

CHAPTER 5  
SUMMARY,  
CONCLUSIONS &  
IMPLICATIONS

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### **SUMMARY, CONCLUSIONS, AND IMPLICATIONS**

#### **5.1 : Summary**

A simple look at the media leads to the discovery of number of celebrities featuring in advertisements. There is a growing shift to include “A-list” stars (La Feria 2001) and the sheer cost to secure these celebrities (Agrawal and Kamakura 1995) certainly suggests that celebrity endorsers in advertising are a big business. Most of the research and academic literature related to celebrity endorsements is focused in and around United States. Very little has been known about the effectiveness and the process of this advertising strategy on consumers outside of the United States. In Asian countries, now there is an increase in the research related to celebrity endorsements. The use of this technique seems to be increasing worldwide (O’Mahony and Meenaghan 1997/98; Shapiro 2001). The cost of hiring a celebrity is substantially rising.

The purpose of this study was to investigate the impact of celebrity endorser’s perceived credibility on Indian consumers’ attitudes toward the advertisement and brand, and purchase intentions of the endorsed product. More specifically, the responses of Indian consumers to the film and sports celebrities were studied. Results of the study conducted indicate several interesting findings and future implications for advertisers.

#### **5.1 : Summary about the Objectives Defined**

- **Defining the Concept of Celebrity from Consumers’ Viewpoint**

The researcher found a clear mismatch between the way celebrities are perceived by the advertisers and by the consumers. Advertising practitioners perceive ‘Celebrity’ as someone who is familiar, attractive and credible. In fact, credibility is considered as the most important dimension while selecting a celebrity. Other criteria are celebrity-brand fit, cost associated with the hiring of a celebrity, celebrities not involved into any scams or controversies etc. Teenagers and young adults were asked to mention the phrases/words related to their understanding of the concept ‘Celebrity’. The teenagers and young adults who have undergone the study revealed some new dimensions about a celebrity. ‘Familiarity’ and ‘Attractiveness’ were the only two dimensions which were common between the respondents’

### Selected Celebrity Endorsements in India and its impact on Consumer Segments

(teenagers and young adults) and advertisers' concept of 'Celebrity'. Apart from these two dimensions, the other dimensions associated with a celebrity were smartness, highly energetic, aggressive, high confidence level, politeness and mannerism. Till now, it was considered that a celebrity is the one who is known because of his/her achievements in a particular field. Thus, a celebrity is a self-made person. But now, there are many examples whereby one realizes that a celebrity can be a person created by the media without any contribution or achievement in a field. For e.g., 'Prince' the small boy who fell in the deep hole became a celebrity since the media was constantly broadcasting the news till the boy was rescued. Thus, anyone and everyone can now become a celebrity provided the media gives a huge space.

- **Identifying Audience Acceptance of various Celebrities in Indian Market**

The frequency distribution analysis was undertaken for the question framed targeting this objective. As expected, the analysis revealed that the highest acceptance was for the film and sports stars (cricketers). Indian audience is crazy about the film stars. Cricket is the religion for Indians and hence lot of emotions and feelings attached with patriotism is observed for this game. No other sport and the person playing the sport could reach the respect that cricket has gained. Next to cricket, lawn tennis and football are the most liked sports in India. But, not much is done to promote these two sports in India. Undoubtedly, cricketers are the most favorable and acceptable celebrities after film celebrities. After film and sports celebrities, the next highest acceptance was found for the Hair / Beauty / Physique Experts, Fashion models / Designers and, Music Artists. There is a significant increase in the awareness level of people in general and teenagers and young adults in specific, towards their health and outer personality. The need to make one's presence felt among the group/society is ever increasing and hence the acceptance of Beauty and Physique experts is obvious. Personal care experts and Fashion models too are the most demanded celebrities since they can significantly affect the outer personality of a person. Indian audience's love for variety of music is also one reason for the high acceptance of music artists. Today's youth believe in living life as on today. They are least worried about what is going to happen tomorrow. Today's youth want to enjoy, have fun, travel to distant places, love varieties of food, and take care about their beauty and health. They want to live life 'King-size'. Hence, the acceptance for celebrities/experts related to these fields is not a surprise. As against the high acceptance for film and sports celebrities, hair / beauty / physique experts, fashion models / designers and,

music artists a very low acceptance / high rejection was observed for politicians. Indian audience is having a very negative image for politicians due to various reasons. Writers and religious gurus too are the next to have a low acceptance. The scams and controversies of certain religious saints/gurus have spoiled their image in the society. There was a noticeable rejection for academicians since teaching is no longer a 'Noble profession' now. Academicians are perceived as having lost the genuine interest in spreading the knowledge and genuine interest of building a society.

