National Seminar on Ethics, Entrepreneurship & Sustainable Development on  $19^{th}$  &  $20^{th}$  March 2019

Available online at www.ijrat.org

## Ethics in Celebrity Advertisement- A Literature Review

Author: Mrs. Mahalakshmi.G, Research Scholar, Mother Teresa Women's University, Kodaikanal, TamilNadu

Co-Author: Dr.P.R.Shini, Assistant. Professor, Department of Business Administration, Sri Meenakshi Government Arts College for Women (Autonomous), Madurai-2

#### **ABSTRACT**

Celebrity endorsement has been established as one of the most popular tools of advertising in recent time. Celebrity endorsements is a form of mass advertisement and a process of brand building in which celebrities are appointed as Brand Ambassadors of a particular brand by the organization for a period of time to get involved in the publicity of the product by means of campaigns, mass media advertising, etc. Celebrities have a significant role in the selection process of a product by the consumer. It has become a trend and perceived as a winning formula for product marketing. Today, Marketers pay millions of dollars to celebrity endorsee hoping that the stars will bring their magic to brand they endorse and make them more appealing and successful. The effective brand building is possible only when the celebrity endorsing a brand follows ethics in all his approach; as the consumers attribute the brand equity mostly with the favorite celebrity endorsing the brand. Against the background of celebrity endorsement theories and celebrity endorsement strategies, this paper presents a new term "celebrity ethics" from the consumers' point of view. Essentially, it delineates the "consumer perceived celebrity ethics" as an important dimension of celebrity endorsements. This paper is an attempt to create a set of desired standards which if followed may lead to stop unethical practices followed in marketing to certain extent. This paper also brings into light the unethical practices of celebrity endorsement which has been followed through decades. Thus, we believe that the results may provide valuable inputs to advertisers as well as to socially responsible organizations that are seeking to rope in celebrities who would be ethically fitting to act as endorsers for their products or services.

Key Words: Ethics, Celebrity Endorsement

#### INTRODUCTION

Ethics in business is a much discussed phenomena now, especially after the news about the increasing number of corporate executives indulging in scams. However, it is essential to comprehend the relevance of ethics in each domain of management. The interesting development in the field of marketing communications necessitates an inquiry into how consumers generally feel about ethics in marketing communication. indicates morality. Marketing ethics is moral behavior of the parties involved in operating and regulating the marketing process. Due to liberalization, privatization and globalization, the economies are growing, resulting in growth of the market size and creating huge competition among brands faced by Indian and foreign companies. Marketers have been constantly finding out set of policies or framework having an impact over the market to reduce the level of competition and increase their market holding. Celebrity endorsement is a set of framework in which celebrities are hired in the process of marketing a particular brand for a certain period of time to achieve the objective of increasing their market holding.

An increasingly notable trend in the advertising industry is "Celebrity Endorsements". It is evident that celebrities do have a strong hold on the purchase decision of a consumer. So, if this form of marketing strategy is misused by the marketing parties then the interest of the society and mankind will be hampered both by health as well as wealth.

### **DEFINITIONS**

### A. Celebrity Endorsement

Celebrity endorsement is a form of brand campaign which involves a popular individual who uses their fame to help in promoting a product or a service. It helps a company to improve their credibility and boosts the demand of the product.

### B. Ethics

Ethics means "Good Conduct" or "Conduct which is right in view of the society and the time period". By common consent, various modes of behavior and conduct are viewed as "good" or "bad".

### ETHICAL PRINCIPLES IN ADVERTISING

Ethics in advertising can be seen as a set of moral principles that govern both

### International Journal of Research in Advent Technology, Special Issue, March 2019 E-ISSN: 2321-9637

National Seminar on Ethics, Entrepreneurship & Sustainable Development on  $19^{th}$  &  $20^{th}$  March 2019

Available online at www.ijrat.org

communication between the seller and the buyer and also the advertising business. The benefits of advertising are obvious, as are the benefits of a few elements that are not consistent with ethical standards. It is believed that ethical advertising is a type of advertising that does not lie, promote forgery and lies within limits of decency. As a general rule, the principles of moral order should be also applied to the controversial field of advertising. Human freedom has one purpose: authentic and moral response. From the moral perspective, good advertising is an advertising that seeks to determine people to choose and act rationally; bad advertising tries to determine people to do bad things, turns them to destructive actions for themselves and the community.

