HAPTER TWELVE

Endorsements

Learning Objectives

- Revisit the concept of matching.
- Learn why athletes are valuable endorsers.
- Delineate the selection process.
- Learn how Q Scores are used by marketers.
- Identify the five prominent problems with celebrity endorsers.
- Learn how good personalities can still present problems.

One common strategy in today's marketing environment involves the use of celebrity endorsements. While the use of athletes to promote a product is not a new phenomenon, it has certainly gained momentum in recent years. Golfers Jesper Parnevik and Tiger Woods recently signed endorsement contracts with Upper Deck, one of the primary marketers of collectible trading cards. As part of their agreements, Parnevik wears the Upper Deck logo on his hat and Woods has granted the company the exclusive right to produce and market all of his autographed memorabilia.

Of course, endorsements deals are not the sole province of athletes. There have been many endorsements by other well-known individuals such as entertainers and politicians. While these individuals are instrumental in the marketing of sports events and sporting goods, they may also serve a key role in the marketing of consumer products and business-to-business products. Examples include the use of Jon Bon Jovi to endorse Duracell batteries, Bob Dole to promote Pepsi-Cola, David Beckham to promote the game of soccer (football), Michael Jordan and Larry Bird to promote McDonald's, Sarah Ferguson to promote Weight Watchers, and Arnold Palmer to promote handheld dictation equipment for Lanier Worldwide.

> The use of celebrities in a marketer's communications strategy can contribute to greater brand recognition and can create a positive perception in regard to the endorsed product.

It is believed that the use of celebrities in a marketer's communications strategy can contribute to greater brand recognition and can create a positive perception in regard to the endorsed product. Foremost, however, is the belief that the celebrity endorser will be instrumental in the task of persuading the consumer to purchase the product initially and in inducing a higher degree of brand loyalty once the initial purchase has taken place. The endorser with a solid image can transfer that image to the product, thereby helping to create and maintain an aura of credibility for the marketer and its products. At a minimum, the endorser can help cut through the competition's advertising clutter so as to attract and maintain the consumers' attention in the effort to gain market share.

he Matching Process

An *endorsement* involves a payment to a spokesperson who will recommend and encourage the purchase of a marketer's product. The key distinction between an endorsement and a conventional advertisement is that with the former, a celebrity spokesperson is employed to promote the product in a more proactive manner. Rather than an anonymous actor, a celebrity is used in ways that consumers recognize the spokesperson and develop an association between him or her and the product being endorsed. For an endorsement to be effective, there must be a match between the endorser and the marketer. As stated by Reed Bergman, the president of Impact Sports, "the essential element between any partnership is the balancing of needs."[1]

For the relationship between the marketer and the endorser to flourish, there must also be a match with the target market. The marketer must deliver a product sought by the target market, and the endorser must be able to exert some influence on members of that target market and their purchase decisions. If any of these matches is absent, the endorsement is less likely to be effective. This kind of relationship is exemplified in a recent statement about the endorsement power of Tiger Woods. According to Dean Bonham, president of the sports marketing firm the Bonham Group, Tiger "has that ability to get the masses out there to buy clubs, play golf, and buy merchandise. He's fueling the Internet and pumping up TV ratings."[2] This is the result of sound matching between the marketer, the endorser, and the target market.

ndorsement Applications

The use of celebrity endorsements in conventional advertising and other forms of promotion is typically implemented via one of three endorsement modes. Determining the appropriate mode is generally a matter of assessing the nature of the relationship between the product and the celebrity endorser. Of course, the marketer must keep in mind the extent to which members of the target market will understand that relationship and be influenced by it. Properly implemented, the marketer can develop a sustainable competitive advantage that its competition will find difficult to neutralize.

The initial application is characterized by the statement that "*I use it, so should you.*" Nike has effectively used this strategy in its efforts to make headway in the golf equipment market. Tiger Woods's endorsement of Nike golf balls allowed the company to quickly attain a meaningful share of that market. Nike has continued this strategy with Woods's and New Zealand golfer Michael Campbell's endorsements of the company's golf clubs.

This strategy is also appropriate when the product being endorsed is not sports-related. For example, American Express has long used celebrities to endorse its credit cards. At the end of each TV advertisement, the viewer sees that the endorser has been a "member" with an American Express card for some extended period of time. It reinforces the key issue that "I have an American Express card, so should you." Similarly, the aforementioned endorsement by Jon Bon Jovi was implemented by showing footage of the band in concert and indicating that when in concert, the band used Duracell batteries in their wireless microphones. Figure 12.1 illustrates the "I use it, so should you" endorsement strategy. It features former and current NFL All-Star quarterbacks Archie, Peyton, and Eli Manning in an advertisement for milk.

The NBA 2004 Rookie-of-the-Year LeBron James recently signed a four-year, $5 million contract to endorse the chewing-gum brands of Cadbury Schweppes. James constantly chews gum while playing basketball, and he once pronounced his love for the marketer's Bubblicious bubble gum. But the deal doesn't stop there. Not only will James appear in print and TV advertising, but the company has introduced a new LeBron-inspired flavor. There is also a belief that his endorsement will be a crucial component in Cadbury

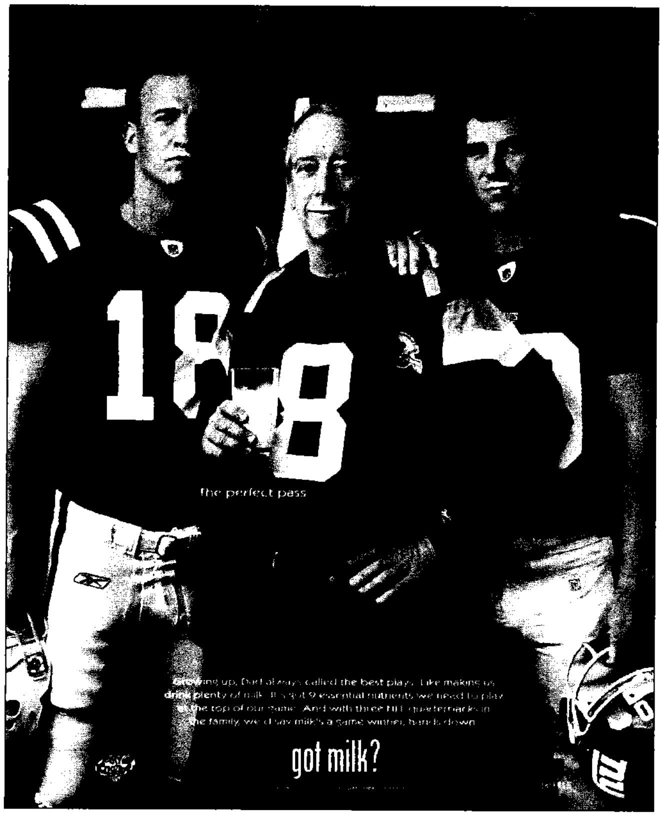

FIGURE 12.1
Peyton, Archie, and Eli Manning—We Drink Milk, So Should You

Schweppes' introduction of a new "sports gum." It is easy to see that the "I use it, so should you" appeal is both common and effective.