- **Product Categories in which Celebrity Endorsements are commonly found**

**(Based on the analysis of manually listed, advertisements flashed on television during the period of January' 2006 to August' 2008)**

A frequency distribution analysis of the television advertisements was undertaken after categorizing them into different product categories. From among the total celebrity endorsement advertisements flashed, the maximum number of celebrity endorsements were found for Personal Care (Toiletries, Cosmetics & Body applicants) products, food and beverages and, automobile and fuel category in the order of ranking. Thus, the highest number of celebrity endorsements is found in these three product categories. Various reasons could be associated for this observation. Over a period of time, there is an increase in the awareness of people for their health and outer looks. The fear of being socially rejected or looked down upon is the major motive and hence the demand for such products has significantly increased. Also, with an increase in the number of operators in this segment, the competition has intensified. Almost every brand in this segment has started hiring a celebrity to endorse their brand and thereby differentiate from the competitor's brand. The competition in the fast moving consumer goods category has substantially intensified. Also, the size of this market is ever-increasing with the rural segment now entering in to this market. The type of food consumed, the way it is consumed and the place at which it is consumed has drastically changed in last decade or so. People's love for food has ever-increased. The transportation needs of people have also changed. The 'Single vehicle culture' in India does no longer exist. One single family is having more than two to three, two-wheelers and one car. Women have become professional and started earning income of their own. School and college going children are now busy with their hectic study schedules and hence in order to save time, have switched from cycles to vehicles. Because of these two new customer segments entering the automobile industry, there is an increase in the demand for light weight, battery operated two-

wheelers. Also, with an increase in the city limits, and deterioration in the state transport services, the demand for two wheelers has tremendously increased. The demand for four wheelers has increased because of change in the lifestyle of people, increase in their income and, availability of credit facilities. Hence, in order to survive the cut-throat competition within these product categories, almost every brand has switched to celebrity endorsements. Thus, celebrity endorsements are commonly and largely found in fast moving consumer goods categories as against the durables and service category.

- **Effectiveness of Celebrity Endorsement Advertising across Consumer Segments (Testing of Hypothesis H7 And H8)**

**H7: There is a significant difference in the overall impact of endorsers' perceived credibility on male and female respondents' Attitude toward the Ad (H7a), Attitude toward the Brand (H7b), and Purchase Intent (H7c).**

Hypothesis H7a, H7b, and, H7c, were tested by calculating F- ratios (based on the gender of the respondents) for each celebrity separately. The overall impact of endorsers' perceived credibility on male and female respondents' Attitude toward the Ad, Attitude toward the Brand and, Purchase Intent was measured based on gender of the respondents. Further, the F-ratios of male respondents were compared with the F-ratios of females in order to identify the difference between the two. From among the eight celebrities selected for the study, the researcher found a strong support for Hypothesis H7 for seven celebrities, excluding one i.e., Sania Mirza. There was a significant difference observed (in case of Amitabh Bachhan, Priety Zinta, Sachin Tendulkar, Shahrukh Khan, Mahendra Singh Dhoni, Aishwarya Rai and, Yuvraj Singh) between the F-ratios of male and female respondents regarding the impact of celebrity's perceived credibility on respondent's attitude toward the advertisement, attitude toward the brand and, purchase intention. The researcher attempted to discover the probable reason for the similarity in the impact of Sania's perceived credibility on both, male and female respondents. Sania's advertisement for 'Sprite' was aired when there were some controversies going on in the media regarding the short skirts and tight t-shirts wore by her during the tennis matches. The punch line/slogan of the television advertisement for 'Sprite' was 'Sprite bujhaye pyaas, baki sab bakwaas'. Perhaps this punch line was to target those people who raised the controversies regarding her sportswear. Sania is a teenage sensation and hence her (as directed by the advertiser) attempt to retaliate and respond to the criticisms

raised was liked and appreciated by both, the male and female respondents. Sania being a female celebrity is likely to gain sympathies from the female respondents. Even male respondents appreciated Sania's reaction to criticisms. Also, both male and female respondents, identified themselves with Sania Mirza and felt that even they would have responded in a similar fashion, the way Sania reacted to the criticisms. This positive attitude toward the advertisement has a direct and positive impact on the attitude toward 'Sprite' and thereby the consumption of 'Sprite'. Hence, this could be the probable reason for the similar impact of Sania's perceived credibility on male and female respondents' attitude toward the advertisement, attitude toward the brand and, purchase intention.

