

The Role of Celebrity Endorsement in Media Communications



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Executive Summary

After researching into celebrity endorsement campaigns, the one of the best executions has been Rihanna and Puma. Rihanna has been deemed the most marketable celebrity and became part of the Puma team when they were on the verge of failure as they were losing market share to Nike. In examining the source attractiveness model, meaning transfer and brand match-up theory, Puma strategically choose Rihanna and effectively integrated her with their marketing efforts. By receiving her stamp of approval and the launch of her line, Puma was able to make a comeback as a leading sportswear company. Through their marketing efforts on and offline towards Rihanna's large worldwide fan base, they were able to exceed Nike's share and have one of the most popular selling shoes, selling out in minutes.

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Literature Review

An endorsement is giving public approval and is valuable for any company. For an endorsement to be effective, it must be recognizable within the target market, which is why celebrities are imperative (Masterman, 2007). 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). On a global scale, one out of five ads include a celebrity, making endorsements a popular method to promote consumer products and services (Hollensen and Schimmelpfennig, 2013). When Nike signed Tiger Woods in 1996, their golf ball revenue had increased from \$50 million to \$250 million by 2002, demonstrating how compelling endorsements can be (Masterman, 2007).

The source attractiveness model helps marketers identify who will be the best endorsement for their company’s brand. The effectiveness of the campaign will depend on three main factors of the source: familiarity, likability and similarity. Familiarity is how well known the figure is based on their exposure, and likability is how fond people are of them as a result of their appearance or behaviour. Similarity is how well the source relates to the receiver of the message. However, despite being supported by numerous researchers, the source attractiveness model does not explain the reasoning behind the appeal of a celebrity for a campaign. The model tells us that a celebrity is attractive, but doesn’t tell us what is considered attractive about them. This is why one celebrity may be considered appropriate for one brand, and may be completely wrong for another based on the public's perception of their distinct image (McCracken, 1989). For L’Oreal, Jennifer Lopez was an effective endorser as she provided hair and skincare tips, however, Lopez received negative feedback when she appeared in Fiat commercials (Edwards, 2011). While Lopez is considered a credible source for cosmetics, she’s not a suitable endorser for automobiles. This proves how important it is for the brand and celebrity to match with the same values and characteristics (Erdogan, 1999). Furthermore, the model does not allow researchers to distinguish and differentiate popularity between different celebrities. Society considers Kylie Jenner and Bella Hadid to both be appealing and influential models. Although, after looking at the quarter reports for Puma, who Jenner works with, their shares exceeded Nike, who Hadid works with (Bloomberg, 2017). Therefore, despite both having attractive endorsers, Puma received more success with their campaign.

Marketing Communications

Marketing communications are essential to any effective campaign. It is the most visible part of marketing and has the greatest impact on how consumers process information and make decisions (Blythe, 2006). It consists of four central types of media: advertising, direct marketing, public relations and sales promotions (Ford, Ibrahim, West, 2015). Through these various tactics, brands are prompted even further to think outside of the box and come up with unique

ways to reach their target and break through the noise. Celebrities are highly regarded and considered credible sources which is why brands utilize them to communicate to consumers to obtain their trust and confidence (Pringle, 2004). Social media is pivotal in this because according to The Economist, it makes consumers feel as though they have gained exclusive access into the lives of the rich and famous since there is supposedly no publicist in between the celebrity and their fans (The Economist, 2016). Piyush states, “celebrities have the power to connect with people on a personal level and when they say a particular product has helped them, especially on social media, people listen and believe them” (Piyush, n.d.). This form of two-way communications enables brands to spark a creative dialogue with their target. Celebrities can be used for face-to-face encounters at events or social media page takeovers. These direct marketing interactions also provide companies the opportunity to gain immediate feedback (Jenkinson and Sain, n.d.). This form of marketing communications goes against the standardised one-way communications model (Appendix 1) because it proves consumers are not passive, they are active. Therefore, they usually think about the message, understand it for themselves and then add previous information and knowledge about the brand to develop meaning from it (Blythe, 2006).

However, celebrity endorsements cannot guarantee success, which is why it’s important for marketers to ensure their endorsement strategy is coherent with the target market characteristics, product design, branding, promotions, and pricing. Brands have to align the celebrity with their product in order for the message conveyed to be clear and concise (Piyush, n.d.). Furthermore, it is also important that every form of media is consistent and depicts the same narrative for the brand. As the amount of promotional efforts increase, the risk of consumers receiving different messages from each medium increases (Blythe, 2006). If consumers interpret a brand’s message differently than what was intended of it, it might result in a negative perception of the company.

