

# Brand Ambassadors And Their Impact On Consumer Behavior : A Case Study Of Mobile Companies In India

*\*Prof. S. S. Aggarwal*

## INTRODUCTION

A **brand ambassador** is a well-connected person or a celebrity who is used to promote and advertise a product or service. He/She is a diplomat, a representative of an organization, institution or corporation that best portrays the product or service. Brand ambassadors are the face and fingers of the brand; everything they touch, the brand is touching. Brand Ambassadors form the public image of brands and are the humans companies use to deliver their message to the public. Non-traditional marketing companies utilize Brand Ambassadors in campaigns to answer questions, engage the audience, and increase brand awareness. Using reputable firms to supply this type of staff allows companies to maintain a high quality of applicants that mirror the target demographic to reach consumers in the most effective manner.

A company achieves some clear-cut goals by using a brand ambassador. It works out in building brand loyalty, as the consumer may have interest in that particular celebrity. So when he or she would see that celebrity in an advertisement, then that person could get motivated to use that product or service; as a respected person is involved with the brand. With the advent of social media and Web 2.0 communications, the term has been re-purposed by advertising agencies to include non-celebrity figures and influential online figures. The term may also refer to a salaried employee of a company who is influential in online communities and represents the “face of the brand”.

Social sites such as Blogger and Twitter have provided a setting for other brand ambassadors. Fans of certain brands (particularly brands with characters such as games, comic books, movies, or tv shows) have created accounts portraying the brands. This type of brand promotion is done completely free of charge and the brand ambassadors are often referred to as Character Bloggers or, in the case of Twitter, Character Twitters.

Brands are usually protected from use by others by securing a trademark or service mark from an authorized agency, usually a government agency. Before applying for a trademark or service mark, you need to establish that someone else hasn't already obtained one for your name. Although you can do the searching yourself, it is common to hire a law firm that specializes in doing trademark searches and managing the application process, which in the United States takes about a year. Once you've learned that no one else is using it, you can begin to use your brand name as a trademark simply by stating it is a trademark (using the “TM” where it first appears in a publication or Web site). Brands are often expressed in the form of *logos*, graphic representations of the brand. In computers, a recent example of widespread brand application was the “Intel Inside” label provided to manufacturers that use Intel's microchips.

A company's brands and the public's awareness of them are often used as a factor in evaluating a company. Corporations sometimes hire market research firms to study public recognition of brand names as well as attitudes toward the brands. Signs and symbols are part of what a brand is, but for us, this is a very incomplete definition. Walter Landor, one of the greats of the advertising industry said: “*Simply put, a brand is a promise. By identifying and authenticating a product or service, it delivers a pledge of satisfaction and quality.*”

The brand ambassador is not a new phenomenon for sure. Brands of every category have used it in their quest for mind and market-space. Brands have used the tool of the brand icon and brand ambassador in their quest for success over the years. What started with a Leela Chitnis for Lux went on to categories that took on brand ambassadors real and animated. A Gattu for Asian Paints became as good a brand ambassador and an icon as any person alive or dead! The brand ambassador in many ways is meant to do different things for brands at different times in their brand life cycles. While Lux uses endorsers who are reigning actresses of the day, every endorser gives the brand back its key proposition of ‘the beauty soap of the film stars’ (‘filmi sitaron ke soundarya sabun’) a plug and a boost! There is indeed a queue among film starlets of every kind to be featured in a Lux ad. It is a sort of sign that they have arrived in Bollywood!

---

*\*Head, Post Graduate Deptt. of Commerce, Bihani S. D. P. G. College, Sri Ganganagar, Rajasthan, Email: robin.19966@yahoo.com*

Sachin Tendulkar for every Tom, Dick and Harish category of branded item, our ex-health minister- Mr. Shatrughan Sinha for Bagpiper (playing cards, drinking soda or mineral water) and every start-up cricketer, macho film-star, a rare former election commissioner, a rarer still animal rights activist, and even Mr.N.R. Narayana Murthy are brand ambassadors par excellence!

Brand endorsement is a way to go! It is a way to get your brand noticed amidst all the clutter that brands create in the marketplace. Brand endorsement by celebrities is possibly the best way to get the awareness rating of your brand up there in the stratosphere of a clutter-free terrain otherwise unattainable with the me-too strategies of the marketer at large.