**H8: The overall impact of endorsers' perceived credibility on respondents' Attitude toward the Ad (H8a), Attitude toward the Brand (H8b) and, Purchase Intent (H8c), is significantly different across age groups.**

Hypothesis H8a, H8b and, H8c were tested by first determining the impact of endorsers' perceived credibility on teenagers' (13 – 19 yrs) and young adults (20 yrs and above) attitude toward the advertisement, attitude toward the brand and, purchase intention. Further, F-ratios were calculated for both teenagers and young adults and the same were compared to determine whether any significant difference existed between them or not. For All eight celebrities selected for the study, the impact of perceived credibility of the endorser had significant scores for the teenagers' and young adults' attitude toward the advertisement, attitude toward the brand and, purchase intent. The impact of endorsers' perceived credibility on young adults' (20 yrs and above) attitude toward the advertisement, attitude toward the brand and purchase intent was significantly more than on teenagers. Surprisingly, there were few observations worth discussing. In case of Sania Mirza, the impact of her perceived credibility on the young adults' attitude toward the advertisement was marginally more than on teenagers.

In case of Priety Zinta, the influence of her perceived credibility on teenagers' purchase intention was more than on young adults. As expected, the impact of Shahrukh Khan and Mahendra Singh Dhoni's perceived credibility on teenagers' attitude toward the advertisement, attitude toward the brand and, purchase intention was more as compared to young adults. Teenagers' attitudes are more influenced by Aishwarya's perceived credibility than the attitudes of young adults. But, in case of purchase intent, the impact on young adults

was more significant than teenagers. Yuvraj's influence of perceived credibility is more on young adults' attitudes and purchase intentions as compared to teenagers.

Thus, the above mentioned analysis reveals that for all celebrities and both age segments (i.e., teenagers and young adults), a significant difference is noticed in the influence of endorsers' perceived credibility on teenagers' and young adults' attitude toward the advertisement, attitude toward the brand and, purchase intent. Thus, Hypothesis H8a, H8b and H8c are supported and accepted.

- **Effectiveness of Celebrity Endorsement Advertising across Product Categories**

- (A) Perceived effectiveness of various celebrities across product categories**

The analysis reveals that film celebrities were perceived as more effective than sports and other celebrities for product categories like, Telecom Service providers & Handsets, Food & Beverages, Breweries & Confectionaries, Media, Apparels, Personal Care (Toiletries & Cosmetics), Fashion & Lifestyle, Fast Moving Consumer Goods and Household products, film celebrities are perceived as more effective than sports and other celebrities.

On the other hand, sports celebrities were perceived as more effective than film and other celebrities only for two product categories viz., Automotive & Fuel and Consumer durables & Electronics.

Whereas, for product categories like Banking, Insurance & Financial Services, Real Estate, Corporate Advertising and, Educational Services, celebrities other than film and sports were perceived as more effective.

- (B) Actual effectiveness of celebrity endorsement advertising across product categories (Based on brand recall)**

From among the total brand recall of 2856 responses, the maximum recall (around 32%) was for the Food & Beverages category with 905 responses. The next highest recall was for Personal care products (around 14%) followed by Telecom service providers & Handsets (around 10%).

- **Segmented Celebrity Selection for Different/Same Products (Whether the use of same celebrity for the entire market or not?)**

Multiple celebrity endorsement as an advertising strategy can be viewed from two perspectives. Multiple celebrity endorsement refers to an endorsement in which two or more celebrities come together and endorse a product or brand in the same advertisement. Also, an endorsement in which different celebrities endorse the same product or brand in a series of advertising campaigns over a period of time is a multiple celebrity endorsement. The effectiveness of multiple celebrity endorsement advertising is quite difficult to assess in terms of the actual sales of the product/brand, especially in an endorsement wherein two or more than two celebrities are appearing in the same advertising campaign. Which celebrity has contributed in what manner and in what proportion is very difficult to assess.

An analysis of the television advertisements flashed during the period of January' 2006 to August' 2008 (manually listed) was undertaken. From among 259 celebrity endorsed advertisements, around 51 advertisements (i.e., only around 20 %) were such wherein the product/brand was endorsed by multiple celebrities. In other words, around 80 % of the celebrity endorsed advertisements used single celebrities. This analysis reveals that the proportion of multiple celebrity endorsements was one-fourth that of single celebrity endorsements. Corporate organizations/advertising practitioners seem to prefer single celebrity endorsements as against multiple celebrity endorsements, when the marketing communications are spread over a longer period of time. A further analysis of brand recall was undertaken. From among the total recall of 2684 brands and the celebrities therein, around 83% were the ones wherein a single celebrity endorsed the brand, whereas around 17% were such wherein multiple celebrities (two or more celebrities) endorsed the product/brand. Thus, the recall for single celebrity advertisements was almost five times more than the recall for multiple celebrity endorsements. In line with the above mentioned analysis, the researcher has observed a gradual decline in the number of multiple celebrity endorsements. Very few brands like Pepsi, Dabur, Lays, Boost etc. are consistently using multiple celebrities, even today. A recent example of multiple celebrity endorsement is the new advertisement of Pepsi, wherein one finds four celebrities (Mahendra Singh Dhoni, Virender Sehwag, Sreesanth and, Ishant Sharma) endorsing Pepsi. This new advertisement of Pepsi may hint the beginning of the 'Cola-war' (with the creeping of hot summers). The close competitors of Pepsi (Coke and Thumps up) too must be gearing up to retaliate with a new multiple celebrity advertisement. This makes sense. But then, Pepsi has been advertising since