A second application is based upon the ability to portray the endorser as an expert within the product category such that members of the target market view the individual as a viable source of information. This mode is represented by the argument that *"I am an expert, and I think that you would be smart use this product."* Note that it does not indicate that the endorser actually uses the product; rather, the endorser attempts to convey the message that it would be wise for members of the target market to use it. For example, few consumers would think that the typical Formula One or NASCAR vehicle would use the same engine lubricants or fuels that consumers use in their cars, but the professional drivers would certainly be viewed as experts within their domain. Thus, any endorsement by well-known drivers such as Michael Schumacher or Dale Earnhardt Jr. would benefit from their perceived expert status. As an example, consider A.J. Petty (of NASCAR fame) and his endorsement of the famous motor lubricant STP. Consumers did not know if he used it or not, but they respected his opinion. It is this respect as an expert that will induce many members of the target market to purchase the product. An example in a nonsports setting could be a doctor's endorsement for a pain reliever or a musician's endorsement for stereo components such as audio speakers. Within their domains, they are perceived to be experts whose opinions are well respected among certain groups of consumers. There is perhaps no person who is perceived as move of an expert in the field of air travel than Sir Richard Branson, president of Virgin Atlantic. His endorsement of Samsonite luggage certainly conveys the message that as an expert, he thinks that you would be wise to use the product that he is recommending.

The final application is more basic and does not emphasize any strong relationship between the endorser and the product. The marketer does not attempt to portray the endorser as either a user of the product or an expert on the product category. This endorsement application is characterized by the belief that *"I think its cool, so you should use it."*

FIGURE 12.2
Sir Richard Branson of Virgin Atlantic Airways—I'm an Expert in the Field of Air Travel, and I Think You Should Use Samsonite Luggage

Marketers using this strategy see the endorser as a way to get attention, by cutting through the clutter of advertising in today's marketplace. The strategy may also be used to reposition a brand or a product. Tiger Woods tells consumers that the Buick brand of automobile is cool, and he suggests that consumers give Buick some consideration in the purchase process. Woods is not an automotive expert, nor is he seen driving around in his own personal Buick; but the endorsement strategy may induce others to purchase a Buick. If so, the strategy has been effective. The advertisement featured in Figure 12.3 seeks to capitalize on the strategy where athletes neither purport to use the product nor provide expert opinions about the merits of the product. The effectiveness of the ad is based upon the consumers' ability to recognize Jeff Gordon, who projects the "it's cool" image to wear Tag Heuer watches.

Athletes as Endorsers

It has been stated that "great athletes, because of their prominence in our society, tend to play many different roles. They are not viewed simply as sports entertainers, but are often expected to engender strong values and morals that conform to societal and cultural norms."[3] This premise has been severely strained over the past few years as more athletes across the globe have found themselves on the wrong side of the law. Thus, the task for the marketer is to identify those athletes who possess the qualities that society embraces and who are unlikely to stray from that lifestyle. While that process is considerably more difficult today, marketers that can identify and sign these athletes can reap considerable rewards.

Legal and moral transgressions do not represent the only risk for marketers that opt to utilize athletes in endorsement roles. A second concern that may greatly diminish the value of an endorsement deal is the health of the athlete. This may include illness or injury. NBA star

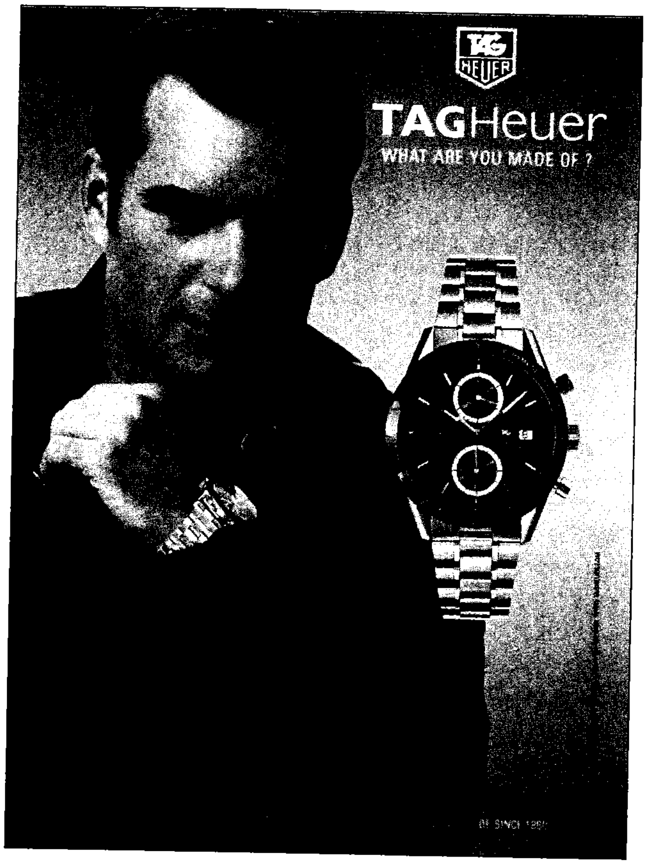

FIGURE 12.3
Jeff Gordon—Tag Heuer Watches are Cool, So You Should Buy One

Magic Johnson saw a significant drop in his endorsement power when he was diagnosed as HIV positive and forced to retire. Similarly, dual sport (National Football League and Major League Baseball) star Bo Jackson saw his lucrative endorsement world crash when he sustained a career-ending hip injury. Some athletes have been able to sustain a viable endorsement agenda after retirement, but those cases are exceptions. Such an opportunity depends upon the athlete's ability to continue to influence the target market. Golfer Arnold Palmer has continued to flourish in this role, and there is little doubt that recently retired Michael Jordan will continue to have a significant role in the endorsement arena for years to come.

Factors Favoring the Use of Athletes as Endorsers

Athletes seek endorsement contracts that generate significant income, and marketers seek athletes who can favorably impact their own position in terms of perception and revenues. For the athlete, there are several issues that directly influence their earnings potential. First, their accomplishments represent a key factor in the selection process. The more they have accomplished, the greater potential they have in a marketing role. Second, any athlete who has an enduring personality and whose persona is always associated with a sport may earn a place in the elite club those who have ongoing endorsement potential. Third, an athlete who participates in an international sport has more endorsement opportunities outside of his or her sport and home country.[4] That is to say that professional tennis players and Olympic athletes have greater earnings potential than an American baseball player or a player on an Australian Rules Football team. Still, all of these points would be irrelevant were it not for the evidence that the use of athletes as product spokespersons works.

A HISTORY OF MARKETING THROUGH CHAMPIONS 12.1

The roster reads like a Who's Who of Sports.

Babe Ruth is there. So are Jackie Robinson, Michael Jordan, Bronko Nagurski, Walter Payton, and John Elway.

Bruce Jenner, Mary Lou Retton, Billy Mills, and Babe Didrikson Zaharias also have captured a coveted spot on the Wheaties box.

Jack Armstrong, the fictitious All-American boy, set the standard as the first athlete on the Wheaties box in 1934. Those who followed were chosen because they excelled in sports and captured the heart and soul of America.

The same year Armstrong appeared on the box, Wheaties honored baseball great Lou Gehrig.

Since then, hundreds of athletes have been put on the orange cardboard pedestal as General Mills Inc. created its own Hall of Fame to promote Wheaties, one of the stalwarts in its line of Big G cereals.

"Most athletes look at this as a great honor," said company spokeswoman Pam Becker.

That was the case for decathlon gold medalist Dan O'Brien, who was pictured on the Wheaties box following the 1996 Olympics. "This is one of my dreams," O'Brien said.

Forward Karyn Bye of the 1998 U.S. women's hockey team that won the gold in Nagano, Japan also was thrilled.

