



Celebrity Endorsements and Endorsements in the age of Social Media

B.RAJESHKANNA

Lecturer, Dindigul Co- op Institute of Management, Dindigul

Dr.M.Inbalakshmi

M.Com., M.B.A., PGDCA., M.Phil., Ph.D., Associate Professor, G.T.N.Arts College Dindigul

ABSTRACT

A well-known person tends to have a great effect on the consumer buying behavior. To expose the products to target customers, the use of celebrity endorsement is very popular and widely use in both "Traditional Marketing" and "Digital Marketing".

The celebrities can provide not only a great value in building strong brand equity, but also improving a brand's marketing position if the endorsers are used wisely. Till also argued that "this marketing strategy is a swift and valuable way to build up instant brand recognition.

Social media endorsements by celebrities and influencers aren't a new strategy in the digital era, but pairing a popular figure with a product is a no-brainer. Celebrities and influencers come pre-loaded with millions of followers and connections to use at a brands expense. If celebrity endorsements represent the aspirations of potential customers, individual testimonials represent the idea that "someone like me" could use the product. Social media with its free, easy access and significant capacity to spread ideas over and over represents the perfect vector for this sort of down-to-earth testimony.

Consider giving those who review you through your own website the chance to spread the word through their own social media presence. A voluntary Facebook share isn't subject to the same binding rules as conventional advertising, and the average Facebook user has hundreds of friends, many of whom likely run in similar professional or hobby circles and could make use of the same sorts of products

KEYWORDS

Celebrity, Consumer Goods, Social Media

Introduction:

Every company tries to establish the brand by using the a different sign, symbol, and attribute in order to create a differentiation with the others among the competitive market. One of the most important things is that each company needs to understand their target customers and select the suitable marketing communication tools for the products and services to reach the target customers. To deliver the information to large audiences, the use of advertising has been adopted. When using each appeal to deliver the information, both well-known persons and unknown persons are always included.

A well-known person tends to have a great effect on the consumer buying behavior. To expose the products to target customers, the use of celebrity endorsement is very popular and widely use in both "Traditional Marketing" and "Digital Marketing". Traditional marketing consists of television, radio, print, outdoor billboards and digital marketing is online banners, social media and in-store shopper marketing (Munson, eHow.com). In the past decade, the traditional marketing was the most effective tools to use among the marketers. The use of celebrity endorsement is adopted to use pervasively from printed materials to TV commercials

The celebrities can provide not only a great value in building strong brand equity, but also improving a brand's marketing position if the endorsers are used wisely. Till also argued that "this marketing strategy is a swift and valuable way to build up instant brand recognition. It saves marketers a lot of time when trying to attain consumers' awareness and draw attention to the brand.

**CELEBRITY EFFECTIVENESS AND PRODUCT CONGRUENCE
Celebrity Endorsement**

Celebrities as film stars, television personalities and popular entertainers and sports icons who give a common type of reference group appeal. A reference group is defined as a person or group of people who serves as a reference to an individual

in forming values and attitudes, or behavior. A celebrity refers to an individual who is known to the public. This identification is based on admiration, aspiration, empathy or on recognition. The benefits that celebrity endorsement contributes to marketing are the influence on favorable word-of-mouth, increasing brand loyalty and purchasing certain brands

Celebrity Endorsement Effectiveness

Celebrities are viewed as more credit, expert and trustworthy than non-celebrities. Therefore, most companies even large or small use celebrity endorsers to promote their brand and product. The newer or smaller organization gains higher awareness in a short time by using well-known celebrities. The characteristics of the celebrity affect the sales and advertising message of the company. As a result, the company has to select celebrity whose characteristics maximize the sending message to target customers. When a company decides to use celebrity endorsement, they need to carefully selecting with three source factors which are source credibility, source attractiveness, and source power.

The Effect of Celebrity Endorsements in Advertising

There is a belief that media have powerful effects on audiences either directly or indirectly on attitudes, beliefs or behaviors. It also affects perceptions of reality, level of anxiety and many dimensions on the way we think, feel or act. Celebrity endorsements in advertising are so common in that it helps build trust with current and potential customers, increase the chances of the brand being remembered, and attract a new type of audience. Endorsements also may increase the consumer's desire for a product. This is often achieved by implying that the particular celebrity is successful, talented, or attractive at least partly because of the product.