so long and that too with multiple celebrities. In such circumstances, one may try to link the use of multiple celebrities with the availability and allocation of huge budgets with Pepsi, for bearing the media costs and heavy endorsement fees.

A further analysis regarding the acceptance or rejection of the regional film and sports celebrities as brand ambassadors was undertaken. The analysis reveals that there is a high rejection for regional film celebrities. At the same time, almost a similar acceptance and rejection is observed for regional sports celebrities as brand ambassadors. Hindi cinema has always dominated the Indian film industry, though large numbers of films are made in other regional languages. Hindi being the national language and the preferred mode of communication in almost all parts of India, has its' unique importance. Hence, the segmentation of celebrities to impact the audience in the selected geographical areas/states may not serve the purpose. Hindi film celebrities have always been preferred as brand ambassadors over other regional film celebrities. But, if the same survey was conducted in the south of India, the results would have been totally different. The south of India is highly influenced by the regional film celebrities than the Hindi film celebrities. Local brands are likely to benefit from the endorsements done by regional celebrities, in South India. Multinational brands may not benefit from such segmentation of celebrities. Thus, it is concluded that segmentation of celebrities may not serve the purpose with reference to the geographic segments. Further, there was almost a similar acceptance and rejection noted for the regional sports celebrities (only cricketers), segmentation of sports celebrities can be experimented on geographic segments. Thus, when it comes to sports, and that too cricket, the sheer and intense love for this game leaves no barrier and hence even regional sports celebrities are likely to be accepted as brand ambassadors.

Based on literature review, some common reasons for using multiple celebrities could be to create a mass appeal for the varied audience in the target market, to break the single celebrity clutter, avoid the audience boredom, to establish a celebrity-brand connectivity over a period of time, avoid over-dependence on a single celebrity, to increase the believability (through social consensus) of advertisements, huge availability and allocation of media budgets and endorsement fees, or simply to retaliate to the competitor's brand.

- **Possibility of Widening the Set of Celebrities**

In order to determine the possibility of widening the set of celebrities (i.e., inclusion of other celebrities as brand ambassadors, other than film and sports celebrities), respondents were asked a closed ended question. From among the total responses, around 77% gave their positive opinion regarding the inclusion of celebrities other than film and sports personalities.

Around 17% denied the usage of celebrities other than film and sports. And, around 6% of the respondents were not in a position to forward their opinion.

Indians are crazy for the film celebrities (Hindi film celebrities, to be very specific) and sports celebrities (i.e., Cricketers). The dominance of Hindi film celebrities and cricketers continues since the day of their existence. Hindi films and cricket both are deeply rooted in the Indian culture and the roots are further deepening. Some conscious efforts were put to promote films of other regional languages and thereby the rise of regional celebrities was expected. But, this effort didn't gain much of success. Hockey being the national game did have its separate identity after independence. Cricket was played even before independence. Hockey as a sport could identify its' separate identity after winning the gold medal in Olympics. But, later on cricket gained its' own momentum and left hockey far behind. Cricket gained more importance after winning the world cup under the captaincy of Kapil dev. And, from then onwards there was no look back for cricket. Even earlier, international players like Vijay Amritraj, Prakash Padukone, Dhanraj Pillai etc. did manage to attract the attention of Indian audience for some time. But, in recent times, with the rise of icons like Sania Mirza, Mahesh Bhupathi and Leander Paes, lawn tennis as a sport has started getting more recognition. But, even today the mark of some great personalities in other sports like lawn tennis, football, and hockey has not affected the status of cricket and cricketers in India. Government is putting sincere efforts to promote other sports and it has gained some success. Moreover, the film and sports celebrity clutter is paving way for other celebrities. With the manifold increase in the number of satellite channels there is an increase in the number of variety of celebrities. Television serials and reality shows have created new personalities. Also, there is a feeling that the Indian audience is getting bored looking to the same faces for a long period of time. They need a change and hence now desire to see celebrities other than Hindi film stars and cricketers.

