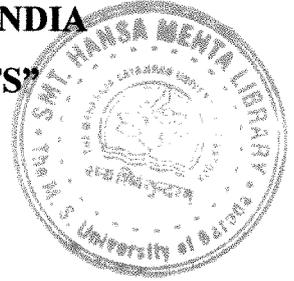


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**“SELECTED CELEBRITY ENDORSEMENTS IN INDIA
AND ITS IMPACT ON CONSUMER SEGMENTS”**



EXECUTIVE SUMMARY

BY

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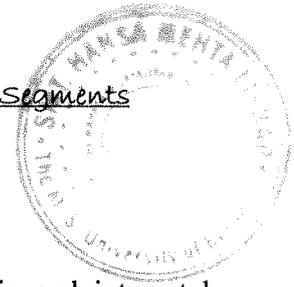
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EXECUTIVE SUMMARY

Today, we all are living in an over-communicated world! Mass media and internet has facilitated the world in becoming a globally interactive world. Indian households, slowly and gradually are getting grabbed in the strong claws of the media. Such an enormous and enlarged exposure to media, which was never seen before, led to increased opportunities for the marketers and manufacturers to market their products and services to their potential consumers. Marketers and advertisers are under tremendous pressure of accountability while designing a promotional campaign. Grabbing the attention of existing and potential customers will not serve the purpose. Finally, an effective advertisement is the one which results into the sales. Advertisers and marketers are putting in every effort to win the battle of positioning in the mind of consumers. And, an easy way out to beat the over-communicated atmosphere is to have a celebrity endorse the brand. The celebrity is an easy route! A significant transformation which became evident is an increase in the visibility of celebrities in the world of advertising. Not only local but international advertisers too, are increasingly using celebrity endorsement advertising strategies in an attempt to break the clutter and thereby enhance the equity of their brands. This doctoral research attempts to explore the impact of celebrity endorsements on Indian consumers. The researcher has selected eight celebrities viz., four film stars and four sports stars (cricketers). Further, the research focused on studying the impact of endorsers' perceived credibility on both; male as well as female teenagers and young adults. An attempt is put to study the impact of the selected endorsers' perceived credibility on consumers' attitude toward the advertisement, attitude toward the brand and, purchase intent. The findings of the study are briefed keeping in mind the defined objectives and the theoretically supported hypothesis.

To begin with, the researcher decided to explore the concept of 'Celebrity' from the consumers' perspective. Surprisingly, a clear mismatch was found between the way celebrities are perceived by the advertisers and the way they are perceived by the consumers. Teenagers and young adults who have undergone the study revealed some new dimensions like, smartness, highly energetic, aggressive, high confidence level and, politeness. Further, as expected, Indian teenagers and young adults revealed their highest acceptance for film stars and cricketers. Undoubtedly, Hindi film stars and Indian cricketers continue to be the most adorable and acceptable celebrities, whereas politicians the most rejected ones. The next highest acceptance was found for the Hair / Beauty / Physique Experts, Fashion models /

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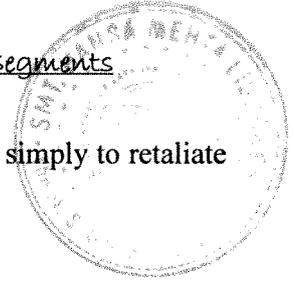
Designers and, Music Artists thereby endorsing the increased concern for health and beauty. A manual attempt was put to list down the celebrity endorsed advertisements flashed during a selected time frame, on the prime channels of Indian television sets. From among the total number of celebrity endorsed advertisements flashed, the maximum endorsements were found for personal care products, food and beverages and, automobile and fuel category in the respective order. Thus, celebrity endorsements are commonly and largely found in fast moving consumer goods categories as against the other product categories.

