

IMPACT OF CELEBRITY ENDORSEMENT ON TOURISM INDUSTRY IN INDIA

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Abstract

***Aim of the Study:** The aim of the study is to evaluate the potential consequences of celebrity endorsement in tourism industry in India. The study further attempts to explore the key celebrity characteristics which impact the selection of celebrity for the purpose.*

***Research Methodology:** The study is exploratory in nature. Extensive literature review is carried out to identify the key celebrity characteristics and potential consequences of celebrity endorsement in tourism industry. The study is carried out using secondary data analysis.*

***Research Findings:** The study finds that celebrity endorsement would be an easy way to catch the attention of the tourist and more personal approach could be developed for the advertisement. The negative consequences such as increase in the overall costs are troublesome for the low on budget tourism industry. Further, characteristics such as attractiveness, popularity, image and relevance are the key characteristics which impact the selection of celebrity for endorsement.*

***Future Implications:** The research will have implications for researchers. The study will open new areas for research such as exploring interrelationship between celebrity characteristics impacting their selection, quantifying the benefit in monetary terms occurring due to celebrity endorsement.*

Keywords: Celebrity endorsement; brand association; brand image.

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1. Introduction of the study

Importance of marketing has shown significant increase in the last few decades. In order to make a product successful, it is necessary that an effective marketing programme is developed which not only helps in customer satisfaction, but also builds brand equity. There is a long list of products which have become successful only because they had better marketing campaigns than their rivals. Also, there exists a long list of products which have failed due to their ineffective or under effective marketing programme. Therefore, it is essential that a strong strategy is formulated with respect to marketing. A lot of marketers are confused as to where to start and what must be the focal point of their marketing campaign. Should they focus equally on every aspect of marketing mix or there is any part which might overcome failures of others? Marketing mix consists of four parts- Product, price, place and promotion. The traditional marketing view has focused lot on developing products according to customer needs and making modifications in product or price or their availability, but modern marketing emphasizes more upon promotion. Promotion plays a vital role in marketing. Although there are various sources of promotion such as sales promotion, personal selling, publicity but advertising is proven to be far more effective than other sources. Advertising is defined as a non-personal, paid promotion of goods and services by an identified sponsor. Many of the products owe their success to their advertising campaign. The best thing about advertising is that it helps in capturing the emotions of the potential customers and converts them from potential to actual customers. There are lots of advertisements such as “Action ka school time” of Action Shoes, washing powder Nirma, Liril Girl, Airtel “Har ek friend zaruri hota hai” jingle which have had a long lasting impact on the minds of television viewers. Because advertising is the most widely used promotion mechanism, therefore, with the passage of time, it has evolved for good. Use of animation, graphics and other form of arts and technology has made advertisements more creative and eye-catching but has also increased their cost. One change which is visible throughout the advertising industry is the increasing use of celebrity in the advertising campaign. Be it Hrithik Roshan for Mountain Dew, Shahrukh Khan, Aishwarya Rai, Katrina Kaif for Lux, Alia Bhatt and Varun Dhawan for Frooti, Roger Federer for Rolex watch, MS Dhoni for Godaddy websites and others. A revolutionary step was taken in field of advertising when Gujarat Tourism launched their advertising campaign using a celebrity. It was one of its kinds of promotion when a celebrity was promoting tourism industry of a state. The advertising campaign drew not only media attention but was acclaimed as hit as it resulted in increase of tourist inflow in state of Gujarat. The success

of this campaign started a new debate among researcher that whether celebrity endorsement an help in development of tourism industry at other places and how can we quantify the benefit derived. These answers are yet to be answered statistically. Other state boards have been hesitant in selecting a celebrity as their tourism brand ambassador due to these unanswered questions. Because the budget of tourism state boards is limited, they are reluctant to experiment.

