Celebrity Endorsement in Advertising: 
A double-edged sword

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Abstract
The advertising market has become more cluttered and competitive now and everywhere. To highlight their brand, advertisers are turning to celebrities as endorsers. They are willing to invest significant amount of monies to juxtapose their brands with celebrity’s attributes like attractiveness, expertise and trustworthiness. They believe that the celebrity’s qualities might transfer to their brand, thus produce favourable campaign results. However, celebrity endorsement is not without potential risks. The purposes of this paper are threefold: first, to discuss how the marriage works between the brand and celebrity; second, to describe the benefits accrue from celebrity endorsement and third, to warn of potential dangers of the strategy.

Keywords: clutter, celebrity endorsement, benefits, risks

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1.0 Introduction
Advertisers want to reach consumers with useful, life-enriching communications about their products but choosing the right media to carry their messages is no longer easy. This is because the media environment is too cluttered. Clutter is a state or condition of confusion or disorderliness (Shimp, 2008). Any advertiser’s message is easily lost amid the confusion caused by consumers being inundated by one advertisement after another. It is common belief that consumers will be immune to advertising as a normal outcome of saturation of marketing messages. The information overload will pose a big dilemma to advertisers, especially those working with limited budget. Companies expectation has also increased as competition in the marketplace heightened. Advertisers are held more accountable for the advertising dollars spent. They are expected not just to attract the attention of consumers, but also to transform the attention into favourable attitudes and purchase action.

To be effective, advertisers must find a unique way to break through the ad clutter and provide the audience with sufficient motivation to pay attention and engage in higher order processing of ad messages. One of the popular strategies of creatively breaking through the clutter is by using celebrities to endorse the company’s brand in the advertisement. Celebrities are popular people who have been found to be highly effective in product promotion. The aim of this paper is to discuss the use of celebrity endorsement in advertising as well as its advantages and disadvantages.

2.0 Literature Review
Modern celebrity advertising originates from the United States. However, the practice has dramatically increased in other parts of the world due to the development of commodity culture and mass media technology. The mass circulation of newspaper, radio, television and the Internet makes celebrity a public face and an object of desire. About 25% of all television and print advertisements in the United States have featured celebrities (Erdogan, Baker & Tagg, 2001; Shimp, 2008). Celebrity endorsement is practiced in other countries (Money et al., 2006) such as New Zealand (Charbonneau & Garland, 2006), South Korea (La Ferle & Choi, 2005), Turkey (Yilmaz & Ersavas, 2005) and India (Roy, 2006). The use of celebrity in Japan is extremely popular as about 70% of all commercials feature celebrities (Kilburn, 1998). In Malaysia, even though there are no statistics available to show the prevalent of the practice, the same phenomenon is observed.

Celebrities are used in advertising not just to attract attention of audience but also to increase message persuasiveness, thereby enhancing advertising effectiveness (Erdogan, 1999; Piccalo, 2005). Celebrity refers to well-known personality (Speck, Schumann & Thompson, 1988) who enjoys public recognition. They (e.g. models, athletes, actors, singers, politicians, company presidents, newscasters) are known to the public for their accomplishments in areas other than the product class endorsed (Friedman & Friedman, 1979). Consumers often idolize celebrities and consider them to be credible sources on a
number of issues (Atkin & Block, 1983; Freiden, 1984). Many consumers aspire to share values and lifestyle of celebrities as models of success as they imitate and even impersonate celebrities’ behavior to enhance their own self-esteem. Such imitations include the way celebrities live, dress, communicate and most importantly, the brands of products they choose and use (Alsmadi, 2006). For these reasons, advertisers are willing to spend a lot of money to have celebrities endorse their brands.

The Effectiveness of Celebrity Endorsement
The effectiveness of celebrity endorsement is usually examined within the framework of the source credibility and source attractiveness models, the match-up hypothesis and the meaning transfer model. Despite the mixed findings elicited from these studies, celebrity endorsements are generally considered as a powerful advertising strategy and have many benefits. Given that a variety of celebrity endorsement crises are increasingly emerging, latest research tends to focus more on the effects of negative information about the celebrity on advertising effectiveness.