"I know I'm going to drive into a gas station and somebody is going to say, 'Hey, you're on the Wheaties box!'" Bye said. "And I'm going to say, 'I know it. Do you believe it?'" Some of the athletes also have made commercials and personal appearances on behalf of Wheaties.

In the early years, the athletes appeared on the back of the box. The first on the front was Olympic pole vaulter and fitness crusader Bob Richards, a two-time gold medal winner who was a Wheaties spokesman for 12 years, beginning in 1958.

Wheaties, which began picturing athletes on its boxes 10 years after the cereal was introduced, is celebrating its 75th anniversary this year. General Mills decided to honor the public's top 10 favorites by reissuing their original boxes. Earlier this year, Wheaties boxes included a ballot listing 75 of the hundreds of possible choices plus a spot for write-in votes.

Wheaties' association with sports began in 1933, when it began sponsoring broadcasts of Minneapolis Millers baseball games. Later that year, the advertising slogan "The Breakfast of Champions" was created by advertising executive Knox Reeves for a large signboard at the ballpark.

Wheaties' baseball broadcasts were expanded to other teams and eventually were heard on 95 stations around the country. At one of those stations, WHO in Des Moines, Iowa, a young broadcaster named Ronald "Dutch" Reagan entered a contest for Wheaties broadcasters. He won a trip to Hollywood, all expenses paid, and never returned.

Athlete testimonials were a key part of the broadcast package. In addition to Gehrig, Ruth, and Robinson, baseball greats Joe DiMaggio, Stan Musial, Ted Williams, Yogi Berra, Mickey Mantle, and Johnny Bench spoke for Wheaties. In 1939, 46 of the 51 players chosen for the Major League All-Star Game endorsed the cereal.

Despite the success of the sports advertising, Wheaties changed course in the early 1950s and began using the Lone Ranger and Mickey Mouse Club to capture more of the children's market. In the process, it lost some adults.

"Sales dropped more than 10 percent in one year," Becker said.

The company resurrected its sports and physical fitness marketing strategy, hiring Richards as its main spokesman and establishing the Wheaties Sports Federation to support and promote fitness. It stuck with sports as it expanded the cereal line to include Crispy Wheaties 'n Raisins and Honey Frosted Wheaties.

The strategy continues to work, Becker said. The company received tens of thousands of ballots after the boxes with the 75th anniversary ballots, which were due last month, hit the shelves January 1, she said.

All this for a cereal that began as an accident.

In 1921, a health clinician in Minneapolis was mixing a batch of bran gruel for his patients when he spilled some of the mix on a hot stove, where it crackled and sizzled into a crisp flake.

He took the crisped gruel to the folks at General Mills' predecessor, Washburn Crosby Co. Head miller George Cormack then began testing wheat varieties to create a stronger flake that wouldn't turn into dust inside a cereal box.

A contest was held among company employees and their families to rename the new cereal, which was introduced in 1924 as Washburn's Gold Medal Whole Wheat Flakes. Wheaties was the winning entry and the cereal was renamed in 1925.

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Source: Karren Mills, Associated Press; from *Marketing News*, March 15, 1999, p. 12. Reprinted by permission of the Associated Press.

Basic evidence of the effectiveness might be inferred from the increased use of the strategy. Studies indicate that the presence of athlete endorsements in print advertisements has trended upward since the 1920s. However, that actual percentage in general readership magazines is still quite low. Endorsement ads appear in sports-related magazines such as *Sports Illustrated* and *New Zealand Sport* with greater frequency. Presumably, this is due to the closer fit between the endorser and the each magazine's target market. This fit should make the athlete endorser more effective. This raises the question as to whether or not there is evidence that these marketing efforts actually work.

Recent studies support the belief that endorsements provided by athletes do provide positive results for the marketer.

Recent studies support the belief that endorsements provided by athletes do provide positive results for the marketer. However, in one study the results varied significantly from one athlete to another. For example, the percentage of sample members who correctly identified Michael Jordan's relationship with Nike was 73 percent. Conversely, only 7.6 percent correctly associated Gabriela Sabatini with Yamaha.[5] The authors of that study also stated a belief that recognition rates would be better when the endorsement addresses sport-related products rather than mainstream consumer products like watches and fast-food restaurants. Thus, it would be argued that Michael Jordan's endorsement of Nike is likely to be more effective than his endorsement for Hanes underwear. Similarly, Serena Williams's endorsement of Nike should produce better results than will her endorsement of Wrigley's Doublemint gum. Box 12.1 sketches the history of people who have appeared on Wheaties boxes.

From a different perspective, a recent study documented a positive relationship between a firm's stock price and the announcement that the firm has signed a contract with a celebrity endorser.[6] The implication is that investors tend to view these relationships in a positive way and anticipate increases in market value. Thus, it appears that consumers, marketers, and investors all recognize the potential benefits that the celebrity spokesperson can provide.

ctors Impacting Endorsement Effectiveness

A number of factors have been identified as potentially impacting the effectiveness of an endorsement campaign. These factors primarily relate specifically to the endorser; however, others relate to the fit among the endorser, the product, and the market. Another factor involves the long-term sustainability of an endorsement program. Each of these factors is described on the following pages.

Endorser Is a High Achiever

There is a correlation between the effectiveness of an athlete in an endorsement role and what the athlete has achieved throughout his or her career. This is true even if the athlete has retired. Award-winning entertainers have more marketing power than do character actors who perform in minor roles, and winning politicians generally have more impact than perpetual losers. From a strict impact perspective, the marketer is generally best served when able to secure the services of a high achiever. Of course, a high-achieving endorser will be paid higher fees, so impact must be weighed against cost to arrive at a true measure of effectiveness. It is noteworthy that many marketers feel that it is better to retain a single high achiever rather than several less expensive, lower-profile endorsers. From a sports perspective–local, regional, national, and global—there will be a limited number of high achievers available. Unfortunately, in addition to being more expensive, these high achievers may limit the number of endorsement deals in which they will participate at any given time. They may also have existing contracts with competitors that preclude their ability to endorse the marketer's product. Simply stated, high achievers may be difficult to sign.

Endorser Has Believability/Credibility

Motive is an issue in regard to believability. Why is the celebrity endorsing the product? Is it because it truly is perceived to be superior, thus worthy of endorsement? Or is it because one marketer outbid another for the celebrity's support? Two recent issues concerning Tiger Woods come to mind in this regard. His switch from Titleist to Nike raised some eyebrows, even to the point where his competitors spoke of Tiger's performance with "inferior equipment." From a different perspective, when Woods's five-year contract with Rolex watches expired, he signed a new contract with competitor Tag Heuer. Questions were raised as to the motive for the switch, with many critics offering the belief that it was because Tag Heuer offered a more lucrative deal, not because they produce a superior watch.

> If BMW pays someone to endorse its cars, it doesn't want to see that individual in advertisements for Porsche.

For an endorser to be effective, the target market must believe that the spokesperson is sincere. This requires an assessment of the character and past activities of the endorser. It also dictates that the marketer should identify potential conflicts and contractually limit the spokesperson's ability to endorse other brands within the same product category. In other words, if BMW pays someone to endorse its cars, it doesn't want to see that individual in advertisements for Porsche. Conflicts such as these make it difficult for the consumer to accept any claim of product superiority made on behalf of the marketer.

Endorser Is Known

People in the target market must be familiar with the celebrity endorser. In light of this reality, marketers have historically selected high-profile athletes from major sports to serve as their spokespersons. It is believed that these individuals are more effective in the marketer's task of achieving the objectives tied to an endorsement program.