When a celebrity is paired with a brand, the image helps shape the image of that brand in the minds of consumers. Most of the celebrities used help in developing credibility and trust of the product being advertised on the audience. Many

people hold certain celebrities in high regard, so an endorsement of a product instantly increases the amount of trust the consumer has in the brand.

Celebrity endorsers attract supporters as well as fans to try the brand, increase brand awareness and consumption intentions. Celebrity likeability and congruence between endorser and the endorsed brand influence predisposition towards the advertisements, which in turn affect attitude toward the brand purchase intention

FACTORS THAT CONTRIBUTE TO CELEBRITIES' INFLUENCE ON AUDIENCE

Identity

This is all about the people that a person associates with in the environment. By observing continuously a person gets attracted and apes what they do. Audience view celebrities as very important, prestigious and unique thus this brings in the perception of practicing what they do and identify themselves with celebrities to have an image similar to them. This helps in finding reinforcement for personal values thus finding model behavior.

Association

This is attached to the people that you live and socialize with where you want to appear like them and be in the same level since there is belief of being in the same social class. This focuses on identifying with others and gaining a sense of belonging thus helps one to connect with family, friends and society (Wes ten, 1999).

Media

The media exposes the audience to a lot of information each new day. It has got a lot of influence in that we are most likely to believe in what we see, hear or read. We take it with a lot of concern and put it into practice or rather give it a trial. Media plays a major role in agenda setting in the society, informing and this process has a cognitive approach. On the contrary argue that celebrity endorsers produced more positive attitudes towards advertising and greater purchase intentions than a non-celebrity endorser. Suggested that celebrity endorsement strategy is effective in selling products and services as status symbols since celebrities are individuals of indisputably high status and in endorsements such individuals invite consumers to join them in enjoying products.

Source credibility

Source credibility is used to indicate a communicator's positive characteristics that affect the recipient's acceptance of a message. There are two factors of credibility which are expertise and trustworthiness. Credibility is the extent to which the receiver views the source as having relevant knowledge, skill, experience and trust. The expertise is known as the knowledgeable communicators and the trustworthy is honest, ethical, and believable. Moreover, the expert and trustworthy sources are more persuasive and more influence beliefs, opinions, attitudes, and behavior through an internalization process.

Expertise - As the importance of source expertise, the company often chooses the celebrities because of their knowledge, experience and the five adjectives that are used to measure the celebrity's expertise are expert, experienced, knowledgeable, qualified, and skilled.

Trustworthiness - The target customers often find the source believable. The five adjectives to test confirmatory phase of celebrities are dependable, honest, reliable, sincere and trustworthy. This confirmatory scale is used to test the celebrity's trustworthiness.

Source attractiveness

The source attractiveness is the combination of similarity, familiarity, and likability. Similarity is the sameness between the source and the receiver of the message. The consumer is influenced by someone's message whom they feel a sense of similar needs, goals, interests, and lifestyles. Familiarity refers

to the level of knowledge of source through exposure. The company spends time selecting a popular celebrity who has stopping power to favorably influence consumers' feeling, attitudes, and purchase behavior. Source attractiveness uses an identification process which motivate the receiver to identify and adopt themselves with like or similar celebrity

Physical attractiveness as a crucial cue in an individual's initial judgment of another person (celebrity). The physical attractiveness of celebrity impacts on opinion change and product evaluation of consumers. Therefore, attractiveness of the celebrity has a positive effect on the presented product.

Source power

The power has been able to induce a consumer to respond to the product by using rewards. The source power occurs through compliance process which receives admits the persuasive influence of the source of his or her situation in hopes of fulfilling a favorable reaction. This source is exposed to illustrate all aspects of source effectiveness.

Electronic-Word-of-Mouth (eWOM)

Word-of-mouth is defined as oral, person-to-person communication between the communicators and the receivers which the receivers perceive as non-commercial regarding to a brand, product, or service. Word-of-mouth has the strongest influence on the consumer's evaluation for high risk perceived products and word-of-mouth also has high ability to shape consumer's opinions.

Electronic-word-of-mouth has usually referred to the same concept as viral marketing. The internet plays an important component of viral marketing through the use of electronic media.