Source Models
Source credibility construct has been studied by many social scientists in the past several decades in order to understand its effect on message persuasiveness (Hovland and Weiss, 1951/2; Sterntthal, Dholakia and Leavitt, 1978; Ohanian, 1990; Pornpitakpan, 2003). In a review of the source credibility literature over the past five decades, Pornpitakpan (2004) discovers that the majority of studies undertaken indicate that perceived source credibility has some degree of influence on communication effectiveness. In advertising studies, such credibility is often associated with a model or an endorser (Friedman and Freidman, 1979; Freiden, 1984; Kahle and Homer, 1985; Kamins, 1990; Ohanian, 1990; Kamins and Gupta, 1994), the advertiser (MacKenzie and Lutz, 1989), the advertisement (MacKenzie and Lutz, 1989), corporate credibility (Lafferty and Goldsmith, 1999) or web credibility (Choi and Rifon, 2002).

The Source Credibility Model proposed by Hovland, Janis and Kelley (1953), contend that expertise and trustworthiness are the essential factors leading to the perceived credibility of a message. Expertise is defined as the extent to which a communicator is perceived to be a source of valid assertions about the object or issue, and trustworthiness is referred to as the degree of consumer’s confidence in the communicator’s intent to communicate the assertions she or he considers most valid (Hovland et al., 1953). The Source Attractiveness Model originates from McGuire’s Source Valence Model (McGuire, 1985). It has attractiveness as the third component of source credibility. Attractiveness refers to the perceived attractiveness of the source (Kahle and Homer, 1985; Kamins, 1990; Ohanian, 1991; Patzer, 1983). Source attractiveness in the context of message effectiveness (and communication) is said to depend on source’s familiarity, likeability, similarity and overall attractiveness to the receivers (McGuire, 1985; Ohanian, 1990).
findings from the source credibility studies have been questionable as they regard the celebrity endorsement process as uni-dimensional, thus unable to provide a well-grounded explanation of important factors (Erdogan, 1999). Given the pervasiveness of the usage of celebrities in advertising, a valid instrument for measuring celebrity endorser’s credibility was deemed important for assessing the possible impact of using such individuals. Ohanian (1990) initiated and developed a tri-component endorser credibility scale using two exploratory and two confirmatory American samples. The scale includes the dimensions of trustworthiness, attractiveness and expertise and was shown by the developer to possess reliability, and nomological, convergent, and discriminant validity (Pornpitakpan, 2004).

**Meaning Transfer Model**

The Source Models have been confirmed by research. For example, the Source Credibility Model by Hovland has been validated by Atkin and Block (1983), Kamen, Azhari and Kragh (1975) and Klebba and Unger (1983). The Source Attractiveness Model by McGuire has demonstrated its value through Friedman and Friedman’s (1979) study. Celebrities do owe some of their effectiveness as a marketing device to their credibility and attractiveness. However, McCracken (1989) strongly criticizes the models as “littered with puzzles and peculiarities the source models cannot explain” (p. 311). He cites the research by the Friedmans (1979) that produced results inconsistent with the source models. He contends “for the models’ purposes, as long as the credibility and attractiveness conditions are satisfied, any celebrities should serve as a persuasive source for any advertising message. According to the model, the persuasiveness of the celebrities has everything to do with the celebrity and nothing to do with the product” (p. 311). McCracken (1979) later concludes that the source models have not served as a practical or theoretical guide on celebrity endorsement based on two premises: (1) the source models do not allow us to understand the appeal of any particular celebrity, thus it is impossible to understand why a celebrity should be persuasive for some products but not for other products; and (2) the source models will not allow us to discriminate between celebrities in any useful way; they only tell about degree of attractiveness and credibility when what is needed is to know the kinds of attractiveness and credibility. Coming to terms with the meanings contained in the celebrity and giving an account of how these meanings serve the endorsement process led McCracken (1989) to propose the Meaning Transfer Model of celebrity endorsement.