In other word, it can be said that 'Ethics' are the guideline principles and values that govern the actions, behavior and decisions of an individual or group. Ethics is a choice between good and bad or between right and wrong. It is governed by a set of principles of morality at a given time and at a given place and in a given society. It is evident that celebrities do have a strong hold on the purchase decision of a consumer. So, if this form of marketing strategy is misused by the marketing parties then the interest of the society and mankind will be hampered both by health as well as wealth. From the Maggi Case, it is evident how a normal consumable product becomes the habituated food habit of various youths and children, and how it has hampered the health of millions of consumers. But how do such products enter in our daily life. It is also through mass advertisements endorsed by leading celebrities of India, whereby the trust on celebrities get translated into the trust for the product. Therefore one can conclude that it is not only the organization which hampers our selection process, but also the celebrities who endorse it. Be it daily consumables such as shampoo, soaps, biscuits, cold drinks, cosmetics, food and beverages, etc or specially sought goods [these are those goods which requires special effort of buyer as it holds a prestige value] such as car, interior décor, laptops, mobile phones, wedding dresses, etc all are endorsed by celebrities.

India is a country where stars are idolized and worshipped. Marketers use them so as to influence their existing or potential customers to succeed and reap huge profit. The manufacturers use various immoral methods like Concealment of facts, false claims and false testimonials thus violating several rights of the consumers. Celebrities who endorse the product should test, experiment and try the product to find out its quality. This has given rise to countless controversies in the Indian advertising industry.

Generally, motives behind Endorsements by Celebrities are - improving credibility, recognition of the brand, to refresh the brand/company image, to boost the demand of the product, to bring reliability on the product, to bring retention of the product.

## Why is it desired for Celebrities to be ethically responsible?

Common people hold a very keen interest in the living pattern of celebrities, which cannot be considered wise as they can lead to setting bad and unhealthy examples leading to creating a risk to health, life, society and finally to environment as a whole. To be acknowledged the celebrities have a very good public image which tends common people to follow them in aspects of dresses they wear, food they eat, car they drive, leading to a trend which is followed by mass audience. In the eyes of consumers whenever a celebrity endorses a product or a brand, it is his image which is characterized to the product. It is reminded that celebrities are also people as all others bearing the temptations, the anxieties and mental strains. But they are in the public eye bearing a good and positive image, so much to provoke bad behavior. So the time has come when celebrities should realize their ethical responsibilities. There are celebrities who have initiated the process of being ethically responsible.

Sachin Tendulkar (Former Indian Cricketer) has refused 20 crore rupees offer of endorsing a top liquor brand. This initiative of Sachin was highly appreciated by Minister of Social Justice Development Sivajirao Moghe of Maharashtra Government. Since Indian Law forbids alcohol and cigarettes companies from advertising their products, the offer to Tendulkar was to appear in a Surrogate Advertisement, which would finally lead to promote the liquor brand. Harbhajan Singh and Yuvraj Singh were castigated by Sikh religious bodies for appearing in a surrogate advertisement for a whisky brand. Badminton star Pullela Gopichand turned down a lucrative offer from a soft-drink giant to endorse their cola. He also refused to endorse cigarettes brands soon after winning All England Badminton Championship. Some Bollywood stars also have chosen principles and ethics over money. Akshay Kumar refused to endorse a pan masala company while Abhay Deol has expressed reservations over endorsing cigarettes brands and fairness creams. Swachh Bharat Abhiyan is the India's largest ever cleanliness drive initiated by Prime Minister Modi and endorsed by celebrities like Pullela Gopichand, V.V.S. Laxman (Former Indian Cricketer), Kapil Sharma (Comedian), Manoj Tiwari (Actor), Kiren

### International Journal of Research in Advent Technology, Special Issue, March 2019 E-ISSN: 2321-9637

National Seminar on Ethics, Entrepreneurship & Sustainable Development on 19<sup>th</sup> & 20<sup>th</sup> March 2019

Available online at www.ijrat.org

Bedi (Former I.P.S), Kailash Kher (Singer), and many more is a good example of ethical celebrity endorsement.