2. Review of Liteature

(Veen & Song, 2013) empirically assessed the impact of perception of people towards the celebrity on tourists intention to visit. The study suggests that image of endorser significantly impacts the intention of visit of tourists and highlights the extent to which celebrity endorsed advertsiements differ from non celeenbrity endorsed advertisement in catching attention of tourist. (Abdurrahaman, Owusu, Soladoye, & Kalimuthu, 2018) concluded that the heavy expenditure incurred by telecommunication companies on celledbrity endorsements have not been succesful in impacting the intention of purchase by generation Y in Nigeria. The study suggests managers to use the heavy outlay incurred in it for other activities such as corporate social responsibility which would attract the interest of generation Y to a large scale. (Jolly & L, 2013) exaamed if the endorsement by celebrity of tourism destination has any impact on tourism intentiion to visit the place and whether celebrity endorsement are succesful over non celebrity endorsement in impacting tourist intention to visit. The study concluded that the majjor advantage of using a celebrity is brand recall and non celebrity adverrtisments are better in convinving the tourist to visit a destination. (Ghotbivayghan, Hoseinzadehshahri, & Ebrahimi, 2015) concluded that endorsement by celebrity has a positive impact on image of the corporation, its credibility and on corporate loyalty. Moreover, corporate image further positively impacts corporate credibility, which in turn positively related with corporate loyalty.(Singh, 2013) attempted to study the impact of celebrity endorsement on products of hospitality sector and estimated the impact of celebriity endrosement on profitability of organisation. The study concluded that celebrity endorsement has played a pivotal role in rejuveniging the tourism industry in state of Gujarat. (Chan, Lee, & Wong, 2018) investigated the impactt of celebrity endorsement on tourism destination choice. The study concluded that celebirty endorsementt positively affect the image of the destination. However, the study could not deliver a confirmation to whether this iineterst of tourist ddue to celebrity endrosement gets converted into destination visit ot not. (Malik & Sudhakar, 2014) explored how sports celebrity endorsement could be used in positioning

of a brand. The study proposed a model for developing a measuring scale for measuring brand positioning through celebrity endorsement. (Shoeb & Khalid, 2014) revealed the impact of celebrity endorsement on image of the brand and identified various factors which play a vital role in success of an endorsement. The study explored the link between the brands and consumer psyche and proposed key areas which should be focus areas while selecting celebrity endorsement as a medium to market the product. (Panda & Thakkar, 2017) investigated the impact of advertisement campaigns by a celebrity in Indian state of Gujarat. The study also highlighted the reasons for effectiveness of advertisement campaigns and the role which celebrity plays in advertisements. (Joseph Chang, 2017) investigated the impact of moral character of endorser on the image of the brand. The study also highlights the impact of moral character of endorser on the evaluation of a product by the perceiver. (Nyarko, Asimah, Agbemava, & Tsetse, 2015) explored the impact of celebrity endorsement on buying behaviour of young generation in Ghana. The study concluded that celebrity endorsements were found to be more attractive than non-celebrity endorsement and positively impacted the purchase intention of tourists.

3. Research Objectives

The following are the objectives of the paper-

- To evaluate the potential benefits and costs of celebrity endorsement in marketing of tourism destinations.
- To examine the factors which impact the endorsement of tourism product through celebrity.
- To identify the celebrity characteristics which affect the selection of a celebrity.

4. Research Methodology

The paper is based on secondary data sources with data collected from research articles published online and offline. The study is exploratory in nature and provides an insight into the reasons which impact the selection of celebrity. Through literature review and policy document analysis, factors associated with celebrities were identified.

5. Evaluating the Benefits and Costs of Celebrity Endorsement in Marketing of Tourism Destinations

In order to formulate strategies for celebrity endorsement, one must have an in-depth understanding about the potential costs and benefits associated with using a celebrity for endorsing a tourism destination in particular. The following sub section deals with highlighting the potential benefits which a destination would have due to celebrity endorsement and the costs which would arise out of it.

5.1. Potential Benefits of Celebrity Endorsement

Any plan or strategy is worthless if it does not provide any benefits to the venture. Celebrity endorsement has shown to have some positive impact in the form of personalized approach to target customers, more attractive marketing campaign, building brand image, easy to recall advertisements. The following section covers the benefits tourism industry would gain through celebrity endorsement.