McCracken (1989) explains the endorsement process from a cultural perspective where he points that an endorser’s effectiveness depends upon the meaning the endorser brings to the process. The effectiveness of celebrities as the product or brand endorser originates from the cultural meanings they are endowed with. In his model, cultural meanings move through a conventional path to the consumers. Even when a particular celebrity performs better than any other types of celebrity endorsers in certain situation, each celebrity is distinctive in the cultural meanings he or she conveys to the audiences. Therefore, the celebrities who deliver meanings that matches with the product endorsed tend to be more
effective compared to celebrities with mismatches with the product endorsed. Unfortunately, McCracken did not show explicitly how the process works.

**The match-up hypothesis**

The “Celebrity-Product Match-Up” proposition holds that in order to make an advertisement effective, there must be congruence or fit between the product and the celebrity in terms of characteristics such as image, expertise (Till and Busler, 1998; Till and Busler, 2000) or attractiveness (Friedman and Friedman, 1979; Kahle and Homer, 1985). As early as 1979, Friedman and Friedman explored how the effectiveness of the endorsers differed by product types. The authors suggest that the type of endorser used should be considered more carefully. If the risk involved is social and/or psychological then the advertiser should consider using a celebrity as an endorser. If the product is high in financial, performance or physical risk then the advertiser should consider an expert endorser. For products that have little inherent risk, the advertiser should choose a typical-consumer endorser.

Forkan (1980) has proposed the match-up hypothesis for celebrity selection when he suggested that the message conveyed by the image of a celebrity and the message about a product should converge in an effective advertisement and therefore implies a need for a congruity between the celebrity image and the product image. The perfect congruence between endorser and product may lead to great endorser believability through identification process (Langmeyer and Walker, 1991a) and favorably influence consumer attitudes toward ads and products as well as purchase intention (Kirmani and Shiv, 1998). On the other hand, Shimp (2008) stresses that most fundamentally an endorser must match up well with the endorsed brand target market, as the first question that a brand manager must pose when selecting an endorser is “Will the target market relate positively to this endorser?”

Much of the research on celebrity match-up or congruity has investigated the appropriateness of the match between an endorser and a product based on the endorser physical attractiveness (Langmeyer and Shank, 1993; Till and Busler, 1998). The researchers usually examine the match between celebrity’s physical attractiveness and product advertised. Kahle and Homer (1985) for example, discover if there were congruence between the two, the match-up hypothesis would predict a positive impact upon product and advertisement evaluations. In other words, if the product is related to attractiveness, the attractiveness of the celebrity endorser counts. Because earlier research did not fully test the attractiveness aspect of the match-up hypothesis i.e. the studies did not demonstrate that an attractive celebrity was less effective when endorsing a product not used to enhance one’s attractiveness, Kamins (1990) uses a physically attractive celebrity and an attractive-unrelated product in his study. The findings revealed that for an attractiveness-related product, use of a physically attractive celebrity significantly enhanced measures of spokesperson credibility, relative to use of a physically unattractive celebrity. Furthermore, an increase in the physical attractiveness of a celebrity endorser had no
significant impact on advertisement- and product-based evaluations for an attractiveness-
irrelevant product (Kamins, 1990).

Till and Busler (1998) point out that physical attractiveness is not the most powerful
dimension for generating a match-up, because the logical link between attractive endorser
and product used to enhance one’s attractiveness seems weak. Some researchers have
considered the other two dimensions of source credibility – expertise and trustworthiness
(Langmeyer and Shank, 1993; Till and Busler, 1998). For example, Till and Busler (1998)
examine the role of physical attractiveness versus expertise as match-up factors in the
endorsement process and suggested that expertise dimension might be more valuable than
attractiveness in matching celebrity endorsers with brands.