The latter part of the '80s saw the burgeoning of a new trend in India— brands started being endorsed by celebrities. Hindi film and TV stars as well as sportspersons were roped in to endorse prominent brands. Advertisements featuring stars like Tabassum (Prestige pressure cookers), Jalal Agha (Pan Parag), Kapil Dev (Palmolive Shaving Cream) and Sunil Gavaskar (Dinesh Suitings) became common. Probably, the first ad to cash in on star power in a strategic, long-term, mission statement kind of way was Lux soap. This brand has (perhaps as a result of this) been among the top three in the country for much of its lifetime.

In recent times, we had the Shah Rukh-Santro campaign with the objective of mitigating the impediment that an unknown Korean brand faced in the Indian market. The objective was to garner faster brand recognition, association and emotional unity with the target group. Star power in India can be gauged by the successful endorsement done by Shah Rukh Khan for three honchos- Pepsi, Clinic All Clear and Santro. Similarly, when S. Kumar's used Hrithik Roshan, then the hottest advertising icon for their launch advertising for Tamarind, they reckoned they spent 40 - 50 per cent less on media due to the sheer impact of using Hrithik. Ad recall was as high as 70 per cent, and even the normally conservative trade got interested.

In the Indian context, it would not be presumptuous to state that celebrity endorsements can aggrandize the overall brand. We have numerous examples exemplifying this claim. A standard example here is Coke, which till recently, didn't use stars at all internationally. In fact, India was a first for them. The result was a ubiquitously appealing Aamir Khan cheekily stating *Thanda matlab Coca Cola*. The recall value for Nakshatra advertising is only due to the sensuous Aishwarya Rai. The Parker pen brand, which by itself commands equity, used Amitabh Bachchan to revitalize the brand in India. According to Pooja Jain, Director, Luxor Writing Instruments Ltd. (LWIL), post Bachchan, Parker's sales have increased by about 30 per cent.

India is one country, which has always idolized the stars of the celluloid world. Therefore, it makes tremendous sense for a brand to procure a celebrity for its endorsement. In India, there is an exponential potential for a celebrity endorsement to be perceived as genuinely relevant, thereby motivating consumers to go in for the product. This would prove to be especially true if the endorser and the category are a natural lifestyle fit like sportspersons and footwear, Kapil-Sachin and Boost or film stars and beauty products.

While this is certainly true, a brand ambassador is much more than that. One very proper description of a brand ambassador heard recently that grabs the attention: "a diplomat; a representative of an organization, institution or corporation that best portrays the product or service." Once you consider this definition, the scope of a brand's ambassador spreads and grows into a variety of audiences, each with enormous potential for influencing others and ensuring the brands' success. Let us explore some of the key ambassador groups.

With strong leadership at the top of an organization, the product or service will be given the attention and resources it deserves to succeed. The company's senior managers direct the various components necessary for developing and marketing the product. They also provide the high-level attitude of belief and commitment necessary to motivate employees to back the company's products. Senior managers must continually teach, coach and engage their employees, encouraging them to believe in the company and take an active part in the process of building and marketing products/services with unique characteristics that fill consumers' needs. Without the focus and commitment of the senior management, a product, no matter how strong, cannot become a success.

The sales channels touch potential customers at their most vulnerable moment in the buying cycle—the moment when they seek advice at the point-of-purchase. Most have a good idea of what they need, but are uncertain of which brand will provide it. Incidentally, this holds true for about 80 out of every 100 shoppers, including those influenced by advertising. Most customers seeking word-of-mouth advice follow it. Consequently, if a sales person has little knowledge of your brand and cannot offer good advice, the prospect will likely ring someone else's cash register.

That is how successful brands gain an unfair advantage. Work with strategy to expand the reach of their product and brand knowledge in sales channels, and create effective brand ambassadors.

These days, each and every telecom company is appointing actors/actresses or sportspersons as their role ambassadors for promoting sales promotion of the company.

## **RESEARCH METHODOLOGY**

### **RESEARCH DESIGN**

Decisions regarding what, when, where, how much, by what means, concerning an inquiry constitute a research design. A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine the relevance to the research purpose with economy in procedure.

The research type for this survey is exploratory because of the flexibility of research design.

### **RESEARCH APPROACH**

Primary data can be collected in four ways: Observation, Focus groups, Surveys and Experiments. For this study, the researcher's approach to the research is *survey* based, as it is best suited to know customer preferences and practices.

