
Celebrity Endorsement and TV Advertisement Believability : A Study of Multi-Brand Endorsements

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Abstract

Celebrity endorsement advertising has been recognized as “a ubiquitous feature of modern marketing”. This study raises two questions. Both questions relate to the consistency of celebrity endorsement source credibility in multi-brand advertisements featuring the same celebrity. The study draws important results which suggest that negative publicity is more powerful compared to persuasive advertisements featuring popular celebrities. The study also suggests that celebrities are not a substitute for corporate credibility or sound brand value proposition. For the analysis, popular brands such as Coke and Titan – both of which are endorsed by Aamir Khan- have been studied. The results reveal significant differences in the celebrity’s credibility while endorsing both the brands. There is also a difference in the believability of the TV advertisements of the brands while featuring the same celebrity.

Introduction

From chyanprash to cars, celebrity endorsements seem to be an omnipresent feature of present day persuasive marketing communications. Take for instance in India, in 2005, the top seven entertainment stars, Amitabh Bachan, Shahrukh Khan, Saif Ali Khan, Priety Zinta, Aishwarya Rai, Smriti Irani and Paresh Rawal endorsed a whopping 111 brands between themselves, featuring in 202 creative executions for 67 advertisers (**Mahanta and Pande, 2006**). Globally, the percentage of commercials featuring celebrities has doubled in the last ten years to about 17% (**White, 2004**). In the U.S. alone, the use of celebrities in advertisements has increased from 10% to 25% over the last decade (**Stafford, Spears, and Hsu, 2003**). According to another estimate around 20 percent of all commercials use some sort of celebrity endorser, with these celebrities making about 5% of their income from endorsements (**Assael 2001**). In addition, as per an international estimate, almost 10 per cent of all advertising expenditure is being spent to pay the endorser (**Agrawal and Kamakura 1995**).

This study seeks to investigate the source credibility of the same celebrity in a multi-brand endorsement situation. The study also seeks to ascertain the believability of TV advertisements featuring different brands featuring the same celebrity (multi-brand celebrity endorsements). The study is based on survey instruments developed by **Ohanian (1990)** and **Beltramini (1982)**. Aamir Khan has

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been chosen as the multi-brand endorser of Coke and Titan.

Review of Literature - Celebrity Endorsements

Celebrity endorsement has been defined as:

Any individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement (McCracken 1989).

Historically speaking, it was in the 1920s that advertisers used famous people for product endorsements. Actors Joan Crawford, Clara Bow and Janet Gaynor were among the first celebrities to promote products (Kavita 2005). But celebrities are just one of the four types of endorsers that advertisers can normally use. The other three are: Experts, typical satisfied customers and announcers (Batra, Myers, Aaker 2001). Celebrities are preferred and advertisers and agencies are willing to pay enormous sums to those celebrities who are liked and respected by target audiences and who will favorably influence consumers' attitudes and behavior towards the endorsed product (Mishra, Dhar & Raotiwal 2001). Celebrities can build, refresh and add new dimensions. What celebrities stand for enhances brands and they save valuable time in terms of creating the credibility a company has to create in order to build its brands by transferring their values to the brand. When consumers see a credible celebrity endorsing a product they think the company must be OK (Abbot et al. 2001; Byrne and Whitehead 2003). Such expectations are not over ambitious as it has been found that consumers' attitudes and perception of quality are enhanced when celebrities endorse products (Mishra, Dhar & Raotiwal 2001). Using a celebrity has the advantage of the publicity and attention getting power of the celebrity regardless of the product type (Batra, Myers, Aaker 2001). Assael (1984) suggests that celebrity advertising is effective because of their ability to tap into consumers' symbolic association to aspirational reference groups. Such reference groups provide points of comparison through which the consumer may evaluate attitudes and behavior (Kamins 1990). Celebrity endorsements draw attention to a brand and shape the perceptions of the brand by virtue of the inferences that consumers make based on the

knowledge they have about the famous person (Keller 2002, p375). In contrast to anonymous endorsers, celebrities add value to the image transfer process by offering meanings of extra depth and power, what is complemented by their lifestyles and personalities (McCracken 1989). McCracken further notes that celebrities draw these powerful meanings from the roles they assume in their television, movie, military, athletic and other careers. Each new dramatic role brings the celebrity into contact with a range of objects, persons, and contexts. Out of these objects, persons and contexts are transferred meanings that then reside in the celebrity.