The Benefits of Celebrity Endorsement
The benefits of using celebrity endorsers have been systematically investigated (Agrawal &
Kamakura, 1995; Mathur, Mathur and Rangan, 1997; Sherman, 1985). For example, in
order to assess the economic worth of celebrity endorsers, Agrawal and Kamakura (1995)
and Mathur, Mathur and Rangan (1997) conduct two interesting studies. They try to assess
the impact of celebrity endorsement contracts on the expected profitability of companies
using Event Study Methodology, which is used in order to identify the valuation effects of
marketing decisions (Erdogan, 1999). Agrawal and Kamakura (1995) report a significant
percentage of positive abnormal returns to the sponsoring companies, as they recorded a
gain of .44 percent excess returns in their market value as a result of announcing contracts
with celebrity endorsers. Furthermore, Mathur et al. (1997) report that the anticipation of
Michael Jordan’s return to the National Basketball Association (NBA) in 1995, together with
his increased visibility, raised his client firms’ market-adjusted values by almost two percent
on average, or over one billion dollars in stock market value. Both studies’ findings prove
that the use of celebrity endorsers in advertising does contribute to the bottom line results
of the companies who hired them.

Advertising today is very challenging (Erdogan, 1999). With increasing rivalry for
consumer attention and new product introduction, marketers and advertisers are forced to
use attention-grabbing media stars. The use of celebrity endorser may help by creating and
maintaining consumer attention to advertisements (Erdogan, 1999). Moreover, celebrities
can also help advertisements stand out from the surrounding media clutter, thus improving
communicative ability by cutting through excess noise in the communication process
(Sherman, 1985). Celebrity endorsements have also been found to produce better recall or
recognition of a brand name (Friedman and Friedman, 1979; Petty, Cacioppo and
Schumann, 1989). Many studies have also shown that celebrity endorsers favorably
influenced important advertising effectiveness measures such as attitudes toward the ad,
brand and purchase intention (Atkin and Block, 1983; Freiden, 1984; Kamins, 1989; La
Ferle and Choi, 2005; Petty, Cacioppo and Schumann, 1983). Furthermore, as explained in
the previous section, celebrity endorsement strategy has the ability to create an image for a
product through meaning transfer (Debevec and Iyer, 1986; Langmeyer and Walker, 1991a, b; McCracken, 1989)

Global companies usually face difficult aspects of global marketing, such as the host countries’ cultural restrictions in the form of language, relationship, time, space, power, risk and many more (De Mooij, 1994). The use of a celebrity with global recognition and popularity can be a powerful tool to enter these foreign markets (Erdogan, 1999; Kaikati, 1987; La Ferle and Choi, 2005). This is especially suitable for those global companies which favor standardized advertising strategies, where they believe in the convergence of values across cultures allow for the same advertising strategy and appeal to be equally effective from country to country (Levitt, 1983).

The Risks of Celebrity Endorsement

No matter how successful a celebrity selection process, it can never guarantee the long-term favorable effects of celebrity endorsements. When a company signs on to a celebrity, it signs on to the possibility that he or she may become involved in an event that has a harmful effect on the spokesperson. Celebrity endorsers are often viewed as risky business because their potential for involvement in undesirable circumstances whose repercussions can transfer to the brand and company they are endorsing. Widely publicized scandals such as murders, rapes, abused of substances, infidelity and etcetera strongly suggest that celebrity endorsers may at times become liabilities to the brands they endorsed (Till and Shimp, 1998). The recent scandal involving Tiger Woods has caused his sponsors losses in billions of dollar. The fear of potential celebrity scandals has forced many companies to use deceased celebrities or individuals who posthumously can no longer engage in behaviors that might bring embarrassment and injury to the brands with which they are linked to (Goldman, 1994; Lefton, 1994). Celebrity endorsements can be extremely expensive, not only in terms of the monetary payments to the celebrity but also in terms of intangibles such as how the celebrity may affect the image of the advertiser. While the economic impact of celebrity endorsements is important, perhaps of greater importance is the intangible impact.

