



Celebrity Endorsement of Products

Description

Theme:

- Celebrity endorsement has become a prevalent marketing strategy in today's world.

What is Celebrity Endorsement?

- Celebrity endorsement is when a company hires a famous personality to promote its brand, product, or service through advertising. This helps the brand create a positive image of its products in the eyes of consumers and can increase sales. In general, companies tie up with actors, social media influencers, sportspersons, singers, and authors to promote their products.
- The GroupM ESP Sporting Nation report of 2022 highlights the unprecedented growth of athlete endorsements in India, with the total value reaching Rs 749 crore, a 20% increase from the previous year. Interestingly, cricketers remain the most sought-after athletes, with their endorsement value alone accounting for a substantial 85% of all sports in India. Let us discuss the effects of celebrity endorsement of products, its positives, and its negatives, and see what steps the Indian government has taken to ensure the safety of consumers.

Positives:

- Celebrity endorsements help increase brand awareness and visibility, especially for new companies. By associating themselves with a well-known and respected celebrity, companies can create positive associations with their products and reach a wider audience.
- Celebrity endorsement can help companies differentiate their products from competitors and stand out in a crowded marketplace, by leveraging the celebrity's unique persona and image.
- Celebrity endorsement helps to spread awareness about important social causes to the public. One of the most successful social awareness campaigns run in India was about polio vaccination, for which the Indian government hired Amitabh Bachchan as a brand

ambassador. He promoted the polio vaccination campaign in India, and with collective efforts, India became polio-free on 13th January 2011. This is an excellent example of how celebrity endorsement can be used to promote social causes and create a positive impact on society.

- Celebrity endorsement can be a powerful tool to promote tourism and enhance the national image of a country by showcasing its unique culture, traditions, and heritage to the world. For example, during the FIFA World Cup 2022, Qatar hired Lionel Messi to endorse its tourism ads.
- Celebrity endorsement can help to increase fundraising efforts for social causes, as the celebrity's endorsement and support can encourage more people to donate and get involved. In 2020, cricketer Virat Kohli and actress Anushka Sharma launched the "In This Together" campaign to raise funds for COVID-19 relief efforts. Their celebrity endorsement helped to raise over INR 11 crore in just a few days and provided critical medical supplies and support to frontline workers and vulnerable communities.



Negatives:

- Celebrity endorsement can be very expensive for companies, especially for small businesses or startups. Hiring a celebrity for endorsement can eat up a significant portion of the company's budget, leaving fewer resources for Research and Development. This can lead to companies spending less on R&D, which is detrimental to consumers.
- When a celebrity endorses a product, they become the face of the brand, and their reputation becomes closely linked to the product's image. If a celebrity endorser is involved in a scandal or their behaviour is deemed inappropriate, it can severely damage the brand's image and lead to significant financial losses

. This is especially true in today's age of social media, where information can spread rapidly and virally, making it harder for companies to control the damage.

- Celebrity endorsement can be harmful to consumers when it leads to misleading advertisements. When celebrities promote products or services they have never used or do not genuinely believe in, it can mislead consumers and cause them to make purchases based on false information. This can ultimately harm the consumers by wasting their money and potentially causing harm to their health.
- Celebrity endorsement can perpetuate harmful or unrealistic beauty standards, particularly in the fashion and beauty industries, which can lead to negative body image or self-esteem issues among consumers. This is evident in India, where many cosmetic ads promote fair skin as the ideal beauty standard and make unrealistic claims of skin whitening.

Actions taken by the Indian Government:

- Central Consumer Protection Authority (CCPA): The Ministry of Consumer Affairs in India has set up the Central Consumer Protection Authority (CCPA), which is responsible for monitoring advertisements and endorsements for false claims and misleading information.
- Product Liability Law: The Indian government has implemented the Product Liability Law, which makes companies accountable for the quality and safety of the products they manufacture and sell. This law enables consumers to seek legal action against companies in case of any harm caused due to the product's usage.
- Guidelines by the Advertising Standards Council of India (ASCI): The guidelines say that celebrities must check if the claims made in the ads are true and should not promote products that can be harmful or dangerous to use.
- Guidelines for social media endorsement: The Department of Consumer Affairs released a guide called "Endorsements Know-hows!" for celebrities and influencers on social media to ensure they don't mislead their audience and comply with the Consumer Protection Act. The guidelines specify that disclosures must be clearly displayed in the endorsement, and endorsements should be made in simple, clear language.

Conclusion:

Celebrity endorsements can be a powerful tool to increase brand visibility and promote social causes. However, if not handled responsibly, it can also lead to harmful consequences. Misleading advertising can harm both consumers and companies, which is why regulating the practice is essential. The Indian government has taken several actions to regulate endorsements and advertisements, such as the Product Liability Law, Central Consumer Protection Authority, and guidelines by the Advertising Standards Council of India. Despite this, social media has significantly increased worries about false advertising through celebrity endorsements. It is crucial for companies and celebrities to act responsibly and ethically when endorsing products, and for consumers to be aware of the potential risks associated with celebrity endorsements and false advertising.

Photo by [Ron Lach](#)

Your Turn...

What's your take on this topic? Do you prefer the products that celebrities endorse? Express your point of view through the comment section below. And subscribe to our blog to read answers to the trending GD topics.

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