Digital Marketing in Media Planning

Marketing nowadays goes beyond television commercials and print advertisements. With the rise of social media, brands have alternative ways to reach consumers on a wider scale, quickly. Brands are required to have an online presence because it allows them to build a deeper relationship with their target and provides the opportunity to gain new customers. It also allows them to gain a perspective of their market share and where they stand among their competitors. This is valuable because, they can develop strategies on what they need to improve on to differentiate themselves from competitors (Chaffey, 2017). It is also important for brands to consistently post and interact with their followers. Which is why companies use celebrities who already typically have a large following as another online medium. However even then, those celebrities should also be showing snippets of their lives and not just when

they have a premiere to avoid appearing over promotional (Seetharaman, 2015). In a study conducted by Ilicic and Webster, they found that participants want celebrities to be real on social media, “not fake” but genuine, and someone who is “being their own person” (Ilicic and Webster, 2015). By letting followers into their personal realm, the celebrity ultimately strengthens their connection and bond between them.

Moreover, brands need to be strategic as to who they pick for these deals. If a brand is targeting a market that already follows a certain celebrity, then they should have that celebrity endorse its products. Endorsements are proven to be most effective when the celebrity's audience already overlaps with the brand's desired audience (Cotraviwat, 2015). Even if a celebrity has millions of fans, if there's no cohesion between the brand and the celebrity, those fans will only care about the brand as long as the celebrity is involved.

Brand Narrative and Consumer Behaviour

Narratives are used to help people understand the world by providing meaning, which is applicable for brands as well. Marketers can manipulate consumer narratives about a brand through advertising, to create a special meaning for said brand. In Gabler's view, celebrities provide meaning to objects through product endorsements, which subsequently creates a meaning for the celebrity themselves (Escalas, 2004). Consumers then take that portrayed meaning from the brand to construct their own identity as argued by McCracken (McCracken, 1989). Ultimately, these meanings from the brand adopted by consumers may originate from celebrity endorsements proving their immense influence. However, there has to be a proper brand-match between the celebrity personality and the company (Chaubey, Subramanian, Saini, 2013). If there isn't a genuine brand-match the endorsement and marketing activities of the company will be ineffective and wasteful because they are unable to impact the target.

Role of Celebrity Endorsements

By having a celebrity associated with their brand, the advertiser is hoping to gain popularity and improve their image. By using the source attractiveness model, brands hope to pick the best endorser for their product. They are anticipating the characteristics and values of the celebrity they have partnered with will transfer over to their products, as demonstrated by the meaning transfer model (McCracken, 1989). Moreover, as previously exhibited by the examples mentioned, that is not always the case.

Advantages of Celebrity Endorsements

Brand Equity

Through marketing activities, brands can add value to their name (Ilicic and Webster, 2015). McCracken proposes that celebrity endorsers can build a brand's equity by creating secondary

associations (McCracken, 1989). After seeing sales decline at a staggering rate and being regarded as one of the most unpopular sportswear brands in 2013, Puma decided to change their strategy. In 2014, they signed worldwide pop-sensation Rihanna as their creative director during their transition of combining fashion and sportswear into one sector (Ricadela, 2016). With competitors such as Nike and Adidas, who were also incorporating athleisure into their collection, they had to act fast to keep up. Rihanna is considered the number one endorser according to NPD with a score of 367, based on nearly 100,000 consumer surveys (NPD, 2016). Her fans adore her and want to replicate her coolness. Rihanna is someone who strengthened her position in the fashion world by attending fashion shows and taking risks with her outfit choices. With Rihanna on their team, Puma was able to rebuild their brand equity. Seno and Lukas have suggested that a celebrity endorser functions as sub-brand for the endorsed brand, which in the end creates equity for the brand and celebrity, benefiting both parties. This is true because Rihanna was able to solidify herself as a designer in the fashion world and help Puma from their downfall (Cornwell, Pappu, and Spry, 2011).

Build Positioning

When a celebrity is chosen as an endorser, new products are often created around that person because instantly gives the product personality and appeal. This can cause sales to increase exponentially because some of the products already available fail to pique consumers' interest (Erdogan, 1999). Puma effectively applied this strategy by having Rihanna design her own line. Once it was publicized Rihanna had joined Puma, everyone was eagerly waiting to see what the two conglomerates would create. When Rihanna released her Fenty x Puma line, the collection sold out in minutes and became one of the most popular shoes that year, putting Puma back on the map as a leading sportswear company. Rihanna has a signature flair where she is able to achieve glamorous red carpet looks and unique street styles. Her large fan base would do anything to relate or even be remotely similar to her (Wolf, 2016). Therefore, once consumers saw Rihanna had given her stamp of approval to Puma, consumers started to shop there in hopes of recreating some of her distinct looks, based off of the meaning transfer model (McCracken, 1989). When consumers saw that Rihanna had a positive relationship with Puma, they also had a change of heart and reacted favourably towards the brand. If Puma was good enough for Rihanna, it was good enough for them.

Brand Awareness

Brand awareness refers to the strength of a brand's presence in a consumer's mind and consists of brand recall and recognition. There is evidence that proves celebrity endorsements produce higher recall for the endorsed brand and the advertisement (Cornwell, Pappu, and Spry, 2011). Celebrities have the ability to break through the clutter and sustain consumer attention to advertisements better than field experts or average-consumers. This strengthens the

communications process when the sender is trying to reach the receiver (Erdogan, 1999). Puma was on the downfall as a brand because they weren't even in the evoked set of sportswear companies to consumers. Now with Rihanna as part of their team, they have generated more buzz. With Rihanna's large following on various social media platforms, they are all familiar with what she's up to with Puma. When Rihanna debuted her fashion show, it not only drew in crowds and recognition from the press, but also immense social media attention. Thus making Puma the talk of the town once again, but in a positive manner as a leading brand (Bloomberg, 2017).

