Celebrity Endorsement

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Introduction

Endorsing products with celebrities is currently the most embraced phenomenon in the world and is used as a marketing strategy. In most cases, celebrities have been viewed as marketing models, and market managers, thus, believe that celebrity endorsement is the most suitable tactic for communicating with customers about a certain product emotionally (Webster, 2015). In the United States, celebrities appear in at least 25% of advertisements exemplifying that various companies have accepted celebrity endorsements.

Research Gap

Currently, there is inadequate research on the relationship between celebrity endorsements and sales. The mentioned limit of literature on this subject has led to a wide range of assumptions in determining the effectiveness of this form of marketing strategy. Therefore, this study attempts to fill the gaps in the study by adding evidence-based literature on the impact of endorsement on sales.

Research Aim

The aim of this study is to investigate the impact of western celebrity endorsements on the consumption and sale of Asian products.

Research Questions

1. How do Asian consumers view western celebrities?
2. Does the western celebrity product endorsement in Asia increase sales revenue?
3. What kind of values do Asian consumers look for in celebrity spokespersons?
Literature Review

Choosing celebrities as product endorsements is much more complicated than choosing animated characters or animals as, when celebrity endorsements are used, brand awareness is expected to increase rapidly over a short period of time. For example, when Coca-Cola offered Hrithik Roshan to participate in the endorsement in Asia, brand awareness rose from 20% to 40% in just three months (Jain, 2011).

At the same time, the process of brand communication also requires the formation and establishment of rich brand associations through memorable points that give a lasting impression to the users ( Parmar & Patel, 2015). Each brand is the summation of the consumer's feelings, impressions, associations, and meanings generated by a brand. When Nicole Kidman spoke about Chanel, she set a strong memory point, and whenever her fans saw her, they would think of the brand she was promoting (Hussain & Khan, 2015).

Although celebrity endorsement plays a vital role in the brand communication process, there are many problems in using celebrities to promote the company's products. When a company hires a celebrity to promote their products or service, it wants the star to improve the company's reputation. However, overreliance on one person to build a brand is risky because if the celebrity happens to be found in a scandal, this may damage the reputation of the company they support as well.

Understanding the role of celebrity endorsements from a brand strategy perspective is critical because celebrity endorsements are only part of the overall brand strategy. Therefore, it is important to combine the efforts of the spokesperson with the brand culture (Jolly, 2016). An example of the close integration of celebrity endorsements with a brand culture is Michael Jordan's endorsement of Nike because he embodies the brand value and acts in a way that promotes the brand culture (Hussain & Khan, 2015).

In addition, companies should ensure that celebrity endorsement agreements are designed to advance the company's success rather than help the star improve their reputation or benefit competitors.
Therefore, when signing a contract with a star, the company should have restrictive terms. For example, when Kobe Bryant signed an agreement with Adidas, he was not allowed to wear the competitive brands’ products in public (Deshwal, 2015).

Demographics is a factor as well because, for instance, as Khan and Khan (2002) found, female college students are more likely to be influenced by celebrities to buy products, which is not the case with their male counterparts. Also, the characteristics of celebrities, such as their appeal or professional awareness about a particular topic, determine the validity of the endorsement. The study conducted by Lee and Thorson (2008) showed that a modest mismatch between the star image and the product image would produce satisfactory results.
Methodology

Research Philosophy

This study uses a pragmatic research philosophy. Wang (2015) believes that pragmatism philosophy is suitable for studying every research problem by conducting surveys in the form of questionnaires and interviews. In order to understand the preferences and reasons for Asian consumers to choose products endorsed by a western spokesperson, a large number of examples are needed to ensure the accuracy of the data. Therefore, it should be investigated by a questionnaire. On the other hand, an interview with the company manager can give a clearer picture of whether the company's profits have risen due to the hiring of a western spokesperson.

Data Collection Tools

Closed-ended questionnaires will be distributed at the brand's physical store during peak shopping hours to ensure respondents' availability. In the questionnaire survey, 100-300 customers of the company who hired a western spokesperson will be randomly selected. The interview will be conducted with the manager of the company. Before the interview, the interviewer should explain the research background, and the total time will be controlled to be within 15-20 minutes.

Limitations of Methodology

Physical distribution of questionnaires may be problematic due to reluctance of the visitors to fill in the responses. To partially overcome this limitation, the range for responses (100-300) will be set to distinguish between the minimum required and the desirable results.

Data Analysis

The questionnaire responses will be analyzed using the SPSS software and the interview data will be subjected to narrative analysis.
References