COMPONENTS OF ATTITUDE

Attitudes are predispositions to respond to some class of stimuli with certain classes of responses and designate the three major types of response as cognitive, affective, and behavioral. Attitude does not a feeling, a cognition or a form of behavior but it is the combination of all three components in an integrated affect-cognition-behavior system. Thus, attitude is made from all of three components which influence each other. If one component is changed, it also influences the entire attitude structure. The responses produce three interrelations of feeling (affective), belief (cognitive), and intention (behavioral).

Stimuli

Stimuli are events in the environment that influence behavior. Moreover, stimuli have various functions, such as eliciting stimulus, emotional stimulus, and reinforcing stimulus. These functions of the stimuli are referred to the various kinds of objects including individuals, situations, social issues, social groups and other attitude objects.

Attitudes

As referred to the Multicomponent Model of Attitude, three categories of responses are classified as affect, cognition and behavior. For more details of each category is mentioned as the following:

Affect: The affective mainly consists of feelings, which represent sensations, emotions, and impressions. In addition, there are several researchers who believed that the evaluation of affective component has been central to the understanding of attitude (Coady, 2001). In psychology, the affective is an emotion or subjectively experienced feeling which are divided into three main types. These are positive, neutral, and negative (Nathanson, 1992, p.59).

Cognition:

The cognition mainly consists of "learning, thinking, remembering and the like" (Hayes, 1999). Moreover, the cognitive outcomes include the memory-related factors, for example brand recognition and brand recall (Balasubramanian et al.,

2006). Brand recognition refers to the ability of the consumers in order to confirm that they have been previously exposed to the brand while brand recall refers to the ability of the consumers to name the brand when giving the product category or some similar cues about the product (Dolak, 2003). In addition, cognition also involves to perceptual responses and verbal statements of beliefs.

Behavior: The term of behavioral and conative are used interchangeably. As Hayes (1999) mentioned that the conative domain consists of "planning, willpower, and intentionality"; whereas, the behavioral domain concerns with actions, activities, and habits.

Purchase Intention

Intention is viewed as the conative component of attitude which related to the affective component of attitude. Also, conative component of attitude is treated as an expression of the consumer's intention to buy and is used to assess the likelihood of the consumer purchasing a product. Purchase intention refers to the behavior of a consumer to a future purchase decision for a particular good or service. Purchase intention is seen as an important marketing concept that is used in all industries. The marketers must have an understandably strong interest in order to forecast the purchase behavior of customers. As a result, these predictions contribute to market forecasts for both existing and new products. The predicting purchases are intention to purchase.

Buying Behavior

In making the purchase cycles, consumer simplifies his or her task by storing information and establishing a routine decision making process. The consumers begin with problem recognition (need) where they search for the information which may be based on memory or environmental influences such as family, friend, and celebrity. Then, the consumer evaluates the alternatives which turn to affects the purchase intention. The next step is making the choice of purchasing the product. Lastly, the outcome of satisfaction and dissatisfaction becomes a feedback and affects the cycle again. Buying behavior is different from the attitude and intention because it is actual behavior. Therefore, buying behavior is useful to observe the complete movement of the buyer and purchase action in the store.

ENDORSEMENTS IN THE AGE OF SOCIAL MEDIA

In this era, when the internet plays an important role to the customers' daily routine especially who prefer to spend their time online via PC, Smartphones or even tablets. There are various kinds of social media which are popular today such as Facebook, YouTube, Twitter. According to the consumers, there are more technological tools to access to social media that capacitate them to avoid exposure to television advertisement. Thus, the digital marketing is the alternative marketing communication tools to reach their target customers in an effective way. Then, many companies realized the importance of using the celebrity endorsement and also have taken this opportunity to use this advertising tool to gain a high brand exposure, interest, attention, desire, and action among consumers'.

The age of the simple celebrity endorsement is over, and in its place comes the use of social media to reach fans in a whole new way. Previously, celebrity endorsements might reach millions, but what percentage of those millions really held any enthusiasm for the celebrity? How many were loyal to that celebrity's brand, and in turn became customers for the product or service being endorsed? The endorser, the product, and the medium itself all had to be in perfect step, or the endorsement would fall short of its potential.

Brands are taking advantage of existing fan bases and connections, using celebrities and athletes as a channel between products and consumers. Imagine a celebrity with millions of followers on Twitter and Instagram supporting your business' social media campaign. Those are huge numbers, and with

simple endorsements like a tweet and a photo, brands can build its exposure and credibility almost drastically.