If it is a face and name with which the consumer is not familiar, the endorser might as well be an aspiring actor. In sports, this creates problems for athletes who participate in secondary events. The Olympic gold medalist in women's ice skating may be well known; but her gold medal–winning teammate in snowboarding may be comparatively unknown. This might explain why Sarah Hughes has endorsement contracts (including Wheaties Cereal and Campbell's Soup) while few opportunities exist for her gold medal–winning teammate Kelly Clark. Interestingly, because she is well known and an acknowledged achiever, silver medalist skater Michelle Kwan has signed an array of contracts, the most notable being Disney. It is a reality that fewer female athletes are known by the general public, which has meant fewer endorsement opportunities for women. However, the recent growth in women's sports—soccer, golf, and basketball, in particular—is leading to more and better contracts for women athletes. For example, in 2003 Nike signed its first female golfer, Grace Park of Korea. But many people look to Nike's 2005 signing of Michelle Wie to represent a major breakthrough in the endorsement environment for female athletes.

Endorser Is Likable/Popular/Admired

Emotion plays a key role in celebrity endorsements. This emotion is based upon the extent to which a consumer likes or dislikes the spokesperson. From a sports perspective, one would anticipate that local athletes would be viewed favorably while arch rivals would be looked upon with considerable disdain. Reebok has recently suffered significant losses in market share to adidas and Nike in key Asian markets. To counter this trend, Reebok signed the very recognizable and admired Yao Ming to an endorsement contract. It is hoped that his popularity in China will provide Reebok with a sustainable competitive advantage that will be difficult for competitors to neutralize.

The athlete's personality also plays a key role, as reflected by comments made to and reported in the press. Serena Williams recently mocked the French citizens in a TV interview saying they'd rather drink wine and make clothes. She said this while speaking with a "French accent." Even with all the positives regarding her, there were few endorsement opportunities in the French market. Similarly, U.S. baseball star Barry Bonds has achieved much in his career but has not achieved any real measure of likability outside of his home market. In the words of Kathleen Hessert, president of Sports Media Challenge, "why would a company align itself with a person who's not likable? Barry Bonds hasn't made himself likable yet."[7] Such public disdain could in fact result in situations whereby the consumer chooses not to purchase a product because of the endorser. It is evident then that marketers must assess many dimensions in selecting celebrity endorsers, and consideration must be given to the extent to which the potential endorser is viewed favorably by members of the target market.

Why would a company align itself with a person who's not likable?

There are also geographic considerations to address in this regard. An endorsement using cricket player Shane Warne may be effective in Australia but suffer due to his relative anonymity in the United States[8] just as the effective Campbell's Soup campaign that uses NFL player Donovan McNabb in the United States would not be effective in Australia. Similarly, an endorsement by NHL player Claude Lemieux may work in Montreal, Denver, or Dallas where he is revered for his tenacity while playing hockey for the local teams, but it would be counterproductive in Detroit where he is reviled because of his reputation for questionable behavior on the ice. The issue for the marketer is that different geographic areas may require different spokespersons as no one person may be able to sufficiently enthuse consumers in all of the company's geographic markets.

Endorser Is Recognizable

Celebrities are often featured in TV advertisements and print media in their capacity as product endorsers. The extent to which celebrities are easily identified plays a meaningful role in determining the potential impact of the endorsements and the corresponding testimonials. An easily recognizable face is desirable, but an easily recognizable name is essential. Throughout the world, most sports fans and virtually all soccer fans recognize David Beckham. A recent survey by *SportBusiness International* identified Beckham as the athlete who delivered the "best return on endorsement investment in 2003—from a global perspective."[9] Consequently, he is featured in a variety of advertisements for an array of products throughout the world. In some cases, his exposure may be limited to certain geographic areas; for example, his endorsement deal with Meiji Seiku is primarily limited to Japan. Conversely, his endorsement deal with adidas has global dimensions. Table 12.1 summarizes the results of the aforementioned study.

In most cases, however, the target market is not global; thus, the marketer can attempt to sign a celebrity who is easily recognized in a more limited geographic area. Examples include rugby union player Jonah Lomu in New Zealand or Tonga; another is ice hockey player Dominick Hasek in the Czech Republic. Though there is a relationship between recognizability and achievement, it varies significantly among the set of athletes available for product endorsements. For instance, tennis player Anna Kournikova is quite recognizable despite a modest level of achievement, whereas her fellow competitor Justine Henin-Hardenne has accomplished much more but is far less recognizable outside of her home country of Belgium.

Two other factors that affect recognizability are media exposure and visibility during an event. Players who often appear on TV or who are the focus of media reports are more

TABLE 12.1
Global Value of Select Athlete Endorsements

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Who delivered the best return on endorsement investment in 2003 from a global perspective?

Athlete	% of Respondents
David Beckham	36.7%
Jonny Wilkinson	20.1
Michael Schumacher	9.8
Tiger Woods	8.6
LeBron James	7.4
Annika Sorenstam	5.6
Lance Armstrong	5.6
Venus and Serena Williams	2.7
Sachin Tendulkar	1.8
Peyton Manning	1.5
Alex Rodriguez	0.3

recognizable. Visibility at a venue is a function of fan proximity and view-obstructing equipment and uniforms. Golf fans get a close look at the participants both at the course and on TV. As a result of this intimacy, many professional golfers are easily recognized by members of the general public. Unlike players in contact sports, there is no protective headgear to obstruct the view of the players. This may be a problem for athletes in sports such as American football and ice hockey.

The ideal situation will result when the endorser has both a recognizable face and a recognizable name.

In some cases, the name is recognizable even when the face is not. Such was the case when 7Up employed Olympic champion Jackie Joyner-Kersee as a spokesperson. When the TV commercial was produced, her name was superimposed as a graphic in the video. The result was that 7Up was able to capitalize on her notoriety even though her face was not readily identifiable by the target market. In other words, many consumers recognized her name but not her face. This lack of recognition forced the marketers to adapt their advertising accordingly. It is evident that the ideal situation will result when the endorser has both a recognizable face and a recognizable name.

Endorser Provides Ease of Recall

As marketers emphasize promotions that the consumer is able to remember, they focus on finding spokespersons who they can count on to secure a place in the consumer's memory. It is important that there be a discernable relationship between the endorser and the product. In the retail environment, a celebrity endorser may not be exhibited on all point-of-sale displays. But even when a likeness of the endorser is not visible, a properly executed program will cause the consumer who sees the product to recall the association with the endorser. In other words, when done correctly, the consumer will see the product and the celebrity endorser will come to mind. If not, much of the marketer's endorsement effort is wasted. Clearly, high achievers may be easier to recall, but achievements alone may not be sufficient to generate the desired results from the endorsement campaign. Achievement needs to be combined with a meaningful frequency for exposing the target market to the endorsement message. In other words, consumers need to see and hear the spokesperson more than once in order to confirm the relationship between the endorser and the marketer's product.

Endorser Is Congruent with Target Market

For an endorser to be effective in the task of influencing purchase behavior, noteworthy similarities between the spokesperson and the target market must be evident. In some cases, this may be represented by similarities in demographics or lifestyle. For instance, NBA star Allen Iverson is said to have great "street credibility" that makes him an ideal spokesperson for Reebok in its efforts to reach the young, male, African American segment. In many cases, however, it is not the similarity of the endorser and the target market that is crucial. Rather, it is the endorser's impact on a target market and the extent to which that target market represents the focus of the marketer's efforts. For example, Tony Hawk participates in a sport (X Games skateboarding) that appeals primarily to a young (8–18) male segment. So even though Hawk himself does not fall into that demographic category, he is a solid fit for the marketer seeking to reach that group. Quiksilver and Hot Wheels (toy cars) are examples of brands endorsed by Hawk. A relatively young African American golfer, Tiger Woods, finds that his greatest appeal is among middle-aged and older white males. Many of his endorsements reflect this fact, as evidenced by his contracts with Buick automobiles and Tag Heuer watches. Clearly, the marketer must first identify the target market then select a celebrity endorser who is relevant to it. Otherwise, the endorsement program will not be as effective as it could be.