Though Ohanian (1991) acknowledges a popular person's ability to create awareness and initial interest for an advertisement, she concludes that this may not necessarily change consumer's attitude toward the endorsed brand. The author rather states, "For celebrity spokespersons to be truly effective, they should be knowledgeable, experienced, and qualified to talk about the product." According to Blackwell, Miniard and Engel (2001) there are four primary ways celebrities can appear in advertisements:

1. They can give testimonials
2. Endorsements in which they lend their name and likeness to a product without necessarily being an expert in the area.
3. A celebrity can also be an actor in a commercial or
4. A company spokesperson in which he or she represents the brand or company for an extended period.

From the marketer's standpoint, celebrity endorsements may enhance consumer attitude change for a variety of reasons. They may attract more attention to the advertisement than would non-celebrities. Or, in many cases, they may be viewed as more credible than non-celebrities. Third, consumers may identify with or desire to emulate the celebrity. Finally, consumers may associate known characteristics of the celebrity with attributes of the product that coincide with their own needs or desires (Hawkins, Best and Coney 2001- pp409-410). Pursuing a celebrity endorsement strategy enables advertisers to project a credible image in terms of expertise, persuasiveness, trustworthiness, and objectiveness

(Till and Shimp 1998). Credibility of a celebrity (or any other source) is generally known by two broad dimensions; (a) the cognitive dimension, which includes judgments about the power, prestige and competence of the source, and (b) the affective dimension, which includes judgements about trustworthiness, attractiveness, and dynamism **(Batra, Myers, Aaker 2001)**. Whatever is the product or type of the advertisement and whoever is the celebrity, the promotional effort should ideally attempt to generate an emotional response that should be believable and empathic **(Aaker and Stayman 1986)**.

RESEARCH METHODOLOGY

Research Objectives:

The following research objectives have been framed:

1. To ascertain the source credibility of the same celebrity in a multi-brand endorsement situation.
2. To ascertain the believability of TV advertisements featuring different brands featuring the same celebrity (multi-brand celebrity endorsements).

Hypothesis of the Study:

Keeping in mind the research requirements the following null hypotheses are proposed:

- H1 : There is no difference in the consumer's perceived source credibility of a celebrity when endorsing different brands.
- H2 : There is no difference in the consumer's perceived believability of TV advertisements featuring the same celebrity endorsing different brands.

Choice of Brands

This study will cover two leading brands having the same celebrity endorser. Coke and Titan, both of which are endorsed by Aamir Khan have been chosen. Coke has been chosen because of the negative publicity it has been receiving of late. On August 2, 2006 the Centre for Science and Environment (CSE) released a set of new findings on pesticide residues in soft drinks that suggested that even three years after its

first report on pesticide content in soft drinks, pesticide residue in beverages produced by Coca Cola and Pepsi has actually increased instead of going down (The Hindu Business Line). This report finding was reported widely in the print and electronic media. Sunita Narain, Director, CSE was quoted saying, "this is unacceptable, as pesticides are tiny toxins that impact the body over a period of time by suppressing the body's immune system. Public health is being severely compromised". The cola companies expectedly refuted this claim by CSE and both companies gave advertisements in all leading newspapers explaining the "virtues" of their products. Coke has advertised on TV showing Aamir visit their manufacturing plant and describing the "purification" process in the manufacture of Coca Cola products.

Though Aamir also endorses Toyota Innova, it was felt that the target respondent group (students in the age group of 20-25 years) would be in a better position to evaluate and respond to a survey consisting of a more affordable product such as a wrist-watch. So Titan (India's leading wrist watch and personal accessories brand) has been chosen as the second brand.

Choice of Celebrity

For the purpose of this research, Aamir Khan, one of India's leading commercial cinema actors, has been chosen. Aamir endorses leading brands such as Coke (soft drink), Titan (watches) and Toyota Innova (passenger vehicle). He is reportedly paid Rs.60 million for his endorsement of Coke (The Hindustan Times-July 11, 2006). He was also appointed Titan's brand ambassador on October 15, 2004. In 2006 Aamir worked in two successful movies Fanaa and Rang De Basanti. Rang De Basanti was India's official entry to the Oscars. The interest in Aamir was also a consequence of his controversial activism. Aamir has publicly expressed support for two major people's struggles in the country: the Narmada Bachao Andolan and the struggle for justice in Bhopal¹. So, Aamir's controversial activism and endorsement of a controversial product (i.e. Coke) would make for an interesting study on Aamir's endorsement credibility and the believability of the TV advertisements featuring him and the brands he endorses. Aamir has also been the subject of study in other celebrity endorsement

studies such as the studies undertaken by Mishra, Dhar and Raotiwalla (2001), Dawra and Katyal (2006), and Roy (2006).