Wells and Prensky (1996), who examine the issue of credibility, indicate that many consumers were skeptical of celebrities who were paid to provide positive information about endorsed brands. Very popular celebrities may end up endorsing multiple products risk overexposure, thus lessening the impact and distinctiveness of each product relationship as well as diminishing consumer perceptions of celebrity credibility and likeability (Tripp, Jensen and Carlson, 1994; Garland and Ferkins, 2002). Over exposure occurs when a celebrity becomes greedy and endorses many diverse products. When a celebrity’s image is tied with many brands, impact and identity with each product may lessen since the relationship between the celebrity and a particular brand is not distinctive (Mowen and Brown, 1981; Erdogan, 1999). Prior studies on multiple product endorsements suggest that celebrities that are “shared” by different advertising firms, does indeed negatively affect consumers’ assessment of the endorsers’ trustworthiness, brand image and ad evaluation
(Mowen and Brown, 1981). In addition, this will not only jeopardize the value of the celebrity in the eyes of his or her ardent fans (Graham, 1989), but also can make consumers explicitly aware of the true nature of the endorsement which has less to do with brand/product attributes, and more to do with fees paid to celebrities. This will lead the consumers to be distrustful of the motive of celebrity endorsement (Tripp et al., 1994; Erdogan, 1999).

Another potential hazard of using a celebrity to endorse a company’s product is when the celebrity risks over shadowing the product endorsed. When the celebrity chosen is too popular, the consumers would focus their attention more on the celebrity at the expense of the product (Erdogan, Baker and Tagg, 2001). For instance, Angelina Jolie was dropped as the face and endorser of St. John, an American clothing brand due to “overshadowing of their brand” (www. the malaysianinsider.com). Of course, the celebrity could draw attention to the advertisement plus his or her impact on other variables like brand awareness, recall of copy points and message argument, however brand attitudes and purchase intention must also be considered (Erdogan, 1999; Belch and Belch, 2004). The major concern for advertisers is that consumers will focus their attention on the celebrity and fail to notice the brand being promoted. In the case of celebrity endorsement, the product should be the star, not the celebrity endorsing it.

Celebrity images are not static and there is always a chance that the image will change or loss. Celebrity athletes, for example, could create additional risk of injury, which reduces visibility and performance, thus decreasing their endorsement potential. The change in marital status can also alter the image of a celebrity especially entertainment celebrity. Usually, a celebrity will have many fans when he or she is single. However, once the celebrity ends his or her bachelorhood and gets married, the fan size usually will dwindle.

Conclusion
Having a clear concept of what to communicate to the target audience alone is not sufficient to be successful in advertising. Advertisers must also do well in the next step, which is to choose the right media to place their ads so that the message will be smoothly channeled and reached the intended audience. However, this is easily said than done as nowadays the media environment is highly saturated with countless messages, seeking a piece of consumers’ attention pie.

To help their ads stand out, advertisers are turning to celebrities to endorse their brands and companies. Celebrities have the stopping power to make heads turn. The proliferation of celebrity in advertising testifies to the fact that advertisers have bought the idea that celebrities can add value to their brands. Celebrities can make people take notice of what they are endorsing and create an immediate identity or persona for the product (Cooper, 1984). This reflects the power of celebrity endorsement, which is behind the main reason for employing celebrities to promote almost all kinds of products (Brown and Fraser, 2004).
Celebrity power comes from three aspects: (1) attention, which breaks through the advertising clutters and makes the endorsed brand more noticeable to target audience; (2) credibility, which conveys a sense of trust for endorsed brands; and (3) persuasion, which sends a persuasive message to target audience to adopt the endorsed brand (Alsmadi, 2006).

The biggest risk of hiring celebrity endorser is when the celebrity is entangled in negative publicity. There is a dramatic growth of the amount of negative publicity about the celebrities in the marketplace. Therefore, advertisers using celebrity as advocate must be concerned with the celebrity’s public reputation as formed by the press, special interest groups or public investigations. Furthermore, negative information has a stronger impact because it stands out more compared to positive information. Just as positive attributes about the celebrity might transfer to the endorsed brand, negative attributes also may spill over to the brand, probably in bigger magnitude. Advertisers must be extremely careful in selecting and managing the celebrity endorser as it is a sword with two sharp edges.

References