Endorser Is Physically Attractive

Recent research has shown that the physical attractiveness of the endorser can have a positive impact on some key considerations that are important to marketers. A recent study reported that there was a strong correlation between the attractiveness of the endorser and the overall evaluation of the advertisement.[10] This relationship has paid dividends for athletes who are attractive but who have yet to achieve any real measure of success in their chosen sport. Perhaps the most noteworthy in this regard is Anna Kournikova.

A second positive correlation of which marketers will take note is that the respondent's perception of the product itself is related to the attractiveness of the endorser. In other words, a more attractive spokesperson contributes to a better perception of the product. Ironically, even though attractive endorsers contributed to a more favorable perception of both the advertisement and the product being advertised, endorser attractiveness did not have a meaningful impact on the consumers' willingness to purchase the product. The implication of this finding is that attractiveness may be a consideration for the marketer, but it is an insufficient factor in its own right. It can, however, provide synergy when coupled with other more important factors such as being a high achiever or having believability.

Continuity Prospects

As with sponsorship programs, endorsement campaigns tend to be more effective when there is an ongoing, long-term relationship. Contracts that call for a single endorsement or otherwise short-term relationship may be effective when the marketer wants to exploit a current newsworthy event. For example, it is common for the Most Valuable Player in the NFL's Super Bowl to walk off the field saying he is going to Disneyland. In this way, Disney takes advantage of the spontaneity and the immediate recognition of the sports celebrity. However, most endorsement contracts will run for several years. LeBron James's contract with Nike is for 10 years, and Reebok has a "lifetime contract" with Allen Iverson.

There is risk involved for both parties in a long-term contract. The athlete may lose his or her market appeal such that the benefits to the marketer are diminished. Conversely, the athlete may be locked into a contract that provides less than market value in later years after the athlete's accomplishments have significantly increased. Interestingly, NBA star Kobe Bryant can be highlighted in both of these scenarios. Bryant's contract with adidas was deemed inadequate, so the player paid the marketer $8 million to be released from his contract. Shortly thereafter, Bryant signed a new seven-year, $40 million contract with Nike. In the aftermath of Bryant's sexual assault charges, some have questioned whether or not Nike will receive adequate value over the life of the contract. If not, it is conceivable that Nike would opt to terminate the contract on the basis of the omnipresent morals clause. In another example, David Beckham endorses U.K. department store Marks & Spencer. When he was transferred from his U.K.-based team, Manchester United, to the Spain-based Real Madrid team, Marks & Spencer executives immediately indicated a need to renegotiate his contract. Their belief was that Beckham had lost some of his influence in the U.K. market. The bottom line is that marketers need to seek long-term contracts with celebrity endorsers, but they must also recognize the risks involved.

election Process

As documented earlier, there are numerous potential pitfalls of which the marketer must be aware. Thus, there are some basic guidelines that must direct the process of evaluating and selecting effective endorsers. Endorsers must be

- Trustworthy.
- Recognizable (by the target audience).
- Affordable.
- At little risk for negative publicity.
- Appropriately matched to target audience.[11]

Of course the process is complicated by the fact that there is some risk involved in these assessments. For instance, until his indictment on criminal sexual conduct charges, few people associated the risk of negative publicity to NBA star Kobe Bryant. To a lesser extent, cheating charges directed at baseball star Sammy Sosa have also raised some questions regarding his future endorsement opportunities. The second element of risk is that there may be several athletes with comparable value to the marketer. The decision to select one athlete over another opens the marketer up to criticism if the selected endorser engages in unacceptable behavior or if he or she simply fails to produce the results sought by the marketer. Many endorsement contracts cover a multiyear period and may result in nonproductive payments continuing to be paid to the ineffective endorser.

In the selection process, the marketer must remember to maintain a set of options. There is not just one celebrity who can fill the role, so the marketer must assess the alternatives. If one celebrity is too expensive or has a contract that precludes a relationship with the marketer, who else could provide the benefits and attributes sought in an endorser? Also, many endorsers expect to be well compensated. The marketer should understand that it may well be better to pay a large sum to a "star" as opposed to a lesser amount for a less prominent individual. As one market researcher said in regard to the use of endorsers lacking star quality, "you might as well have your sister or your nephew be the spokesperson."[12] In other words, stars provide benefits that lower-performing individuals cannot provide, and the marketer must be prepared to pay if it is seeking a high-profile star to represent the company.

Once the list of alternative spokespersons and a potential budget have been developed, the selection process can continue. A key step is the delineation of a set of values that are characteristic of the company; these values should also reflect the personality and lifestyle of the prospective endorser. Remember that there should be a fit between the company and the endorser. The next step is to look at measures of effectiveness. Rather than developing

Q SCORES 12.2

An important and readily available tool for marketers considering the use of celebrity endorsers are Q scores. These scores are calculated by Marketing Evaluations, Inc. The list of celebrities scored includes athletes, entertainers, and other well-known individuals such as news broadcasters. These scores are used as measures that help assess each celebrity's potential as a paid endorser. Among the factors considered in the process are recognizability and likability.

Q scores typically fall in a range between 0 and 60, though higher values are possible. Higher ratings reflect greater potential marketing power. A marketer seeking to decide between soccer player David Beckham, basketball player Yao Ming, Formula 1 driver Michael Schumacher, and actor Tom Cruise can use the Q scores as one of the objective measures in the task of deciding who, if anyone, to offer a contract to. Still, it is important to note that these scores represent only a portion of the evaluation process and should not be used as the sole measure of suitability. Furthermore, since the measures reflect market power, they can be used to negotiate a reasonable contract with the celebrity.

It is also important to note that Q scores are typically reported for the population at large. However, ratings can be generated for a variety of market segments. For example, a company considering using Tony Hawk (Extreme Sports skateboarder) as a spokesperson is primarily interested in his marketing power for younger consumers. The firm may also be focusing on males. It would find that the highest Q scores are in evidence when assessing the younger (< 35) male segments and thus represent a far better match for Mountain Dew than for Liz Claiborne clothing. Below is a list of celebrities and their approximate (2002) Q scores.

Tiger Woods	50–55
Barry Bonds	20–30
Brandi Chastain	10–20
Michael Jordan	40–50
Bill Cosby	40–50
Mel Gibson	44–57
Julia Roberts	33–36
Sarah Hughes	31–36
Marion Jones	31–36

Source: Information provided courtesy of Marketing Evaluations, Inc. See www.qscores.com.

the measurement process itself, the marketer may rely upon information from an outside provider. One of the most common quantitative measures available to marketers is the *Q score;* this measure assesses potential by measuring the recognizability and likability of celebrities under consideration (see Box 12.2 for an explanation of Q scores). Alternatively, a marketer can create its own measurement tool in an effort to objectively compare one prospective endorser to another. An example of such a measurement process is presented in Tables 12.2 and 12.3.