¹ http://en.wikipedia.org/wiki/Aamir_Khan accessed on 25/10/2006.

The Sampling Plan

100 respondents were selected through judgment sampling. The respondents were management/ IT students in the 20-25 age group. The preliminary interaction with the respondents indicated a high level of brand and advertisement recall of both brands. Only those respondents were included who had seen the recent Coke and Titan advertisements on TV featuring Aamir Khan. The respondents belonged to middle class families and had routine access to a TV.

The Survey Instruments

The respondents were administered a structured questionnaire consisting of questions drawn from the Celebrity source credibility scale and the TV advertising believability scale. Both the scales are described in the following section. Out of the 100 short listed respondents, 50 were asked to respond to the questionnaire pertaining to Aamir Khan and Titan and

the balance 50 were asked to respond to the questionnaire pertaining to Aamir Khan and Coke. The respondents at this stage were randomly assigned to both the brands. The respondents were not permitted to interact.

Celebrity Source Credibility Scale

Ohanian (1990) developed a scale according to which the celebrity endorser's source credibility scale is characterized by three dimensions: expertise, trustworthiness, and attractiveness. Expertise can be termed as the extent to which the communicator is perceived to be a source of valid assertions about the object/message. This includes the source's competence, expertise, and qualifications with regard to the object/message. Trustworthiness is viewed as the degree of confidence in the communicator's intent to communicate the assertions he or she considers most valid. This includes both trust and acceptance of the speaker and message. Attractive here is referred to as physical attractiveness of the source to the listener, and to a lesser extent, the notional attractiveness of the source. This includes elements of physical beauty, sexiness, chicness, and elegance. In the Asian context, **Pornpitakpan (2003)** validated Ohanian's scale in a study involving 880 undergraduate students in Singapore.

TABLE - 1

Measuring Celebrity Endorser's Source Credibility

Dimension*	Attractiveness	Trustworthiness	Expertise
Item 1	Unattractive-attractive	Undependable-dependable	Not expert-expert
Item 2	Not classy-classy	Dishonest-honest	Inexperienced-experienced
Item 3	Ugly-beautiful	Unreliable-reliable	Unknowledgeable-knowledgeable
Item 4	Plain-elegant	Insincere-sincere	Unqualified-qualified
Item 5	Not sexy-sexy	Untrustworthy-trustworthy	Unskilled-skilled

Source : *Ohanian, Roobina (1990), "Construction and Validation of a Scale to Measure Celebrity Endorsers' Perceived Expertise, Trustworthiness, and Attractiveness."*

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**To be measured on five point semantic differential scale*

The celebrity's perceived credibility will be measured by subjecting the three dimensions to five point semantic differentials with each dimension composing of five items (see table 1). Mishra, Dhar and Raotiwala (2001) had used this scale in their survey on 200 young adolescents using a five point scale.

The TV Advertising Believability Scale

The TV advertising believability dimension (see table 2) will be measured by subjecting the

advertisements to five point semantic differential items as posited by Beltramini (1982). But semantic problems arising from some of the scale items on a test sample of 20 respondents led us to retain only six of the ten original items i.e. Item 1- believable, Item 2- trustworthy, Item 3-convincing, Item 5-reasonable, Item 6-honest, and Item 8-conclusive. Beltramini used 584 students in the development of this scale. High coefficient alpha and a high average inter-item correlation was reported by the author of the scale.

TABLE - 2

Tv Advertising Believability Scale*

Item 1	Unbelievable-believable	Item 6	Dishonest-honest
Item 2	Untrustworthy-trustworthy	Item 7	Questionable-unquestionable
Item 3	Not convincing-convincing	Item 8	Inconclusive-conclusive
Item 4	Not credible-credible	Item 9	Not authentic-authentic
Item 5	Unreasonable-reasonable	Item 10	Unlikely-likely

Source: *Beltramini, Richard(1982), "advertising perceived believability scale", in D.R.Corrigan, F.B. Kraft and R.H.Ross(Eds.), Proceedings of the southwestern marketing association. Wichita,KS: Southwestern Marketing association, Wichita state university, p 2*
*Measured on a five point differential scale.