## **DATA COLLECTION METHOD**

### **PRIMARY DATA**

The primary data is the data gathered for a specific purpose or specific research report. Primary data has been collected with the help of questionnaires from the users (consumers) of Spice, Airtel, BSNL, Hutch, TATA Indicom and Reliance.

### **SECONDARY DATA**

The secondary data is the data, which already exists and is collected for some other purpose. Secondary data has been collected from the business magazines, journals and websites of different telecom companies.

### **SCOPE OF THE STUDY**

The scope of the study covers the brand ambassadors of the major telecom players of the market like **Spice, Airtel, BSNL, Hutch, TATA Indicom and Reliance**. The area of the study covers Patiala district, Punjab.

### **SAMPLING DESIGN**

The sampling design includes three decisions i.e. sampling unit, sample size and sampling procedure.

### **SAMPLING UNIT**

In this research report, the sampling unit includes the data collection of consumers/customers of Spice, Airtel, BSNL, Hutch, TATA Indicom and Reliance.

### **SAMPLING SIZE**

The sample size of the research is 200 respondents.

### **SAMPLING PROCEDURE**

The technique used to select the sample in this study is Convenience Sampling.

## **OBJECTIVES OF THE STUDY**

- To study the role of brand ambassadors in various telecom companies.
- To study the effect of brand ambassadors on the consumer behavior.
- To study the customer's perception towards the brand ambassadors in the promotion of telecom products/services.
- To study the impact of brand ambassadors on the management of the organization.
- To study the dependability of company's sale promotion on their brand ambassador.

## **LIMITATIONS**

During the course of study, the following major limitations were observed:

1. Time is the major limitation, which has affected the inferences drawn in the study.
2. While collecting data, all the relevant information was not available in Patiala, Punjab

3. Some of the respondents were reluctant to share the information with the researcher.
4. All the results and conclusions have been drawn on the basis of information provided by the respondents, so it may lack authenticity.
5. As only one district was surveyed, it does not represent the overall view of the Indian market.

## DATA ANALYSIS AND INTERPRETATION

### 1. What is the role of brand ambassadors in a company?

Options	Response of Respondents	Percentage Analysis
To promote the product	48	24 %
To promote the company	114	57 %
To attract the consumer	38	19 %

The above table shows that 24% of the respondents believe that the role of brand ambassador in company is to promote the product, whereas 57% believe that the role of brand ambassador is to promote the company and only 19% are of the opinion that the role is to attract the consumers.

Majority of the respondents are of the view that mainly, the companies appointed these brand ambassadors for their sales promotion.

### 2. What are the roles of a brand ambassador in a telecom company?

Options	Response of Respondents	Percentage Analysis
To promote the sale of pre-paid/post-paid plans	60	30 %
To promote the packages	52	26 %
To promote and launch new services	88	44 %

From the above table it is clear that 44% of respondents feel that the role of brand ambassadors is to promote and launch new services of the company and 30% of the total respondents feel that the role of a brand ambassador is to promote the sale of pre-paid/post-paid plans and the rest of the 26% respondents say that the role of brand ambassadors is to promote the packages.

Majority of the respondents are of the view that the actual role of brand ambassadors of telecom companies is to promote and launch new services of the companies.

### 3. Who, according to you, should be a brand ambassador of a telecom company?

Options	Response of Respondents	Percentage Analysis
Model	34	17 %
Actor/Actress	78	39 %
Sportsperson	56	28 %
Layman	32	16 %

On being asked who should be the brand ambassador of telecom companies, 17% of the respondents preferred models, 39% preferred actors, 28% preferred sportspersons, and 16% preferred the common man. Majority of the respondents preferred actors.

In a country like India, where maximum number of films are released in a year, people are basically crazy about film actors and actresses and also about sportspersons, especially cricket players.

### 4. Do you think that the performance of a brand improves with the inclusion of a brand ambassador in the company?

Options	Respondents	Percentage
Yes	80	40 %
No	70	35 %

The above table shows that 40% respondents say that inclusion of brand ambassadors improves the services in the company, 35% respondents did not agree and the rest of the 25% respondents had no reply.

Respondents believed that with the inclusion of Brand Ambassadors in the company, the company has to revise its policies and have to make them attractive in order to comply with the image of the brand ambassadors.

### 5. Do you think that the trend of selecting a brand ambassador is increasing now-a-days, as companies have started believing in window dressing?