- **Easy to recall-** A person goes through hundreds or thousands of advertisement over a day. These advertisements may be in form of television advertisements, radio advertisements, bill board advertising and others. Because of the human tendency to forget things, advertising fails to achieve its desired objectives. Use of celebrity has been found to be an effective way to make the consumers memorize an advertisement. A person would find it easier to recall an advertisement with a celebrity because of its attractiveness. Example-
- **Brand association-** Every person wants to be associated with a celebrity somehow. If a person sees a trustworthy celebrity promoting a product, then the person might be persuaded to use the product. This need for association arises only because the product is being endorsed by a celebrity. Example-
- **Brand image building-** If a celebrity endorses a brand or a product, the brand gains from it. The gain is the trustworthiness or the image which the endorser passes it to the product. When a destination or tourism product will be endorsed by the celebrity, that product would gain from the image of the endorser. So, unpopular, under explored or newly developed products would gain massively when promoted by the celebrity as tourist would get encouraged to visit if their favorite celebrity is endorsing it.
- **Attractiveness of advertisement-** An advertisement can be made attractive by way of incorporating a celebrity. The advertisements of soaps and soft drinks have covered leaps and bounds in terms of attractiveness using a celebrity. Advertisement of tourism destinations would be pretty bland and basic just depicting the destinations and activities. But, if a known face is shown enjoying the activities, then this would have favorable impact on the mind of the viewers.
- **Personalized approach-** Celebrity endorsement is a more personalized approach of advertising. Emotional appeals, suggestions, requests when are made by someone with whom a person can associate with helps in better communication of the message. Non

celebrity endorsed message does not have personalized approach and people cannot relate themselves with the message in absence of the face sending it.

5.2. Potential Costs associated with Celebrity Endorsement

Nothing comes without a cost. Celebrity endorsement too suffers from such weaknesses. Although it offers benefits to the marketing department, but the costs associated with it are so significant that these can't be just overlooked. The negative consequences or the limitations celebrity endorsement suffers is as follows-

- **Cost of hiring-** Celebrity comes at a cost. Sometimes the cost is so huge that it becomes a sensational news event. Because of such huge cost involved, government agencies sometimes are reluctant to use celebrity. The limited amount of funds available with the tourism development boards need to be cautiously used and to make provisions for celebrity endorsement is cumbersome task.
- **Impact of negative image-** At times products have faced heat off customers because of negative image of the celebrity endorsing it. Because celebrities are always in lime light, therefore it is highly possible that they might get involved in some controversy. This is sure to have negative consequences for the product they are marketing. Because it is government responsibility to promote tourism destination, therefore they tend to avoid controversies and hence do not much use celebrity endorsement as means to promote.
- **Limitation on creativity-** Advertising through a celebrity reduces the ability to innovate and be more creative. Non- celebrity endorsements such as use of graphics, pictures, videos, CGI has scope to innovate limitless. Marketing in Tourism should be highly creative. Thus, advertisement of Madhya Pradesh, which is a non-celebrity endorsed advertisements has more creativity in term of visual imagery than advertisement of Gujarat Tourism which makes use of celebrity for the same purpose.
- **Same celebrity promoting competitor brand-** Imagine same celebrity endorsing two or more competitor products. The result is failure of the advertising campaign. If Amitabh Bachchan is used to promote Gujarat tourism and North East tourism simultaneously, then the tourist would be confused as to where to visit on the recommendations by the endorser. Because of lack of celebrities who can endorse tourism, it is sometimes found that same celebrity is endorsing multiple destinations, destroying the overall objective of the marketing plan.

- **Finding a relevant celebrity-** Nobody wants to be stereotyped in one personality. Also, celebrities are very image cautious. They tend to promote products which suit their image and marketers tend to choose celebrities which match their product characteristics. But, in case of tourism industry, it is a tedious task. Because tourism in a state comprise of various types of tourism such as religious tourism, heritage tourism, adventure tourism, leisure tourism, sports tourism, medical tourism etc. so it is difficult to find a celebrity which can be used to endorse such a wide variety of tourism without making it awkward. There are also not many celebrities which could be used for the purpose of promoting tourism destinations in India.