As digital marketing strategies continue to evolve, pairing brands with influencers through social media is becoming a lynch-pin for a potential sales boost. Products are not only targeting celebrities and athletes, but YouTube influencers with large audiences as well, using their following to connect with a specific audience that they've built.

Official fan pages, Tumblr blogs, and Twitter feeds change all that. Now, two of those steps are taken care of from the beginning of the process. Whoever follows a celebrity has at least some stake in what that celebrity has to say, or else they wouldn't "like" their Facebook page or follow their Twitter. Those that a company reaches with this sort of endorsement always take the celebrity seriously, or at least take them ironically enough for their words to matter.

These endorsements do come with some legal precautions, however, so be careful about the frequency with which they are deployed. Just because the endorsement comes through a new media channel doesn't mean it isn't subject to the same disclosure rules as other forms of sponsored content. Too much sponsored content from a given endorser could damage the endorser's credibility with the user base, diminishing the overall effectiveness.

Endorsements of Opportunity

A celebrity may use your product in public, driving your vehicle or eating your food after a big game. While it can be tempting to use these "endorsements of opportunity" outright, and they can provide significant benefits when carefully framed on your company's Twitter feed, there are some concerns that come up.

Presenting this kind of accidental endorsement requires care, and can't be framed as the celebrity providing a true endorsement without previous consent. (Celebrities and other companies keep their eyes on social media as well; they'll find out.) Rather than trying to insert a relationship between the brand and the celebrity, just link a picture, in its original context, with a declarative statement of who's in it and what product is being used. Creating narratives is part of being human; your followers and potential customers will fill in the blanks on their own.

Social Media Celebrities

The first big step for this digital marketing strategy is finding the right match to endorse your brand socially. Social media provides a sense of 'realness' to celebrities, making these endorsements much more powerful. Consumers need to feel that the celebrity is an actual customer of the product and that their promotion of it is genuine.

Michael Jordan may not play basketball anymore, but he still has a huge fan base. In 1984, Nike launched what later became the most successful athlete endorsement campaign in history; the Nike Jordan shoe brand. In 2009, statistics showed that Jordan continued to boost Nike's bottom line with the Jordan Brand taking 75% of the basketball shoe market, and a 10.8% share of the overall shoe market in the United States. As mentioned, Jordan's celebrity continues to impact the world where brands must pay more than \$10 million dollars just to use his imagery, of course, after receiving his permission first.

Companies can only hope that they are able to link up with athletes who have such a huge impact on their brands, whether it's directly tied together, or slightly off-brand. Just this month [PokerStars](#) embarked on their largest marketing campaign yet, using two sports heroes who are also great fans and players of poker. The brand clearly understands the significance of social media as evidenced by pre-launching on Facebook a new television spot starring soccer superstars, Cristiano Ronaldo and Neymar Jr.

Maria Sharapova, a female professional tennis player, is another athlete that Nike partners with to promote their brand. Her story is interesting as she built her illustrious tennis career, and also built a large following across social. With 1.8 million followers on Twitter, over 15 million fans on Facebook, and 164,000 on Instagram, she's one of the most sought-after athletes for endorsements.

These brands see social media as the most effective way to engage with people, especially the younger generation, since it is the method by which younger demographics tend to interact with each other, and everything around them. Friends, family, news, brands, athletes, and just about everything in between each and every day.

Paid endorsements on social media

More and more people are being paid for endorsing products on social media, with some earning as much as millions for their YouTube, Instagram, or Twitter account alone. Brands soon realised the advantages of paying those with an influence on a large network of people for advertisements masked as personal posts on their social networking accounts.

This is particularly the case in fashion, with top bloggers and influencers earning somewhere between \$5,000 and £25,000 per sponsored post on Instagram, while more well-known celebrities, such as Kylie Jenner (almost 50 million followers), will earn hundreds of thousands for uploading just one image that endorses a particular brand or product.

Vloggers

Vloggers are particularly popular ambassadors for brands, with online video adverts becoming increasingly effective and popular. For example, Felix Kjellberg, known as PewDiePie on YouTube, earned \$8.5 million in 2014 alone, while British sensation Zoella has a net worth of \$3.5 million, earns \$30,000 a month from advertising on her channel, and lives in a house worth £1 million.