Options	Response of Respondents	Percentage Analysis
Yes	168	84 %
No	32	16 %

From the above table it is clear that 84% of the total respondents say that selection of brand ambassador is increasing now-a-days because the companies started believing in window dressing, and the rest of the respondents, i.e. 16% said no.

**6. Does the personal life of a brand ambassador affect the sales of a telecom company's product/services which he/she is promoting?**

Options	Response of Respondents	Percentage Analysis
Certainly Affects	82	41 %
Probably Affects	68	34 %
Neutrally Affects	50	25 %

From the table above it is clear that (opinion of 41% respondents) the personal life of the brand ambassadors certainly affects the sales of a Telecom Company's product/service which they are promoting to a great extent. 34% of the respondents said that it probably affects the sales and 25% respondents said that it neutrally affects the sales of a telecom's company's products and services.

When Saurav Ganguly (Former Cricket Captain of India), brand ambassador of Tata Indicom, failed to perform in the innings, the product too failed to get a good response.

**7. What, according to you, should be the basis to choose the brand ambassador for a telecom company?**

Options	Response of Respondents	Percentage Analysis
Style	48	24 %
Sex Appeal	26	13 %
Achiever	54	27 %
Popularity	72	36 %

24% of the total respondents say that style should be the basis to choose a brand ambassador for a telecom company, 13% selected sex appeal, 27% preferred achievers and the rest 36% preferred popularity as the basis of selecting a brand ambassador.

Brand Ambassadors should be stylish and have a good sex appeal, or he/she should be a person on the peak of his/her career.

**FINDINGS**

1. Majority i.e. 57% of the total respondents were of the view that the companies appoint these brand ambassadors for their sales promotion. For example, Reliance Communications appointed Dhoni (a renowned cricketer) as their Brand Ambassador.
2. It has been observed that majority of the respondents i.e. 44% were of the view that the actual role of brand ambassadors of telecom companies is to promote and launch new services of the telecom companies.
3. According to the research conducted, majority i.e. 39% of the total respondents were of the view that film actors and actresses should be the brand ambassadors of a company.
4. Maximum number of respondents i.e., 40% believed that with the inclusion of Brand Ambassadors in the company, the company has to improve the product quality/services and have to make them attractive in order to comply with the image of the brand ambassadors.
5. As per the survey conducted, the maximum proportion i.e. 84% of the respondents believed that the trend for selecting a brand ambassador is increasing day by day because of the increasing role of window dressing.
6. 41% respondents said that the personal life of the brand ambassadors certainly affects the sale of a telecom company's product/services which they are promoting to a great extent.
7. Majority of respondents i.e. 36 % said that brand ambassadors should be persons who are popular.
8. Maximum number of respondents i.e. 57% said that the brand ambassadors of telecom companies have a deep impact on the customer's buying behavior.
9. As per the survey conducted, the maximum number of respondents i.e. 75% said that that the brand ambassador of a telecom company can't interfere in the company regarding the quality of the product/services and management procedures for the sale of company's product but they can interfere in case where their reputation is at stake.
10. Majority, i.e. 63% of the total respondents were of the view that the telecom companies are fairly dependent on their brand ambassadors for the sales promotion and marketing of their product.

**RECOMMENDATIONS**

1. A company has to revise its policies and has to make them attractive as to comply with the image of the brand ambassador.
2. Once the company appoints a Brand Ambassador, it is now his/her responsibility to promote the sales as he/she can directly impact the image of a company. When Saurav Ganguly (former Cricket Captain of India) failed to score in the innings, the product he endorsed (TATA Indicom) too failed to get a good response. So, the brand ambassador should be selected with due diligence.
3. The telecom companies should concentrate not only on film actors but

sportsmen or any other renowned personalities should also be used to promote the brand image as they too have a good fan following.

4. Telecom companies should always keep their brand ambassadors abreast with happenings in the company- like the timing of making any change or launch of any product/services.

5. Brand ambassadors should check the image of the company and the quality of the product/ services before signing the contract with any telecom companies.

6. The brand ambassador should be given a chance to participate in maintaining the quality of the product/services, as inferior quality of the company's product/ services may affect the image of the brand ambassador.

7. There should be perfect match between the values and traits of the Brand ambassador and the product/ services endorsed by him/her.

8. The past record of the brand ambassador should be looked into by the telecom companies before signing the contract with him/her.