6. Factors Impacting the decision to endorse a tourism destination through celebrity:

- **Strategy of competitor-** States acts as a competitor for other states in terms of attracting tourists. The strategy of one state aims to defeat the other states in terms of attracting tourists and generating revenue. If any state is getting benefit from endorsement by celebrity, then it becomes necessary for other states to use celebrities to counter the strategy. So, when Gujarat began to gain from using Amitabh Bachhan, it became imperative for other states to start advertising heavily, creatively either by using a celebrity or in some innovative way.
- **Budget of the agency-** Tourism industry is government controlled. All the marketing and promotional activities are undertaken by the government agencies. These agencies maintain only a limited amount of fund for the marketing purpose. This is because tourism since initial days has not required much of marketing. Because of lack of funds available and exorbitant funds charged by the celebrities, government has been reluctant to use celebrities for promotion of tourism industry.
- **Types of tourism in the destination-** Choice of celebrity endorsement depends upon the typology of tourism at a destination. A religious tourism destination would not necessarily require someone from movie industry or sports to promote it. Because tourism in India is largely done for religious and leisure purpose, use of celebrity for endorsement has been limited. But, as niche tourism is increasing its presence, eminent people from sports, medical sector, social workers are being used to promote tourism in destination. Example- reality tourism, sports tourism.
- **Endorser personal characteristics-** Personal characteristics such as Age of endorser, celebrity image, attractiveness, trustworthiness, relevance and other act as an important basis for selection of celebrity for endorsement. So, for promoting tourism destinations,

it must be noted that celebrity must have high trustworthiness, must have local appealing and should be suitable for the typology of tourism which is present at the destination. As such, to promote adventure tourism, sports persons such as ViratKohli or movie actors like Hrithik Roshan, Ranveer Singh would be suitable candidates.

- **Aim of the marketing plan-** The objective of marketing plan serves the basis for selecting a celebrity for endorsement purpose. If the objective is to cater to a certain age group or typology, then the celebrity which appeals most to that group should be selected. If the aim of the plan is to promote tourism sustainably, then a mature celebrity who is known for his work for the noble cause should be selected so that the message is conveyed effectively.

7. Celebrity Characteristics affecting the selection of a celebrity

A country such as India is celebrity obsessed. Here, celebrities not only have a huge fan following, rather they are worshipped at some places. Celebrities not only include movie stars, but sports persons have gained huge fan following over the years. As entertainment and sports industry is achieving new heights, so is the popularity of the players and actors and actresses. In this globalized world, where international migration is quite popular, the reputation and image of celebrity is measured throughout the world. An actor is considered worthy of being selected as celebrity only if they have a global outreach. Bollywood stars such as Amitabh Bacchan, Shahrukh Khan, Salman Khan, Ranveer Singh, Deepika Padukone, Priyanka Chopra; sports persons like MS Dhoni, ViratKohli, SainaNehwal, SmritiMandhana have risen on the top of the popularity charts in the last few years. The question that arises is what factors must be considered while selecting a celebrity and particularly for endorsing a tourist destination. The following points discuss in depth the key celebrity characteristic which impact their selection and on this basis recommends some celebrities who could then serve as the ambassador for tourism industry-

- **Attractiveness-** Looks and charm of a celebrity is an important factor considered while selecting a celebrity. Celebrities with attractive face are usually selected over the celebrities with a less attractive personality. This is the reason why there is surge in the advertisements with Ranveer Singh, ViratKohli, Alia Bhatt or Deepikapadukone.
- **Image-** Chances of selection of a celebrity depends upon the image people perceive about him or her. Because the celebrity transmits its image to the brand, there are chances that negative image of the celebrity spills over to the brand. Case of Tiger Woods is the clear example where brands had to delink with celebrities to avoid damage.