Trust and Credibility

Celebrities are perceived to be a credible source and have the power to impact consumers' beliefs, opinions, and behaviour through internalisation. This occurs when receivers accept a source influence in terms of their personal attitude and values. As a result of their findings, authors urged advertisers to choose celebrities that are well-liked to endorse brands (Erdogan, 1999). Through internalisation consumers trust Rihanna because of her authenticity. She's not like typical popstars because she's rebellious and outspoken. Rihanna is open about how she spends her free-time and isn't afraid to call out journalists who criticise her. In fact, there's an exciting bit of controversy affiliated with Rihanna because of her unpredictability. Fans love her because she's raw and willing to take risks, as an artist and on the red carpet. They trust her judgement which is why they did not hesitate to purchase her line of Creepers which skyrocketed Puma's women's sales.

Risks of Celebrity Endorsements

While celebrities can be valuable for a brand's marketing communications strategy, it is not risk-free. It has been found that negative information about a celebrity endorser not only influences consumers' perception of the celebrity, but also the endorsed product (Erdogan, 1999). Brands also have to consider whether their endorser is just a fad and could lose their popularity or change their image. There is also the possibility the endorser could be affiliated with negative events involving drugs, sex scandals or illegal activities. This would result in more media attention for celebrity, however it would not be beneficial for them or the endorsed brand (Carrillat, d'Astous, and Lazure, 2013).

An example of a failed celebrity endorsement was with Subway and Jared Fogle. Fogle rose to fame for losing 200 pounds by eating Subway. However, when he was arrested on charges for child pornography, people automatically associated Subway with him (Vinjamuri, 2015). This tarnished Subway's name because headlines constantly read "Subway spokesman," causing people to have a negative connotation affiliated with the franchise. Despite quickly ending their partnership with Fogle and stating they wouldn't bring up the matter again, Subway has not

been able to revive the brand from this matter. Their sales are steadily declining and have not been able to recover from this public relations fiasco (Peterson, 2015).

Conclusion

Celebrities are aspirational examples for ordinary people because of their glamorous and luxurious lifestyle. People are willing to do anything to relate to them because of their unattainable social status as part of their desire to emulate them (Pringle, 2004). By applying the source attractiveness model, meaning transfer and brand match-up theory accurately, they can be very effective endorsers for brands. It is crucial for brands to efficiently integrate celebrities with their marketing campaigns for on and offline media platforms. The overall goal of these efforts is to make the specific brand included in the consideration set for consumers (Blythe, 2006). *See Appendix 2 for Further Explanation.*

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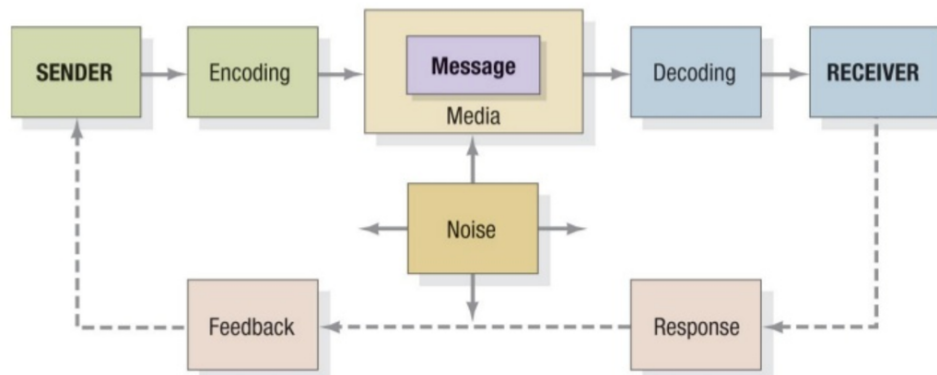
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Appendix

Appendix 1



The communications model discussed conveys the process consumers typically engage in when interpreting brand messages. However, with today's advanced technology and various social media platforms, the model has become a two-way process (Blythe, 2006).

Appendix 2

Rihanna is an excellent endorser because of her willingness to be different, her familiarity to fans all around the world, and likable because of her uniqueness. Based on similarity, she's relatable because she's able to connect with her fans as she personalizes her social media accounts. Rihanna's values align with Puma's because they were both at a time of transition; she was getting her foot into the fashion world and Puma was changing their overall image. Once consumers saw Rihanna affiliated with Puma, they had a better perception of Puma as well as demonstrated by the meaning-transfer model. However, in using celebrity endorsers, they are not always a safe bet, as exhibited by Jared Fogle and Subway. In the future, brands should conduct extensive research into popular celebrities to ensure that their value and goals align with each other. Companies should especially do this at an early stage if they are losing market share or their sales are decreasing.