### Why Do Celebrities Endorse Unhealthy Products?

As Maggi's credibility sank for having MSG and lead beyond permissible limits, leading to FIR against their celebrity endorser's Amitabh Bachchan, Madhuri Dixit and Preety Zinta for misleading their fans. Unlike western counterpart, Indian film stars are not merely actors getting paid for their jobs, as those attending superstardom is worshiped being reserved and followed blindly. Bigger the superstardom, bigger is the belief that they can do no wrong. It is not right to hold these celebrities responsible for the unhealthy practices of the manufacturers. As all rational consumers know that claims made by fairness creams and shampoos will not turn us into Aishwarya Rai or John Abrahim. Few decades back, processed food was restricted to urban markets, but has now made roads into rural areas, penetrating into a poor, malnourished constituency of people who lack the education to comprehend and counter their antihealth effects, making celebrities venerated by these masses, whose every word is taken as the ultimate truth, are expected to exercise judgment when endorsing colas, noodles, Kurkure and chips, that do more harm than good. Brand endorsers are not money making machines but, rather, men and women who exert a strong influence on their fan base.

# GUIDELINES FOR CELEBRITY ENDORSEMENT

### For the Celebrities:

- 1) Agree on payment, length of agreement and terms of endorsement.
- 2) Be prepared for the downside if the organisation fails. This may include legislative action, financial penalties and negative publicity.
- 3) Have an exit clause if the organisation's values no longer align or the organisation fails.
- 4) Ensure relationship with the organisation is disclosed in adverts and social posts in line with legislation and meeting the PRINZ and ASA Code of Ethics.
- 5) Consider supporting causes rather than organizations.
- 6) Have a genuine connection to the brand. Use the organization's product or services.
- 7) Do due diligence to ensure the organization's ethics are in line with own beliefs.

### For the organization:

1) Ensure the celebrity's values and ethics are in line with the organisation.

- 2) Be comfortable with the integrity of the organization being in the public eye.
- 3) Align celebrity endorser's use with business goals and do a risk analysis.
- 4) Have insurance to protect against a celebrity scandal.
- 5) Agree on contract length, payments and terms of endorsement.
- 6) Have an exit morality clause if the celebrity's behavior does not meet the standard of the organization.
- 7) Ensure exclusivity so the celebrity can't work with other organizations without consent.
- 8) Ensure the celebrity discloses in adverts and social posts in line with legislation and Meeting the PRINZ and ASA Code of Ethics.
- 9) Celebrities are human so be prepared to make difficult ethical decisions during the association whether they make business sense or not.

### **CONCLUSION**

Celebrities symbolize knowledge, belief and aspiration in the eyes of consumers. A celebrity's popularity in the masses turns out to be an important criterion in selling a particular product. It is more the trust and love for the celebrity than the quality or durability of a product to be sold. The celebrity endorsement influences the minds of the consumers. Consumers perceive the brand as having superior quality because it has been endorsed by a credible source; this makes endorsement as one of the indictors of quality for any brand. So celebrities have to possess a sense of moral and ethical responsibility while endorsing any product whether it is consumable or any or product. It is understandable that it is unrealistic to expect our superstar brand ambassadors to conduct tests and verify whether the government approval on the product is deserved or not, but is it too much to expect them to exercise better judgment especially when their stamp of approval is taken as the gospel truth by their adoring fans.

### REFERENCES

- [1]http://shodhganga.inflibnet.ac.in/bitstream/1060/38718/4/04\_chapter%20-2.pdf
- [2]http://www.ecoforumjournal.ro/index.php/eco/ar ticle/viewFile/245/259
- [3]https://pdfs.semanticscholar.org/d60e/e16e1ccde 2eedd9521aadb8f3b41e4b134c7.pdf
- [4]http://seaopenresearch.eu/Journals/articles/SPAS 7 74.pdf
- [5]http://seaopenresearch.eu/Journals/articles/SPAS \_7\_74.pdf