teaching note

Celebrity Endorsements in Hospitality

Case Study Summary

The current case study discusses the use of celebrities as a way for hospitality organization owners and marketers to gain a competitive advantage in a saturated market. Celebrity endorsement is defined as any individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement (McCracken, 1989). Using a celebrity as an endorser helps companies to combat issues like "Banner Blindness", and enhance brand image (Spry, Pappu, & Cornwell, 2011) and increase advertising effectiveness, brand recognition and recall, and even purchase intentions and behavior (Till, Priluck, & Stanley, 2008). These assertions are corroborated by Dean (1999) who showed that the use of celebrity involvement is a way to positively influence people's perceptions on products and brands. In addition, research has demonstrated that celebrity endorsement is reliant upon a core group of dimensions that include trustworthiness, likeability, familiarity, expertise, personality, appearance, attractiveness, competency, relationship, power, and identification (Amos, Holmes, & Strutton, 2008; Kelman, 1961). This study uses the case of Hilton Garden Inn and Judy Greer to analyze and understand the basic principles of using a celebrity as an endorser in the hospitality and tourism industry.

In 2016, Hilton Garden Inn partnered with character actor Judy Greer to refresh their brand. One of the most viewed Hilton Garden Inn advertisements using Judy Greer is titled, The story of how we met. The story of how we met (2017) which has aired in the United States 11,107 times since it was filmed features Judy Greer as the Patron and Mark Sual as the bartender. The scene transpires at a Hilton Garden Inn Garden Grille and Bar Concept where Actress Judy Greer enjoys a cocktail and requests that the bartender regale her with the story of how they met. "Eddie" the bartender surprises her with an extra fizzy gin drink which turns out to be "so [her] drink." It is the cocktail that bears her moniker at Garden Grille and Bar and is called Judy's Garden Gin. And while Judy wanted to explain how she asked for the cheese plate, she doesn't mind that Eddie beat her to the punch because he happens to be a great storyteller. The narrator explains how "craft cocktails and glowing service" are just a few of the amenities a patron can anticipate experiencing during a stay at a Hilton Garden Inn.

Using the No-TEARS models is beneficial in determining congruence between the celebrity, the organization and the target market. The model examines: celebrity and audience matchup; celebrity and brand matchup; celebrity credibility; celebrity attractiveness; cost consideration; working ease and difficulty factors; saturation factor; and the trouble factor. By examining these factors, the company is more equipped to weigh the pros and cons of using a specific celebrity as an endorser of the brand. It is also important to consider the cultural nuances of certain markets when determining celebrity, brand and organizational fit.

Theoretical Underpinnings

Through a theoretical lens, scholars have identified celebrities as effective platforms for endorsement due to what they represent and the frame of reference from which consumers associate their celebrity (Soloman & Assael, 1987). The transfer of one's image of a celebrity to a brand is theoretically underpinned by the associative learning theory, which posits that one's memory of the individual is linked inextricably to the brand through repeated association (Biswas, Biswas, & Das, 2006; Collins & Loftus, 1957; Magnini, Honeycutt, & Cross, 2008). Byrne et al. (2003) and Kelman (1961) have attributed the success of this association and subsequent transference phenomenon to three key attributes: credibility, attractiveness, and power.

Credibility is defined as the way in which an individual perceives the source of information as containing the experience, knowledge or skills necessary to offer an objective and unbiased assessment of the situation (Byrne, Whitehead, & Breen, 2003). **Attractiveness** is the second pivotal attribute the is important for a successful endorsement. Attractiveness is comprised of three attributes of its own, including familiarity, likeability and similarity, and it has been shown to lead to an individual's motivation to establish a relationship with the company based on an alignment between the individual's attitudes, behaviors, beliefs, and preferences (Byrne, Whitehead, & Breen, 2003). **Power** is the final of the three essential attributes. Power occurs when the celebrity is able to offer some sort of reward or punishment, thus prompting an individual to act on the request of the celebrity.

In summary, the strength of both celebrity endorsement and alignment with the brand image is underpinned by the positive or negative associations consumers ascribe to them. This prescriptive association between the brand and the celebrity is reliant on the transfer process and the associative learning theory. This connotes that several stimuli and melded together repeatedly until they are conjoined in the mind of the consumer. Thus, the reiteration of the match between celebrity and brand serves to solidify their association in the minds of consumers (Till, 1998). Associative learning theory posits that associative networks are created and bites of information are inextricably linked together over time. Through the marketing lens, those pieces of information represent the brand and its attributes, and the celebrity and their attributes, which ultimately become inseparable over time due to shared attributes. Accordingly, when the customer calls to

mind a brand, they also think about the celebrity and subconsciously and reciprocally transfer evaluations of the celebrity to the brand, and vice versa (Till, 1998). The ultimate goal is for the association between the brand and the celebrity to be one that is clear, direct, and viewed positively.