By examining the process outlined in Table 12.2, it can be seen how a marketer can objectively evaluate a potential endorser. This evaluation can help the marketer decide whether or not to consider the prospect to be a viable candidate as a spokesperson. In that regard, it represents a screening process. Those prospects who fail to achieve adequate results are eliminated from further consideration.

Table 12.3 provides an example of the preliminary evaluation process. The results shown in Table 12.3 indicate that the prospect Michael Campbell has the potential to be an effective spokesperson for Sony. The marketer may have a benchmark indicating specific values that merit further consideration. For example, perhaps any aggregate measure exceeding 3.5 will result in progressing to the next step in the evaluation process. Alternatively, perhaps the marketer is evaluating several prospects and will advance only

TABLE 12.2
Model for Preliminary Evaluation of Prospective Endorsers

Step 1: Select a company, brand, or product to be endorsed.
Step 2: Identify the target market to be reached with the endorser.
Step 3: Identify a potential celebrity endorser.
Step 4: Select a series of criteria deemed relevant in the matching and selection process.
Step 5: Assign a weight to each criterion based upon the relative importance in identifying effective endorsers.
Step 6: Evaluate the prospect on each criterion on an appropriate scale (e.g., 1 to 5, with 1 = poor and 5 = excellent).
Step 7: Multiply the weight for each criterion by the prospect's rating on that criterion.
Step 8: Sum the results.
Step 9: Use the sum to evaluate potential effectiveness of the prospect or to compare one prospect to another.
Step 10: Make decision to continue the evaluation process or to eliminate the prospect from further consideration.

the top few to the next stage regardless of the exact values resulting from the preliminary assessment process.

The next step is the qualitative assessment of each prospect who attains acceptable results in the preliminary evaluation process. Examine the media for negative publicity. What positions and statements in regard to controversial issues has the prospect articulated? With which groups is the prospect associated; are there any controversial or extremist groups? Is the celebrity already overexposed to the point that his or her endorsement is trivialized? What is the geographic scope of the public's familiarity with the prospect? How much time is likely remaining in the celebrity's career? Are there any health problems that might jeopardize the prospect's long-term effectiveness?[13] Again, the goal in this step is to make a decision based upon an objective evaluation of each prospective endorser, even if there is only one prospect under consideration.

The final step is to get the contract signed. This means that both the endorser and the marketer view the potential relationship as mutually beneficial. The marketer must often deal with agents who are paid to negotiate lucrative contracts for their clients. It must also be recognized that celebrities often face time constraints, so the timing of photo shoots and appearances must reflect this. Don't expect a premier soccer player to agree to personal appearances during the World Cup competition. These issues–inflexibility in terms of time, dealing indirectly through agents, and prolonged negotiations over compensation—often make this final step an arduous, time-consuming process. Yet it is this final step that finally allows the marketer to begin to implement an appropriate promotional strategy that incorporates celebrity endorsements.

TABLE 12.3
An Example of the Preliminary Evaluation Process

Product: Sony Plasma TV
Potential endorser: Michael Campbell (New Zealand golf pro)
Target market: High-income males in the United States

Criterion	Weight	Rating (1–5)	W*R
1. Achiever	.2	3	.6
2. Known	.2	2	.4
3. Likable	.1	4	.4
4. Credible	.2	5	1.0
5. Congruence/target market	.3	4	1.2
Overall assessment	1.0	x	3.6

·oblems with Celebrity Endorsers

Despite all of the positive aspects of celebrity endorsements, there are a number of potential pitfalls of which that the marketer must be aware. Most endorsement contracts today have a morals clause that will allow the marketer to unilaterally terminate an endorsement contract with a celebrity who behaves in ways that are deemed unacceptable and potentially damaging to the reputation of the marketer. Hertz Car Rental Company terminated its contract with O.J. Simpson in the wake of his indictment for murder. Other noteworthy athletes who have seen their endorsement contracts rescinded are (boxer) Mike Tyson, (tennis pro) Jennifer Capriati, and (golfer) John Daly.

Most endorsement contracts today have a morals clause that will allow the marketer to unilaterally terminate an endorsement contract with a celebrity who behaves in ways that are deemed unacceptable.

Ironically, there has been some discussion of the premise that "bad" sells. The National Basketball Association has seen the growth in popularity of some of its "bad boys," such as Allen Iverson. Still, there is a limit at which even the bad-boy image becomes counterproductive. The following summary provides the profiles of five troublesome celebrity spokespersons.[14]

The Criminal

The moment a spokesperson is involved in criminal activity, the marketer must rethink the relationship and the associated marketing communications strategy. Even when actions do not result in criminal charges, they may still have a detrimental impact on the public's perception of the individual spokesperson, and that perception could be transferred to any marketer with which that individual has an endorsement contract. In the past few years, more instances regarding murder, domestic abuse, gambling, sexual misconduct, and substance abuse among celebrity endorsers have been reported, and many of these transgressions have resulted in the termination of endorsement contracts. A study performed by *Advertising Age* indicated that the sexual assault charges filed against Kobe Bryant in 2003 resulted in 22 percent of the respondents saying that a Bryant endorsement would make them less likely to purchase the endorsed brands and products.[15] It is important to note that this negative impact was in evidence prior to any actions by the judiciary system. Similar issues caused Pepsi-Cola to terminate its endorsement relationship with pop singer Michael Jackson in the aftermath of the 1993 allegations of sexual abuse of a minor and his acknowledged addiction to prescription pain-killing drugs.

The Prima Donna

The celebrity is often the focus of attention. As a result, it may be difficult for the endorser to accept a secondary role. It may be a blow to the celebrity's ego when faced with the reality that he or she is not the key consideration in the relationship; rather, it is the marketer and its brands and products that are most important. Even though the celebrity is being paid, he or she may find it difficult to accept being the secondary focus. There are also celebrities who present problems regarding scheduling and the fulfillment of other obligations, such as promotional appearances on behalf of the marketer. Some celebrities may also use their appearances and their position to promote themselves. This concern must be weighed against the potential benefits offered by the potential prima donna celebrity.

The Fading Star

Celebrities in all categories are aware that their fame may be short lived. Athletes lose their skills, actors find themselves in less demand because of rising stars, and politicians are replaced. The best endorsement relationships tend to be long-term ones; however, the celebrity of today may not project the same image in the future. Some stars have continued to shine even after their prowess on the athletic field or in the entertainment industry has faded. An example is golfer Arnold Palmer, who is still highly respected by consumers and viewed as a viable spokesperson for companies such as Callaway Golf, Pennzoil, and Lanier Worldwide. Still, the fading star can present a dilemma for the marketer, be it facing the question of whether or not to offer the spokesperson a new contract or in the task of estimating the financial value of the endorser to the company when the decision to continue the relationship has already been made.

The Lightning Rod

This individual speaks out or supports causes that are subject to considerable scrutiny and criticism. The concern in this case is that a significant portion of the population may be offended by the statements or positions taken. If this happens, it is likely that pressure will be applied in an effort to persuade the marketer to drop the controversial spokesperson. The most significant impact is often achieved by the critics by way of a boycott of any products endorsed by the controversial endorser. Although this problem is more likely to occur with outspoken entertainers and politicians, it is still a consideration for the marketer considering the use of an athlete in an endorsement role.

The Tongue-Tied

Remember, the endorser is a spokesperson for the marketer. As such, the endorser's communications skills are an important asset for the marketer. This may not be relevant for scripted TV advertisements or photo shoots for print ads, but it can be vitally important when the endorser is seen or heard making impromptu comments in casual environments. Speaking in a casual conversation, even though still in the role of endorser, the person may not be doing what he or she does best. As a result, we often witness rambling monologues replete with clichés. Because of this, the marketer must consider the different ways in which the celebrity will be asked to represent the company and its products. How much will be scripted and controlled? How much will be spontaneous?