Be-Lieber-or-Not, Calvin Klein was able to bank in on Justin Bieber's fame with their spring underwear collection. The 2014 campaign introduced several half-naked photos of Justin and model Lara Stone in CK products, including the #MyCalvins slogan. Within 48 hours the hashtag generated 1.6 million Twitter mentions. The popular hashtag spread like a wildfire, prompting Instagram 'influencers' to create their own collection of #MyCalvins selfies. In the first four months, the #MyCalvins saw more than 4.5 million fan interactions, making it Calvin Klein's most successful digital campaign ever.

Social Media 'Influencers'

If we haven't heard of YouTube sensation PewDiePie (pronounced pew-dee-pie,) we soon will. Felix Kjellberg is a Swedish web-based comedian and producer, best known for his vlogs and gaming entertainment.

As of February 2016, PewDiePie has 42 million YouTube subscribers and 11 billion total video views. Not only is he a huge part of YouTube's billions of monthly views, but his staggering numbers make him a prime target for brands, specifically in the gaming industry.

In 2013, PewDiePie partnered with Polaris, a gaming network that showcases popular vloggers and gaming entertainers. According to this article, he earned a CPM (cost per thousand views) of between \$0.50 and \$2.50 for each video, after the cut Polaris received. Although his list of endorsements and appearances are at a minimal, brands will still likely continue throwing cash at PewDiePie and YouTube to advertise commercials through his video posts and endorse their products just from the sheer popularity of his work.

The success of the YouTube star garnered enough attention that The Walt Disney Company bought out Maker Studios (who own Polaris,) for \$500 million with another \$450 million in possible incentives. Maker Studios distributes video

game-related content from the likes of PewDiePie and other big named vloggers.

Conclusion:

By all means, social media endorsements by celebrities and influencers aren't a new strategy in the digital era, but pairing a popular figure with a product is a no-brainer. Celebrities and influencers come pre-loaded with millions of followers and connections to use at a brands expense. If celebrity endorsements represent the aspirations of potential customers, individual testimonials represent the idea that "someone like me" could use the product. Social media with its free, easy access and significant capacity to spread ideas over and over represents the perfect vector for this sort of down-to-earth testimony.

Consider giving those who review you through your own website the chance to spread the word through their own social media presence. A voluntary Facebook share isn't subject to the same binding rules as conventional advertising, and the average Facebook user has hundreds of friends, many of whom likely run in similar professional or hobby circles and could make use of the same sorts of products.

References:

1. Kotler, Philip, (2008) *Principles of Marketing* (4th Ed) New Delhi
2. Lancaster, Geoff, 2004 Marketing (*Journal of Marketing Research*, Volume 47, Number 3, June 2012)
3. McCracken, G. (1989). "Who is the celebrity endorser? Cultural foundations of the endorsement process." *Journal of Consumer research*: 310-321.
4. Rogers, E.M. (2003). *Diffusion of innovations*. 5th Ed. New York: Free Press
5. Westen, D. (1999) *Psychology; Mind, Brain and Culture*. (2nd Ed) New York; John Wiley & sons.
6. White, D.W, Goddard, L, Wilbur N, (2009) *The effects of negative information transference in the celebrity endorsement relationship*, Emerald, 37
7. Coady, M. R. (2001). *Attitudes Toward Bilingualism in Ireland*. Bilingual Research Journal, 25,1-2. Retrieved April 6, 2013, from <http://brj.asu.edu/v2512/articles/art4.html>
8. Hayes, N. (1999). *Exploring Interactives - The Psychology of Interactive*. British Interactive Group Summer 1999 Newsletter. Retrieved April 6, 2013, from http://www.big.uk.com/newsletter/99_sum/exploring_interactives.htm
9. Dolak, D. (2003). *Building a Strong Brand: Brands and Branding Basics*. Retrieved April 7, 2013, from <http://www.davedolak.com/articles/dolak4.htm>
10. Balasubramanian, S. K., Karrh, J. A., & Patwardhan, H. (2006). *Audience Response to Product Placements: An Integrative Framework and Future Research Agenda*. *Journal of Advertising*, 35(3), p. 115-141. Retrieved April 3, 2013, from ABI/INFORM Global database.
11. Nathanson, D. (1992). *Shame and Pride Affect, Sex, and the Birth of the Self*, 1st edition. Library of Congress.
12. www.avidian.com
13. www.fortune.com
14. www.nike.com