• **Perceived Importance of various Dimensions of a Celebrity Endorser**

Some interesting findings were obtained through the overall analysis. An aggregate score of 'Most important' and 'Important' columns reveal that from among all the eight dimensions listed, attractiveness, likeability and expertise are scoring maximum in their respective order. If column-wise analysis (i.e., magnitude of importance/unimportance) is considered, then the three most important dimensions as perceived by the respondents were attractiveness, expertise and, trustworthiness. Also, familiarity is considered as an important dimension. Thus, till date, attractiveness, trustworthiness and, expertise were considered as the most

important dimensions while selecting a celebrity as a brand ambassador. But, the analysis reveals that familiarity and likeability are also to be given its due importance. The familiarity of the celebrity is no doubt the foremost dimension looked for, while selecting a celebrity as an endorser. But, likeability as a dimension was given less importance. Thus, a celebrity with high perceived attractiveness, trustworthiness and, expertise but, if less liked by the audience may not result into effective celebrity endorsement. The highest indifference was rightly noted for profession, apart from power and gender. Perceived power of a celebrity is altogether a different dimension with a different impact as against dimensions like attractiveness, trustworthiness and, expertise. Celebrities with giant personalities and a clean image are likely to be perceived as having more power than the other celebrities. Power as a dimension can be highly effective for social advertising and least effective in commercial advertising. For e.g., Amitabh Bachhan advertising for Polio vaccination makes sense since the fear effect that he is able to generate is likely to influence consumer's behavior, forcing him to go to a vaccination booth. It would be interesting to study the impact of power as a dimension in social advertising. Gender as a dimension is having the least importance when it comes to advertising in today's era. Gender-based distinction of products is blurring out. In fact, advertisers are making a smart and effective use of the opposite gender while advertising a particular product category. For E.g., advertisements of personal care products and cosmetics, fashion and lifestyle accessories, apparels etc are smartly and intelligently advertised to attract the opposite sex. Advertisements of these product categories have been quite effective.

- **Perceived Gains of Celebrities as a result of Endorsement Advertising**

Celebrity endorsement advertising is a two way street. In the whole process of endorsement advertising, it is not only the product/brand that is going to benefit from the name of the celebrity. Even the celebrity is going to receive something in return. The heavy endorsement fee received by the celebrity is obviously an important gain. But, apart from the huge money received, the celebrity is going to receive many more things. The way an endorsed brand receives large number of benefits after being associated with a celebrity, similarly a celebrity too is going to receive large number of benefits. Hence, the researcher has prepared the list of gains that a celebrity is likely to receive through endorsements. Respondents were asked to give their opinion on these gains. Majority of respondents perceive that celebrities are likely to gain huge amount of money in the form of endorsement fees, publicity and, fame. When a celebrity appears in an advertisement and that too through a mass medium, he automatically

gains publicity. He gains this publicity in the sense that he is not paying anyone for making him visible on the television sets. Rather, he is paid for making his own self visible. With an increase in the visibility of the celebrity in media, there is an increase in the familiarity of the celebrity also. The fame which was earlier restricted to the celebrity's profession (because of which the celebrity is known) is now extended to the other profession (endorsement advertising). The least perceived gain as per the respondents was an increase in the number of more professional assignments.

- **Indian Celebrity Ratings**

Celebrity endorsements can be very expensive, not only in terms of actual monetary outgoing to the celebrity but also in terms of intangibles such as how the celebrity may affect the image of the advertiser. It is quite difficult to measure the impact of advertising on sales in some arenas but when IBM spends almost US\$40 million on a celebrity ad campaign or Coca Cola signs Bill Cosby for US\$25 million (Agrawal and Kamakura, 1995), it is important that they make the right endorser decisions. The current method used to select celebrity endorsers relies on general likeability or popularity indicators such as Q-ratings. The Performer Q Rating (Q-rating) is compiled by a company in New York called Marketing Evaluations, Inc. A Q-rating is defined by the creators as 'the percentage of those familiar with a personality who rate that personality as "one of my favorites" (on the questionnaire)'. Q-ratings are based on a simple ratio of likeability to familiarity. However, in spite of the existence of the Q-rating system, most practitioners simply use personal judgment when choosing celebrities for advertising campaigns (Miciak & Shanklin, 1994). Apart from Q-ratings, there are other models proposed to rate the celebrities thereby facilitating their selection for endorsement contracts. C. L. Knott and M. St. James together did propose one such model called AHP Model, using the analytic hierarchy process (developed by Thomas Saaty, 1970). The researcher decided to stay in line with the Q-ratings and hence adopted a very simple approach to rank the celebrities selected for the study.