Note: The items in italics denote the retained items.

RESULTS AND ANALYSIS

The results and analysis of the study will be discussed in light of the objectives and hypotheses of the study.

Table - I

Celebrity Source Endorsement Credibility: Aamir Khan's Attractiveness, Trustworthiness and Expertise

	TITAN (N=50)	COKE (N=50)
Attractiveness	21.7(3.4)	18.4(4.8)
Trustworthiness	19.4(4.5)	09.6(5.4)
Expertise	17.8(3.8)	11.3(4.9)
Overall	58.9(8.6)	39.3(7.9)

Note: These are mean scores. Figures in parenthesis represent standard deviation

The difference in celebrity source endorsement credibility is significant. At a 5% significance level the Z values for individual dimensions and overall credibility are:

Attractiveness	Zatt: 3.97
Trust	Ztrt: 9.86
Expertise	Zexp: 7.41
Overall	Zovl: 11.88
	$\alpha = 0.05$

- All of the Z values are significantly higher than 1.96. Hence, the first hypothesis is rejected. We can alternatively hypothecate that the source credibility of celebrities is different for different brands.
- Aamir is seen as significantly more credible when endorsing Titan and less credible when endorsing Coke.
- The difference in Aamir's attractiveness is not very high, though it is statistically significant.

Even while endorsing Coke he scores relatively high on this parameter.

- Aamir is seen very lowly in terms of trustworthiness while endorsing Coke. This reflects the effect of the cola controversy rubbing on both the brand and the endorser.
- Aamir is seen having more expertise while endorsing Titan. But overall, in terms of expertise, he is not rated very highly.
- Our findings of Aamir's low credibility in the context of the Coke brand is however not in agreement with the findings of another recent study involving the same subjects. In their study measuring brand-celebrity conformance Dawra and Katyal(2006) have found out that Aamir Khan's personality has a perfect match with the personality of Coke. This study suggests a celebrity-brand/product "fit" between Aamir and Coke. This "fit" is also labeled the "match-up" hypothesis (Kamins 1990).

Table - II

TV Advertisement Believability

Scale Item	Titan TV Ad. - Mean Score N=50	Coke TV Ad. - Mean Score N=50
Unbelievable-believable	3.9	1.6
Untrustworthy-trustworthy	3.8	1.3
Not convincing-convincing	3.4	0.9
Unreasonable-reasonable	3.8	2.2
Dishonest-honest	4.1	0.8
Inconclusive-conclusive	3.9	2.3
Mean Score Standard Deviation Z-value(large sample test): Ztv= 21.35, p<0.5 0.7 0.3	3.82 1.52	

There is a significant difference between the believability of the TV advertisements of Titan watches and Coke. The Z value (Z_{tv}) is 21.35, which is significantly greater than the 1.96 value at 5% significance. As a result, the second hypothesis stands rejected. The alternate hypotheses to be accepted is: There is a significant difference in the consumer's perceived believability of advertisements featuring the same celebrity endorsing different brands.

- Respondents have significantly higher levels of believability for Titan vis-à-vis Coke. This supports Goldsmith, Lafferty and Newell (2000) who suggest that endorser's credibility is not a substitute for corporate credibility.
- Titan's higher believability vis-à-vis Coke also supports the study by Roy (2006). Roy's study measured different brands on 8 attributes. While Coke rated low on the "Honest" attribute it measured high on "Daring" and "Youthful" attributes. On the other hand Titan rated high in "Honest" attribute and Low in both "Daring" and "Youthful" attributes. Roy's study included 120 college students in the 19-22 years age group.

Conclusion

This study shows that celebrity source credibility varies along with the product or the brand endorsed. Also, the believability of TV advertisements is not only dependent upon the celebrity. To make advertisements more persuasive and in order to use celebrity endorsement fee more judiciously, it is imperative that advertisers and brand managers spend more time and effort on corporate brand building. In spite of being a more visible and a mass brand Coke has definitely taken a beating in terms of brand credibility. Coke may also have to go for a more "credible" celebrity who can perhaps rescue the brand from its present problems. But, we repeat that brands cannot just rely on celebrities. They will eventually have to build brands around a sound value proposition supplemented by a credible communication strategy.

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