- **Popularity-** Every star has his life during which it shines brightest in the sky. Brands tend to cash-in to this brightness and engage themselves with the popular celebrities only. As soon as the popularity of a celebrity goes down, brands detach themselves with the current one and attach with the new star.
- **Relevance-** For a celebrity to be hired, relevance with the product is essential. Only a fool would hire a male celebrity for a female cosmetics product advertisement. Therefore, the celebrity should be such that it matches the essence of the product which it is selling.
- **Trustworthiness-** The celebrity should be trustworthy. When a celebrity endorses a brand, the viewers perceive it as celebrity putting the product in the market as their recommendation. The viewers then act on the recommendations of the celebrity and make a purchase. So, a celebrity should be such that people can trust him or her. Trustworthiness in itself depends upon other celebrity characteristics such as attractiveness, image, popularity and relevance.
- **Age of Celebrity-** Because of change in buying behavior, most of the purchases today are being made by millennials. The young generations are highly experiment Depending and are also influenced by the celebrities. This has led to increase in number of young celebrities being used to target the audience.

After discussing the characteristics, we would now look upon some celebrities who could be selected for promoting different type of tourism-

Religious Tourism Amitabh Bacchan Priyanka Chopra Manoj Bajpayee	Adventure Tourism Ranveer Singh Hrithik Roshan Tiger Shroff	Food Tourism Sanjeev Kapoor Vikas Khanna	Wellness Tourism Shilpa Shetty Baba Ramdev Akshay Kumar
Sports Tourism ViratKohli MS Dhoni SainaNehwal	Rural Tourism Nawazuddin Siddique Amir Khan	Spiritual Tourism Amitabh Bacchan Akshay Kumar Shahrukh Khan	Leisure Tourism DeepikaPadukone Salman Khan Ranbir Kapoor

8. Research implications

The study holds implications for the researchers and policy makers. For researchers, they should explore more in detail about the topic. Also, the literature is scant on whether tourism industry could really benefit from endorsement of celebrity; therefore, research

should focus on quantifying the benefit that an industry may derive from celebrity endorsement. Also, there may be interplay of factors or attributes of celebrity. So, researchers should focus on understanding the interrelationship between the factors. For the policy makers, they should provide necessary funds to promote research in the topic. The benefits associated with the celebrity endorsement outweigh the negatives, so, they must ensure that a celebrity is selected as per the recommendations made by the researchers.

9. Conclusion and Suggestions

The study concludes that there exists a plethora of celebrities that could serve as ambassadors for tourism promotion. Although the selection of celebrity depends upon various factors, a celebrity must be relevant. The reason Gujarat government chose Amitabh Bacchan was not only his age or popularity, but it was his personality that matches with the magnanimity of Gujarat tourism. Similarly, more focus should be on celebrities that appeal to the millennials. This is because the emerging forms of tourism or niche tourism products are usually consumed by these types of tourists. If a destination has to survive for long, then it has to experiment well enough with the tourism product it offers. A destination cannot depend on just traditional form of tourists because they exert the same behavior which they had over the past years and are reluctant to change. Because these new tourism products are often new in their characteristics, therefore the celebrities selected should be well researched.

There are following suggestions which the study wants to make for selection of celebrity for tourism destination-

- Tourism destinations are not very different from a product. While selecting a celebrity, destination characteristics must be given preference
- No destination provides a single form of tourism; therefore, a single celebrity would not be suitable for promotion, particularly for niche tourism products.
- Celebrity endorsement does not guarantee high increase in tourist inflow; therefore, tourism boards must be willing to see it as deferred revenue expenditure.
- Caution must be taken with respect to spillover effects of celebrity on destination. A celebrity should complement the destination and not over shadow it.
- Celebrity endorsement requires high funds and there is also no exact method to calculate return on investment. Tourism boards must be willing to make such capital expenditure and treat it as sunk costs.

- The researchers must focus on the research gaps identified in the area and work to cover those.
- State boards should work in collaboration with each other and thereby formulating a nationwide tourism advertising campaign with a group of celebrities for various types of tourism products.

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