Overview

A recent article in *Executive Update Online* captures the essence of some of these potential problems with celebrity spokespersons. See Box 12.3 for a reprint of this article.

Other Potential Problems

Ambush Marketing

From an endorsement perspective, ambush marketing occurs when a celebrity's name or likeness is used without the legal right to do so. It could reasonably be argued that this crosses the boundary beyond ambush marketing and should be characterized as piracy. The marketer engaged in this tactic is attempting to convey the idea that the celebrity endorses the product. Two examples of this are Rio Ferdinand (Manchester United Soccer), whose name has been used to promote a company (BAE Systems) in the defense system industry, and NBA player Yao Ming, who sued Coca-Cola over what

CELEBRITY PR HORROR STORIES 12.3

Many associations have shared the pain of finding a spokesperson on the front page of *USA Today* under less-than-desirable circumstances. When your board of directors asks you to find a celebrity spokesperson, here are some incidents to help you counsel against haste:

- "I'm inconsolable at the present time. I was a very good friend of Jordan; he was probably the greatest basketball player this country has ever seen. We will never see his likes again."—Mariah Carey on CNN after a *USA Today* reporter asked her to comment on the death of King Hussein of Jordan (not Michael Jordan). According to one account, Carey was then led away by her security entourage in a state of "confusion."
- "Smoking kills. If you're killed, you've lost a very important part of your life."—Brooke Shields, during an interview to become spokesperson for a federal antismoking campaign.
- "Tell him not to serve fried chicken next year. Got it? Or collard greens or whatever in the hell they serve."—Fuzzy Zoeller, referring to Tiger Woods after Woods won the 1997 Masters Golf Tournament. Zoeller, also a professional golfer, was forced to make a public apology to Woods and the African American community.
- Actress Cybill Shepard was a spokesperson for the beef industry until she revealed that she generally avoided red meat.
- Pepsi-Cola had a series of debacles with three tarnished celebrities: Mike Tyson, Madonna, and Michael Jackson.
- O.J. Simpson was a spokesman for Hertz until . . . well, you know the rest.

Source: C. Stenrud, "Celebrity PR Horror Stories," *Executive Update Online,* August 2001, www.gwsae.org/ExecutiveUpdate/2001/August/celebrity.htm (accessed September 18, 2003). Reprinted with permission by The American Society of Association Executives.

he perceived to be the unauthorized use of his photo. Yao has an endorsement contract with Pepsi-Cola and Coca-Cola has a contract with the Chinese National Basketball team, of which Yao is a member. It was Coca-Cola's contention that its contract with the Chinese team allows it to use likenesses of players on the team in its promotions and packaging. Of course Pepsi's position was that Coca-Cola was guilty of ambush marketing. In a last-minute settlement before going to trial, Coca-Cola acknowledged that it had used Yao's image without advance consent and that its assertion that the relationship with the Chinese National team gave it the right to do so was incorrect. The company then issued an apology for its actions.[16]

Other ambush efforts are not so overt. Paul Hogan (Crocodile Dundee) successfully sued a shoe manufacturer. The actor's argument was that the use of the movie's famous knife scene in commercials falsely implied Hogan's endorsement of the company's shoes. Clearly companies recognize the potential benefits that may be derived from the use of a celebrity's name and likeness in their promotions, and some are willing to push such use to the point of being unethical or illegal. In such cases, it is generally the endorser, not the marketer, who must pursue legal remedies to eliminate those instances where his or her name or likeness is being used without permission.

Costs

Without fail, every high-profile, high-value endorsement contract that is signed is met with the argument that the high cost will be passed along to the consumer in the form of higher prices. Nike's recent signing of the young basketball phenom LeBron James to a lucrative ($90 million) contract has met with such criticism. From time to time, dissenting voices from within the equipment industry highlight this concern. John Hillerich of H&B, the manufacturer of PowerBilt golf clubs, is quoted as saying: "I had to make a decision. Spend millions to have name players use my clubs, or spend that money to improve my product. I chose the latter, and I'm glad I did because PowerBilt clubs today are superior to the ones that won all those pro tournaments. I've also been able to keep my prices down."[17]

Consumers use an endorsement as a testimonial of quality.

While this is a difficult argument to win, the marketer can use the concept of economies of scale to defend its actions. To the extent that the endorsement creates additional demand, it serves to drive down average costs. The result may be lower prices rather than higher ones. Additionally, it might be argued that consumers use an endorsement as a testimonial of quality, thus, there is added peace of mind when buying a product endorsed by a well-known celebrity. Consider Nike again. Tiger Woods's endorsement may be valuable to the average golfer in assessing the quality of Nike products. Additionally, there is little doubt that Tiger's endorsement was a key factor in Nike's quick success in attaining a sizable market share upon its recent entry into the golf ball market. Higher market share equates to higher levels of production and the resultant economies of scale.

Misrepresentation of Use

This issue is particularly relevant for athletes endorsing a brand of athletic equipment. Professional golfers endorse a variety of brands of clubs. Tennis players are paid to endorse rackets produced by several competitors. They appear in their competitive arenas with the appropriate brand in hand; thus, it reflects the "I use it, so should you" mode of endorsement. But some argue that the brand name is where the similarity between what they are using and what they are selling to the everyday player ends. After Juan Carlos Ferrero won the 2003 French Open, equipment manufacturer Prince issued a press release that Ferrero had used a "Triple Threat Graphite Mid" to win the tournament. In reality, he used a custom-modified racket that had been cosmetically treated so as to look like the racket in question. It is so common in tennis that it is referred to as a "paint job."[18] Manufacturers justify this as a way to recover the $350,000 to $1 million per year paid to top pros to endorse and help create demand for new models. Similarly, it is common knowledge that golfers often order special weights, balances, and grips not available to the everyday buyer. Finally, some players do not use the brands they endorse. Though he has long endorsed Nike, Tiger Woods has often used a Titleist driver. His contract, like many others, requires him to make his "best effort" to use the products that he endorses, but it does not mandate such use as an absolute condition. Thus, the marketer must be prepared for complaints about misrepresentation.

In some cases, the players may be contractually required to use the marketers' brands. After the 2006 Olympics, one hockey player's equipment did not get back to him in time to resume his NHL season. In order to play, he was forced to borrow hockey sticks from one of his teammates. Unfortunately, the sticks were not the same brand that he was paid to endorse and required to use. In a good faith effort to honor his contract, he obscured the logo by taping over it. One sport that relies heavily upon player endorsements is golf. Club, shoe, and ball manufacturers have a vested interest in assuring that their spokespersons use their products when competing. But how can this use be verified? One way is to rely on information provided by the Darrell Survey. This service performs an inventory of each golfer's equipment at the start of many tournaments across the world. Box 12.4 provides an overview of the Darrell Survey.

Endorsement Conflicts

There are occasions when an athlete endorses one brand of product while the governing body involved with the athlete's sport endorses another brand. This is similar to the conflict regarding Yao Ming's endorsement of Pepsi while the Chinese national basketball team was

THE DARRELL SURVEY 12.4

Many professional golfers are compensated in exchange for their agreement to use a certain marketer's equipment during competition. Additionally, these marketers see great public relations value associated with high levels of usage on the professional tours. How can a marketer ensure that there is compliance with endorsement contracts–that the golfers whom they pay to use their clubs, golf balls, gloves, shoes, and other equipment are actually using those products? How can a marketer document that a high percentage of the players on each tour or the winner of an event is using their equipment? The answer is, the Darrell Survey.