The researcher decided to rank the selected celebrities on three dimensions viz., credibility, familiarity and, likeability. Again the researcher intended to measure the magnitude of the perceived credibility, familiarity and, likeability. Hence a five point scale was developed for these three dimensions. Respondents were asked to rate each celebrity on all the three dimensions, on the scale ranging from 'Not very much so' (having the lowest score of 1) to 'Extremely' (having the highest score of 5). Sachin Tendulkar, Shahrukh Khan and, Amitabh Bachhan are the top three extremely credible celebrities in their respective order. And, Yuvraj

### Selected Celebrity Endorsements in India and its impact on Consumer Segments

Singh is the least credible celebrity from among those selected for the study. As far as familiarity is concerned, Sachin, Shahrukh and, Amitabh continue maintaining the first, second and, third position respectively. Yuvraj Singh again scores the lowest in the category of 'Not very much so'. Adding to the surprise, while assessing the likeability of the celebrity, the same three celebrities (i.e, Sachin, Shahrukh and, Amitabh) continue to maintain their earlier ranks. Even, Yuvraj Singh maintained his position on the 'Not very much so' pole. Thus, Sachin Tendulkar, Shahrukh Khan and, Amitabh Bachhan are the top three celebrities on all three dimensions viz., credibility, familiarity and, likeability.

#### • **Causes for the failure of Celebrity Endorsements in India**

Based on the analysis of the celebrity-advertisement association and other questions, following are the causes identified for the failure of celebrity endorsements in India:

1. Celebrity clutter
2. Vampire effect
3. Brand-Celebrity disconnect
4. Failure of a celebrity to perform in the related field

Based on some recent examples and literature review, following are some more causes responsible for the failure of celebrity endorsements in India:

5. Over-exposure of a celebrity
6. Skepticism (Believability of the advertisements)
7. Improper positioning

The above mentioned causes for the failure of celebrity endorsements in India are detailed earlier and hence the discussion is not repeated.

## **5.2 : Methodological Assumptions and Limitations**

- There is a possibility of biased responses from the respondents and their liking/disliking towards the celebrities' questionnaire they responded to.
- Individuals after becoming aware of the research being conducted about them and are not therefore purely passive subjects; they can react to the results of research and change their behavior accordingly.
- Moreover, the convenient sampling used for this study is considered to be the least reliable non-probability sampling technique, because the respondents are not given zero chance of being randomly selected (Cooper and Schindler 2003).
- Due to time restrictions, the researcher could focus on a small target audience and only three major cities of Gujarat.
- The limitations of threat of the secondary data sources employed to the study undertaken, do prevail.
- The findings of the study are restricted in context of the selected consumer segments.
- An attempt was put to minimize the effect of the researcher's personal objectivity, fairness and, impartiality but, their existence cannot be totally eliminated.
- A larger sample size would have allowed for more sophisticated statistical procedures. The sample is not generalizable to all Indian celebrity endorsement advertising. The current study is exploratory and descriptive in nature due to this limitation.
- An assumption was made that the respondents do not use prior opinions, attitudes or feelings about the product or celebrity when answering the questions.
- An assumption was made that the respondents will understand the questions asked and the scales used in the questionnaire.

### **5.3 : Conclusions and Implications for Advertisers**

This study is an attempt to investigate the effectiveness of celebrity endorsements in Indian advertising. More specifically, the responses of Indian consumers to celebrity endorsements and the path analysis of the relevant relationships were hypothesized and further tested. The results of the study undertaken have provided future insights for the advertisers and researchers to pursue.

Overall, the responses of Indian consumers to celebrity endorsements were found favorable and quite similar to the past studies undertaken in the United States and other western countries. The consumer perception of endorser credibility was found as the most important factor influencing the advertising outcome measures viz., attitude toward the advertisement, attitude toward the brand and, purchase intention. Perceived endorser credibility was found as a critical variable for both, the film stars and sports stars (i.e., cricketers). Since the student sample was selected and some minor differences were observed, generalization of results demands a great precaution.