The impact of celebrity endorsements on Indian consumers was determined by testing the proposed hypothesis. It was found that there is a significant difference in the overall impact of endorsers' perceived credibility on male and female respondents' attitude toward the advertisement, attitude toward the brand, and purchase intent. Further, the overall impact of endorsers' perceived credibility on respondents' attitude toward the ad, attitude toward the brand and, purchase intent was found significantly different across age groups i.e., teenagers and young adults.

The actual effectiveness of celebrity endorsement advertising across product categories was determined through the analysis of respondents' brand recall. The maximum recall was for Food & Beverages, Personal care products and, Telecom service providers & Handsets. An analysis of the television advertisements flashed during the period of study revealed that the proportion of multiple celebrity endorsements was one-fourth that of single celebrity endorsements. A further analysis of brand recall led to the conclusion that the recall for single celebrity advertisements was almost five times more than the recall for multiple celebrity endorsements.

The objective of 'Segmented celebrity selection' was analyzed from the perspective of respondents' acceptance/rejection of regional film and sports celebrities as brand ambassadors. The analysis revealed that there was a high rejection for regional film celebrities. At the same time, almost a similar acceptance and rejection was observed for regional sports celebrities 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,

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huge availability and allocation of media budgets and endorsement fees, or simply to retaliate to the competitor's brand.

The possibility of widening the set of celebrities (i.e., inclusion of other celebrities as brand ambassadors, other than film and sports celebrities). Around three-fourth of the respondents surveyed gave their positive opinion regarding the inclusion of celebrities other than film and sports personalities, whereas less than one-fourth denied the usage of celebrities other than film and sports. This analysis puts forward that Indian audience need a change after getting bored with the film and sports celebrity-cluttered media. There is an inner desire to see some new types of celebrities (other than Hindi film stars and cricketers) as brand ambassadors. Further, the three most important dimensions as perceived by the respondents were attractiveness, expertise and, trustworthiness along with familiarity and likeability. The analysis reveals that familiarity and likeability are also to be given its due importance. Further, 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. The celebrity also is going to receive many benefits apart from the heavy endorsement fees. Majority of respondents perceive that celebrities are likely to gain publicity and fame. The least perceived gain as per the respondents was an increase in the number of more professional assignments.

The researcher has put an attempt to rank the selected Indian celebrities on three dimensions viz., credibility, familiarity and, likeability. The magnitude of the perceived credibility, familiarity and, likeability was the main focus behind the analysis. Sachin Tendulkar, Shahrukh Khan and, Amitabh Bachhan secured the top three positions for all three dimensions viz., credibility, familiarity and, likeability. Thus, celebrities can be ranked and then selected based on the magnitude of a particular dimension or a combination thereof.

Based on the analysis of the celebrity-advertisement association and other questions, causes like celebrity clutter, vampire effect, brand-celebrity disconnect and, failure of a celebrity to perform in the related field are responsible for the failure of celebrity endorsements in India. Based on some recent examples and literature review, over-exposure of a celebrity, skepticism (believability of the advertisement), improper positioning and, celebrities found involved in scams / controversies / negative publicity are few more causes identified for the failure of celebrity endorsements in India.

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While testing the credibility measurement model, it was found that for the selected celebrities, all indicators loaded significantly high on the relevant construct. More importantly, attractiveness, trustworthiness and, expertise appeared to be highly related to the credibility. Thus, the credibility measurement model was tested successfully for the selected film and sports celebrities. Further, the testing of model of causal sequence led to the conclusion that the sequential path of influence from attitude toward the advertisement to attitude toward the brand, which subsequently can impact purchase intent, revealed significant statistics. Thus, the model of causal sequence too, was successfully tested.

In summary, Indian celebrity endorsers (i.e., film stars and cricketers) were found to be effective. There was a significant difference in the overall impact of endorsers' perceived credibility on male and female respondents' attitude toward the advertisement, attitude toward the brand and, purchase intent. Further, the overall impact of endorsers' perceived credibility on respondents' attitude toward the advertisement, attitude toward the brand and purchase intent is significantly different across age groups.