## CONCLUSION

Despite the obvious economic advantage of using relatively unknown personalities as endorsers in advertising campaigns, the choice of celebrities to fulfill that role has become common practice for brands competing in today's cluttered media environment. There are several reasons for such extensive use of celebrities. Because of their high profile, celebrities may help advertisements stand out from the surrounding clutter, thus improving their communicative ability. We cannot ignore the fact most of us follow and go for the products which our celebrity uses or advertises. It's the perception of the people that if some products are advertised with a celebrity, then it is going to be good in quality and other related things.

Recently, two of the IT giants, HP and Lenovo signed Bollywood stars, Shah Rukh Khan and Saif Ali Khan as their brand ambassadors. I wonder what prompted these vendors to opt for these starlets. Even though these Bollywood actors have a huge fan following but do they make good choice for endorsing 'tech' products like PCs?

This takes our attention to the current scenario in the Indian advertising world where just movie stars and sportspersons are becoming advertising icons. Even the 'sense' of advertising gurus should be under question, otherwise how will you describe Shah Rukh Khan in a Lux advertisement? Earlier, LUX was endorsed only by actresses, but now with Shah Rukh Khan associated with it, the market has changed and the perception also. Infact, it will be right to say that Shah Rukh Khan is one actor who used his charm and popularity to sell the products. He is endorsing a variety of products like Santro, Lux, Dish TV, Pepsi, Emami's Fairness Cream -Fair and Handsome and so on.

**The big question is that can brand celebrity be leveraged by any company or product?**

The answer is Yes and is almost true. But if we look in the deeper sense then we realize that a brand ambassador can help a company upto a level only and after that, the company is on its own to sell its products and satisfy the customer. The popularity of a celebrity can attract the customer to use a certain product for the first time but after that, it all depends upon the customer satisfaction.

Certainly, people in India are smitten by movie and sport stars but they are intelligent enough to opt for a product because of its qualities and features. In a country of one billion, there are million of icons who have brought glory and achievement for the country, and these success stories can be suitable ambassadors for many brands. It's high time that the advertising world realizes that Indian consumers are smart enough not to be fooled by such advertisements and come out with some innovative ideas and good brand ambassadors.

## BIBLIOGRAPHY

- 1) Agrawal and Kamakura, "The Economic worth of celebrity endorsers: An event study analysis", Journal of Marketing, Vol. 59, (July, 1995) pp.56-62.
- 2) B. Zafer Erdogan, Michael J. Baker and Stephen Tag, "Selecting Celebrity Endorsers: The Practitioner's Perspective", Journal of Advertising Research, (June, 2001), pp.39-48.
- 3) Dean, "Brand Endorsement, popularity, and Event Sponsorship as advertising cues affecting consumer Pre purchase attitude", Journal of Advertising, Volume XXVIII, Number 3, (1999), pp.1-12.
- 4) Erdogan, "Celebrity Endorsement: A Literature Review", Journal of Marketing Research, 15, (1999), pp. 291-314.
- 5) Goldsmith, Lafferty and Newell, "The Impact of Corporate Credibility and Celebrity Credibility on Consumer Reaction to Advertisements and Brands", Journal of Advertising, Volume XXIX, number 3, (2000), pp. 43-54.
- 6) L. K. Marhur, I. Mathur and N. Rangan, "The Wealth Effects Associated with a Celebrity Endorser: The Michael Jordan Phenomena", Journal of Advertising Research, (June, 1997).
- 7) McCracken, Grant, "Who is the Celebrity Endorser?" Journal of Consumer Research, 16 (December, 1989), pp.310-321.
- 8) Jean Noel (1992), Kapferer, "Strategic brand Management", The Free Press, New York.
- 9) Keller, Kevin Lane, Strategic Brand Management: Building, Measuring, and Managing Brand Equity, Upper Saddle River, NJ: Prentice-Hall, Inc.
- 10) Kotler, Philip and Alan R. Andreason (1996), Strategic Marketing For Nonprofit Organizations, Upper Saddle River, NJ: Prentice Hall, Inc.
- 11) Kumar Ramesh. S. (2002), "Managing Indian Brands", Vikas publishing House (P) Ltd., New Delhi.
- 12) Kapoor Jagdeep (2005), Brandex, Biztantra, New Delhi.
- 13) Lan Batey Asian Branding (2002) – "A great way to fly", Prentice Hall of India, Singapore.
- 14) Paul Tmeporal (2000), Branding in Asia, John Wiley and sons (P) Ltd., New York.