brand personality is defined as "the set of human characteristics associated with a brand." A distinctive brand personality can help create a set of unique and favorable association in consumer memory and thus build and enhance brand equity (Keller, 1993; Johnson *et al.*, 2000). From a managerial perspective, brand personality enable firms to communicate with customers about the brand more effectively and plays a major role in advertising and promotion efforts (Plummer, 1985 and Aaker, 1996). Aaker has developed a robust and reliable brand personality inventory, which has been hypothesized to be a generalized brand personality construct and tested with a number of product categories in the US. The Aaker scale was developed by isolating the distinct one-dimensional construct. The final scale contains 42 personality traits, which are grouped into five major dimensions and 15 facets (Table 1).

Various research studies also analyzed and extracted seven factors that were important for selecting a celebrity for a retail brand-proficiency, reliability, pleasantness, elegance, distinctiveness, approachability and noncontroversial. Customers felt that the celebrities need to be proficient. This means that the way of presentation needs to be good and the profile of the celebrity needs to match product. Customers also want the celebrity to be reliable source information so that they can trust them. Many studies have also trustworthiness as a very important factor for celebrity endorsement (McGinnies and Ward, 1980 and Kamins, 1989). Another important factor for customers for selecting the brand is pleasantness, likable, physically attractive and stylish. Till and Busler (2000) stated that for effective advertising, physical attractiveness of celebrities is important. Research has shown that when communicators are physically attractive, they (communicators) can change beliefs very quickly (Baker and Churchill, 1977). Thus, if the celebrities are stylish and good looking, they can change the preference of the customers towards the product they endorse.

It has been found from the study that customers feel that the celebrities need to have a

Table 1 : Aaker's brand personality scale and the psychological five factor model

Authors	Dimensions	(**)Facets or (***)Items
Aaker	Sincerity	(**) Down-to-earth, honest, wholesome and cheerful
	Excitement	Daring, spirited, imaginative and up-to-date
	Competence	Reliable, intelligent and successful
	Sophistication	Upper class and charming
	Ruggedness	Outdoorsy and tough
Saucher's 40 Mini-Maker	Openness (or intellect)	(***) Creative, imaginative, intellectual, philosophical, deep, complex, uncreative and unintellectual
	Conscientiousness	Efficient, organized, systematic, practical, disorganized, inefficient, sloppy and careless
	Extraversion	Bold, extroverted, talkative, bashful, quiet, shy, withdrawn and energetic
	Agreeableness	Kind, sympathetic, warm, cooperative and cold, Unsympathetic, harsh and rude
	Neuroticism (or Emotional Stability)	Unobvious, relaxed, fretful, envious, jealous, moody, touchy and temperamental

distinctive image and identity to mold their opinion in favor of the brand they endorse. They even need to perform well in their own profession and need to good attitude so that they become approachable. Lastly they need to be free from all the controversies, because if a celebrity is involved in any kind of controversy, then it affects the customers' intention and the brand image. Erodgan (2005) stated that there are problems in using celebrities as they can get into public controversy which can affect the brand.

Mechanism and theories of celebrity endorsement :

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. In short it helps increase the recall value of the brand. A piece of research states that the target audience age group of 15-30 gets influenced first by cricketers, then Bollywood stars and only then music, festivals and food.

According to Source Credibility Theory, acceptance of the message depends on 'Expertness' and Trustworthiness' of the source. Expertness is defined as the perceived *ability* of the source to make valid assertions. Trustworthiness is defined as the perceived *willingness* of the source to make valid assertions. Audience acceptance increases with the expertness of the source and the ability of the audience to evaluate the product.