The study undertaken and the results obtained do offer few suggestions for the local advertisers. To begin with, advertisers need to re-define the concept of 'Celebrity', by keeping in mind the target audience. Every time, perceived dimensions while defining the concept of celebrity needs to be explored. The target audiences' concept of 'Celebrity' and the advertiser's concept of 'Celebrity' are likely to differ. The study undertaken reveals some interesting phrases like smartness, high energy levels, confidence, politeness and, mannerism related to the understanding of the term 'Celebrity'. Thus, every time a celebrity is to be selected, the target audiences' perception about the celebrity is to be understood. Further, the acceptance and rejection of various types of celebrities also need to be determined, before hiring any celebrity. The results of the study undertaken endorse the highest acceptance of Indian audience for the film stars and sports stars (cricketers, to be specific). But, apart from the film and sports celebrities there is a vast scope to incorporate hair / beauty / physique experts, fashion models / designers and, music artists as brand ambassadors. Also, there is high rejection observed for politicians and hence enough precaution is to be taken before incorporating a celebrity-turned-politician. Indian Celebrity endorsements are commonly found in the fast moving consumer goods category as against the other the other product categories. The nature and process of consumption of the products falling in the fast moving consumer goods category directs the audience to switch on to the peripheral route of processing the information, celebrity endorsements is the most preferred choice for

### Selected Celebrity Endorsements in India and its impact on Consumer Segments

advertising such products. Celebrity endorsements are likely to be effective even for consumer durables, provided some technical highlights about the product is given by the celebrity endorsing the brand. Advertisers need to find the right blend of celebrity and information about such products.

The effectiveness of celebrity endorsements in India was assessed by selecting eight Indian celebrities (viz., four film stars and four sports star) and the impact of their perceived credibility on the traditional advertising measures for two demographic segments (viz., age and gender). From among the eight celebrity endorsed advertisements selected for the study, there is a significant difference observed for seven advertisements (excluding the advertisement of Sania Mirza for Sprite), regarding the overall impact of endorsers' perceived credibility on male and female respondents' Attitude toward the Ad, Attitude toward the Brand, and Purchase Intent. Also, it was found that from among the five male celebrities (both, film and sports) selected, the perceived credibility of four celebrities (excluding Shahrukh Khan) were having more significant impact on male respondents' attitudes and purchase intentions than the female respondents. Shahrukh Khan was the only male celebrity whose perceived credibility influenced females more than males. From among the three female celebrities (both, film and sports) selected, the perceived credibility of two celebrities (excluding Sania Mirza) were having more significant impact on female respondents' attitudes and purchase intentions than male respondents. Sania Mirza's perceived credibility almost has a similar effect on both, male and female respondents. These findings need to be further analyzed with reference to gender as a mediating variable while determining the impact of endorser credibility. Further, with reference to the impact of endorsers' perceived credibility on teenagers and young adults, it was found that the overall impact of endorsers' perceived credibility on respondents' Attitude toward the Ad, Attitude toward the Brand and, Purchase Intent is significantly different across age groups. Thus, both the Hypothesis H7 and H8 stand supported and hence are accepted. Amitabh Bachhan, Sania Mirza, Priety Zinta (except for the purchase intention), Sachin Tendulkar, Aishwarya Rai (only in case of purchase intention) and, Yuvraj Singh could influence more of young adults than the teenagers. Only Shahrukh Khan and Mahendra Singh Dhoni could influence more teenagers than young adults. Priety Zinta (only in case of purchase intention) and Aishwarya Rai (except purchase intention) could influence more teenagers than young adults.

The effectiveness of celebrity endorsement advertising across product categories was determined by asking the respondents to name the first three brands (endorsed by celebrities) that came to their mind. The highest recall was found for food and beverages, followed by

### Selected Celebrity Endorsements in India and its Impact on Consumer Segments

personal care (toiletries & cosmetics and, telecom service providers & handsets. This shows the growing interest of consumers for food and beverages, personal care products and communication technologies. Advertisers need to pay further attention while positioning such product categories.

The segmentation of celebrities was analysed from the perspective of multiple celebrity endorsement as an advertising strategy. The effectiveness of multiple celebrity endorsement advertising is quite difficult to assess in terms of the actual sales of the product/brand. It becomes altogether more complex to assess as to which celebrity from among the multiple celebrities used (whether in the same advertisement or a series of advertisements over a period of time) has contributed to a specific proportion of the total sales. An analysis of brand recall reveals that the recall of endorsement advertisements featuring a single celebrity was more than the recall of advertisements having multiple celebrities. Hence, advertisers need to explore and compare the effectiveness of single celebrity endorsements as against multiple celebrity endorsements before investing huge money for hiring multiple celebrities. Advertisers need to re-consider the issue of segmentation of celebrities, when the communication strategy is targeted to a wide variety of audience spread across different geographical segments. In such situation, one needs to assess the acceptance and/or rejection of regional celebrities. Dubbing of advertisements in regional languages and airing into different geographic segments may not serve the purpose. Also, the personalities of multiple celebrities are likely to conflict with one another and further with the personality of the brand also. Hence, enough precautions are to be taken before hiring multiple celebrities for endorsing a brand, either within the same advertising campaign or a series of advertising campaigns over a period of time.