The Darrell Survey Company is a marketing research company that collects data regarding brand usage on each to the major professional golf tours in the world. As each golfer approaches the first tee on the tournament's opening day of a PGA, LPGA, Senior PGA (Champions Tour), Nationwide, PGA of Japan, or certain premier amateur events, he or she is met by a representative of the Darrell Survey. Data are collected on the brands of irons, woods, wedges, putters, balls, gloves, shoes, shafts, spikes, grips, bags, and visors being used by each golfer. Data are collected via direct observation in order to assure their accuracy.

According to the representatives of the company, such information is vital in the manufacturers' efforts to verify compliance of the golfers whom they pay to endorse or use their equipment. Additional uses of the information include the measurement of market share, assisting in the development of sales strategies, gaining insight into the competition, and assisting in the creation of effective advertising messages.

Consider the statistics reported in regard to the 2003 Greater Hartford Open. The number of golfers using the following brands of equipment was as follows:

Balls		Drivers		Irons		Wedges		Putters	
Titleist	92	TaylorMade	53	Titleist	31	Titleist	119	Titleist	69
Callaway	30	Titleist	39	TaylorMade	28	Cleveland	107	Odyssey	30
Nike	15	Callaway	38	Cleveland	26	TaylorMade	29	TaylorMade	20

Source: C. Monarrez, "The Darrell Survey: Sir May I Check Your Bag?" *Detroit Free Press*, August 1, 2003, pp. 1D, 8D. Also see www.darrellsurvey.com.

sponsored by Coca-Cola. This dilemma surfaced in earnest during the 1992 Summer Olympics. The U.S. basketball team was sponsored by Reebok, whereas many of the players endorsed, and typically wore, clothing and shoes from other manufacturers. The most notable was Michael Jordan, who had enjoyed a long-standing endorsement relationship with Nike. When he and the other players mounted the victory stand to claim their gold medals, many had the American flag draped over their shoulders. It was not just a show of patriotism; it was also an effort to obscure the Reebok logos that adorned their Olympic clothing. More recently, Belgian tennis player Kim Clijsters indicated that she would not participate in the 2004 Olympic Games in Athens if not allowed to wear Fila apparel. She endorses Fila, but the Belgian Olympic team was sponsored by adidas. According to Clijsters, "It seems normal that I respect my contract and do not play in another outfit; it has nothing to do with money." Issues such as this have led many to question the decision to allow professional athletes to compete in such prestigious events. Ironically, few question it on the basis of their right to display their skills; rather, they express concerns about these types of conflicts and the athletes' reluctance to fully embrace the sponsors that commit significant resources to the national teams and their governing organizations.

Conflicts with Sport Regulatory Bodies

There have been a few instances where athletes have endorsed products that fail to meet the specifications deemed acceptable by a governing body. Ten-pin bowling has regulations regarding the weight and the coefficient of friction for any bowling ball. Golf has established specifications for the velocity of golf balls and the coefficient of restitution (COR) for drivers. Bowlers seek higher friction in order to hook the ball more and get better pin action (and higher scores). Golfers seek a higher COR so that they hit the ball further. The controversy surfaces when a respected athlete endorses a product that fails to conform to specifications established by the various regulatory bodies. Such was the case with Arnold Palmer's endorsement of the rule-violating Callaway ERC II driver. His contention that it would be good for the average golfer was met with considerable criticism by the USGA and by many within the golf media. It seemed to make no difference that the other key regulatory body, the Royal & Ancient (R&A), declared it acceptable. The lesson here is that the endorser and the marketer must anticipate that potential conflicts of this type might surface, and they should anticipate the need to develop an appropriate strategy to counter the criticisms. One alternative is to abandon the endorsement. Another more drastic alternative for the marketer is the decision to abandon marketing efforts for the product in question.

Amateur Status

There have been a number of recent signings of young athletes. A shoe company recently signed soccer star Freddy Adu when he was only 14 years old; another signed a very young basketball player with a talent for shooting free throws. Though the payments for young athletes such as these have typically been directed into trust accounts, questions have been raised as to whether or not such deals move the youngsters into the professional category, thereby negating their amateur status. With Olympic amateur athletes such as Carl Lewis earning a significant income from endorsements, the issue of amateurism is not clear. Both the endorser, through appropriate representation, and the marketer must have a clear understanding of the consequences of signing any endorsement contract.

Unwholesome Nonsports Products

Celebrities have been used to endorse an array of products that are subject to intense public criticism. When it is the athlete in this role, criticism is often pointed toward concerns that many of the athlete's most impressionable fans are children. We have seen players and former players endorse candy bars, tobacco products, alcoholic beverages, and casinos.

In response to such criticisms, many sports organizations have imposed their own regulations that prevent questionable endorsements by current players. For example, in the United States, active professional players cannot appear in advertisements for beer. Once they retire, however, that restriction is no longer in place. As a result, Americans see a number of retired athletes in beer commercials. In the face of such regulations, marketers either have to look outside the realm of the athletic arena for endorsers or look to retired athletes who still have marketing appeal.

Overexposure

There are questions raised regarding athletes who endorse a wide array of products. If an athlete endorses say 20 products, does it hinder the consumers' ability to recognize the association thereby negating any perceived market power? If so, should athletes limit the number of endorsement contracts they sign? Of course, this raises questions regarding compensation. The argument might be that since an athlete has voluntarily, or contractually, agreed to limit his or her endorsement deals, he or she may expect to command greater compensation for the selected contracts. The marketer should consider the athlete's level of exposure when negotiating the compensation to be earned by the endorser.

Closing Capsule

It has been stated that "the public backlash against the on- and off-field transgressions of pro athletes is causing marketers of athletic products to rethink the role of sports stars in their marketing campaigns."[19] Despite this concern, the use of athletes in endorsement roles continues to gain in popularity. It is viewed as a way to cut through promotional clutter to help marketers achieve their strategic goals.

The selection process is not easy, and the marketer must be prepared to pay a premium for a top-level sports star. The ultimate selection decision is guided by a review of factors such as what the athlete has achieved, how much the consumer can believe what the athlete says, and how easily recognized the athlete is. There are a number of potential problems; foremost are the instances of legal and moral transgressions on the part of the athlete. As a result, virtually every endorsement contract signed today has a morals clause that allows the marketer to cancel the contract. Marketers must weigh the advantages against the disadvantages. Given the compensation provided in several recent high-profile signings, it is apparent that marketers still see this strategy as both viable and valuable.

Review Questions

1. What are the three basic applications for the use of celebrity endorsers?
2. Explain the Darrell Survey.
3. How can a marketer use the Darrell Survey to assist in strategy development?
4. What are the five key selection criteria for prospective endorsers?
5. Select a prospective endorser and a product (or company). Create a model and complete a quantitative assessment of the prospect. Is there a good fit between the prospect and the product?
6. What are the primary uses for Q scores?
7. Briefly discuss the five categories of problem endorsers.
8. What is the morals clause that is typically included in endorsement contracts?
9. Look through several magazines and identify three endorsement ads with each ad adhering to a different mode of endorsement. For example, find one ad that employs the "I use it, so should you" strategy.
10. Select three celebrities and three products; create three different magazine ads, one for each of the three endorsement modes.

Endnotes

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