According to Source Attractiveness Theory, which is based on social psychological research, the acceptance of the message depends on familiarity, likeability and similarity. Familiarity is the audience's knowledge of the source through exposure; likeability is the affection for the source's physical appearance and behavior while similarity is the resemblance between source and receiver. This theory explains the message acceptance in two ways:

Identification and Conditioning, Identification is when the receiver or the target

audience of the communication begins to identify with the source's attractiveness, and hence tends to accept his opinions, beliefs, habits, attitudes etc. On identification, a quote from Bijou Kurien, CEO, Titan, "We decided on Aamir because we wanted someone who is a bit iconic, who is style-conscious himself, and somebody who cuts across both sex and age group, between urban and rural India. Conditioning is when the attractiveness of the source is supposed to pass on to the brand after regular association of the source with the brand. Grant McCracken has criticized the previous two theories and proposed the meaning Transfer Theory. The theory explains that a celebrity encodes a unique set of meanings which if well used can be transferred to the endorsed product. Such a transfer takes place in three stages encoding meanings, meaning transfer, meaning capture (Fig. 2).

Encoding meanings:

Each celebrity has a unique set of meanings, which can be listed by age, gender, race, wealth, personality or lifestyle. In this way, the celebrities encode a set of meanings in their image.

Meaning transfer:

This stage transfers those meanings to the product. When skillfully portrayed, celebrities can communicate this image more powerfully than lay endorsers.

Meaning capture:

This assumes that consumers purchase products not merely for their functional value but also for their cultural and symbolic value. The theory says that consumers buy the endorsed product with the intention of capturing some of the desirable meanings with which celebrities have passed on to the product. This is more eminent in lifestyle products like clothes, perfumes, cell phones etc.

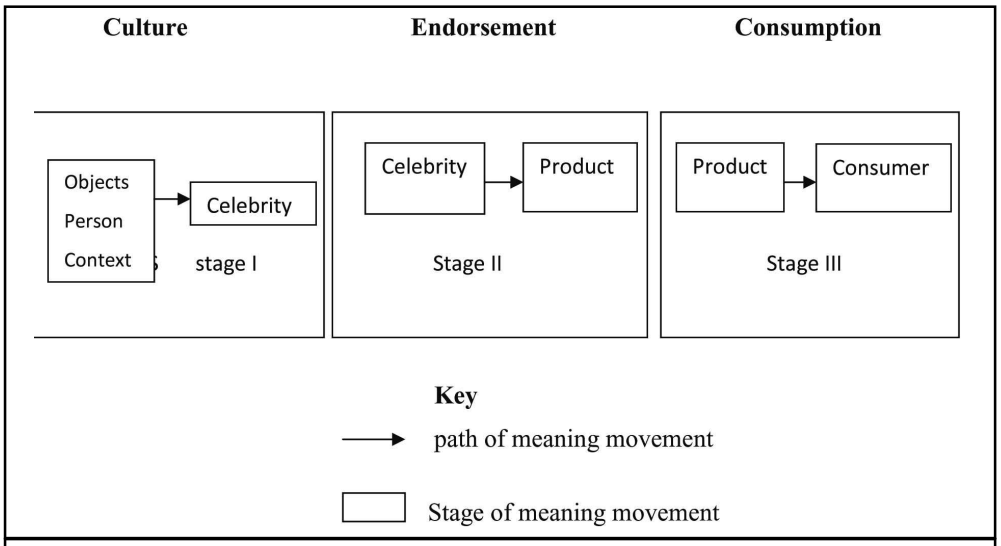

Fig. 2 : Meaning movement and the endorsement process

Conclusion:

An assessment of current market situation indicated that celebrity endorsement and advertising strategies if correctly blended in terms of marrying the strengths of the brands with the celebrity's quality indeed justify the high cost associated with this form of advertising. However, advertising needs to be aware of the complex processing underlying celebrity processing endorsement by gaining clarity on described concepts of celebrity source creditability and attractiveness, preferred product categories, multiple product endorsement etc. Marketer has to decide how far the benefits outweigh the risks associated. Advertisers agree that celebrity endorsement does not itself guarantee sales. It can create a buzz and make a consumer feel better about the product, which in turn has to come to expectation of customers as a real star by delivering the promise. There have been instances where the endorsement or real consumers have started working better than celebrity endorsers. Whether Celebrity endorsement has a positive or a negative impact on the brand is a debate that is open to interpretation. But till the time the corporate world continues to foot fancy bills of celebrity endorsers and till consumers continue to be in awe of the stars, the party is not likely to break up.

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