This study also reveals that there is an immense scope for incorporating celebrities (other than film and sports stars, cricketers to be very specific) due to rise of some great personalities in other fields. With due care taken, advertisers can experiment roping other celebrities, thereby breaking the clutter created by the film and sports celebrities.

Respondents were asked to rate various dimensions of a celebrity which they perceive as important in endorsement advertising. Attractiveness, expertise and, trustworthiness are the top three dimensions perceived as most important/important. But, advertisers also need to consider familiarity of the celebrity as another important dimension, as revealed through this study.

Huge money in the form of endorsement fees, publicity and fame are the perceived gains of the celebrity in the process of endorsements. People perceive that any and every celebrity is

ready to endorse anything and everything on this earth, if they are asked to do so. The moral and ethical responsibility of celebrity endorsers is always doubted by the audience. Thus, advertisers need to put an attempt to disclose the facts behind the endorsements done by celebrities. This will possibly lead to more of actual trust and confidence in the celebrity rather than the perceived trust. The believability of celebrity endorsements is also likely to improve.

In spite of the availability of Q-ratings and other models, there is a strong need for developing a more scientific rating/ranking system, facilitating the process of selection of celebrities based on various dimensions. Advertisers need to incorporate few more dimensions (like familiarity and likeability), other than credibility. Also, there has to be a continuous follow-up regarding the sliding up or down of a celebrity in this rating model. The rise of some new personalities/icons is also to be traced and incorporated in the existing model.

Advertisers need to develop an understanding for the failure of a celebrity endorsement. When a celebrity endorsed advertisement does really fail? When it fails to attract the attention of the audience, or fails to generate the interest, or fails to positively affect the attitudes of people or fails to affect the purchase intent or finally fails to deliver the actual sales? When? Further, the analysis of the celebrity-advertisement association provides future insights regarding the possible causes for the failure of celebrity endorsements. Advertisers need to reach to the root cause while exploring the causes for the failure of celebrity endorsements. This can be done by selecting a case study and exploring and breaking the chain of possible causes. Maybe, one cause has led to the other thereby resulting into the failure of celebrity endorsement.

#### **5.4 : Future Research**

The researcher has put an attempt to study the impact of celebrity endorsements on selected consumer segments. Film and sports celebrities (Cricketers and lawn tennis player) were selected and the impact of their perceived credibility on two consumer segments viz., Gender and age (teenagers and young adults) of respondents was assessed. Future researchers can put an effort to study the impact of celebrities other than film (Television personalities) and sports stars (other than cricketers). The impact of these celebrities on other age segments (for e.g., adults, where the importance may be given to some other dimensions of a celebrity) can also be studied along with the magnitude of importance given. Some different measurement techniques such as qualitative research can be applied to better gauge the variability of

### Selected Celebrity Endorsements in India and its impact on Consumer Segments

responses across consumer segments. Further, due to the confusion of the respondents selected for the preliminary investigation, the researcher had to modify (eliminate) some items from the original credibility measurement scale proposed by Roobina Ohanian. Future research can focus upon modifying the universally accepted scales or altogether developing a new credibility measurement scale which fits the understanding of the Indian audience. International advertisers can undertake a comparative study of local celebrities and international celebrities and thereby determine their effectiveness, further leading to the saving of money spent for roping an international celebrity.

In light of the results, it would be interesting to compare the Indian attitudes and beliefs toward celebrity endorsements with a more individualistic country like United States. This will help international advertisers gain future insights. Even the selection of a different product category than the one selected for the study (fast moving consumer goods) may vary the results obtained. For example, attitudes toward products having high involvement (in terms of money, information and time) could potentially be less influenced by the mere presence of a celebrity and more influenced by the perceived credibility or believability of the spokesperson and the information presented in the advertisement. Future research should examine the role of perceived credibility and celebrity with both; low and high involvement product categories.

It is suggested to replicate the study on larger sample, across different geographical segments across the country thereby facilitating the comprehensive perspective of the socio-demographic influences of the effectiveness of celebrity endorsements amongst Indian consumer and subsequent implications for advertising management and consumer behavior. Future research could also test the generalizability of the findings using other types of endorsers, media etc. The impact of celebrity endorsements in print media (magazine and newspaper) can also lead to some interesting results.

Based on above suggestions/directions, marketing and advertising practitioners are likely to gain a more complete understanding of the impact of the credibility of the endorser on consumers. Consequently, they may be able to develop more effective communication strategies.