Target Audience

The topic of this case study is useful in multiple undergraduate and graduate courses. While the topic is most readily suited for marketing classes, it may also be utilized in strategic management courses.

Marketing: For a marketing class, the teaching purpose of this is to provide an applied case of using a celebrity as a brand ambassador or endorser. The goal is to assess the benefits and drawbacks of developing a strategic alliance between the celebrity and the brand and to suggest opportunities and threats for using this marketing tactic, highlight instances where it has proven successful for a company and identify instances where it has not benefited the company. Moreover, pinpointing the reasons why the relationship between the celebrity and the organization will be of focus.

Strategic management: The case study is applicable and useful for strategic management courses as it concentrates on the firm's ability to achieve and sustain a competitive advantage through a specific marketing technique. Thus, the purpose of this case study in a strategic management course is to demonstrate how this tactic helps the firm achieve competitive advantage over other means of obtaining an advantage. A comparison between this tactic and others (e.g leveraging new technologies) using SWOT analyses could be employed.

Learning Outcomes

This case study examines the competitive advantage gained by a hospitality organization utilizing celebrity endorsements. By the end of this lesson, the student should be able to:

1. Define a celebrity endorsement.
2. List the various attributes and factors to consider when choosing a celebrity endorser.
3. Examine the efficacy of a currently used celebrity endorsement using the No-TEARS model.
4. Discuss major benefits and challenges of using celebrity endorsements.
5. Explain the transference of celebrity personality to the brand image.
6. Analyze a company's success in achieving a competitive advantage through a celebrity endorsement.
7. Create a hypothetical partnership between a hospitality brand and a celebrity endorser that does not currently exist.

Lesson Plan

Prior to the lessons, students will be asked to read this case study and watch supplementary advertisements of a celebrity endorsement of a hospitality brand (several are provided). Students will also be asked to have a general understanding of "The story of how we met" and "Judy eats breakfast" and be able to discuss the following topics pertaining to the case: 1) celebrity and audience matchup; 2) celebrity and brand matchup; 3) celebrity credibility; 4) celebrity attractiveness; 5) cost consideration; 6) working ease and difficulty factors; 7) saturation factor; and 8) the trouble factor. Due to the complexity of the topic, it is suggested that the class be divided into groups prior and each group comes prepared to discuss one of the eight topics pertaining to the case in detail.

Group Assignment

The class should be divided into assigned or self-selected groups. Each group should be responsible for reporting to the class in an oral presentation on one of the eight topics (either assigned, or self-selected in a first come first serve or lottery basis). Additionally, each group should be tasked with creating a new celebrity and brand alignment for a hospitality company. The presentations should take half of the class meeting time, and the rest of the time should be devoted to in class discussions on celebrity endorsements and why/when they do and do not work.

Class Discussion

The class should be prepared to discuss one of the eight topics assigned for the day. They should be prepared with additional questions for the presenters and should be able to generate informed discussions on the pros and cons of using celebrity endorsement, as well as discuss their specific factor and how it would impact the hypothetical celebrity endorsement presented by each group.

Suggested Answers to the Problem Statement

Problem Statement: Hilton Garden Inn's partnership with Judy Greer has helped the brand reenergize in 2016. The hotel company has leveraged her celebrity to add a certain appeal to the brand by linking her credibility, attractiveness, and power to the hotel brand. However, she is self-admittedly not the most recognizable actor. To what extent do Judy Greer and Hilton Garden Inn synergistically fit together? How does her specific celebrity add to or detract from the credibility of the Hilton Garden Inn brand? And what is the brand image that the hotel chain is seeking to advance?

Suggested Responses: As Hilton Garden Inn is one of 18 brands in the Hilton portfolio, it is imperative that they identify a way to differentiate themselves among the brands. They have the ability to leverage the financial backing of the Hilton, but it may be unclear to people what makes them unique. Judy is similarly hard to define, but also fun, and promises a great time. In this regard, she is a credible

representative, and her celebrity adds to the brand in that there is similarity in their unique offerings. Her attractiveness is similarly aligned with the band as clean and sweet and fun. However, the fact that she is "unrecognizable" may drive customers to associate the brand as being unrecognizable, which may not benefit the operation. Additionally, because of her self-admitted unrecognizability, she may not have the power necessary to persuade patrons to book with this brand. Still, Hilton Garden Inn's brand purports to offer, "everything right where you need it," and Judy demonstrates in her spot ads that everything is conveniently accessible to guests.

Additional Discussion Questions

1. *To what extent can celebrity endorsers imbue international hospitality brands with their own personalities and values?*

   Depending on the gravitas that the celebrity's name carries, the things for which they are known may serve to emphasize specific brand images a company endeavors to portray. For example, if the company is interested in promoting their CSR initiatives, partnering with Zach Efron may be beneficial as he is known for his CSR and green efforts. Leveraging his celebrity may further support the brand image of a socially and green conscious hotel.

2. *What are the potential limitations that can arise from hotels using celebrity endorsers to advertise their offerings?*

   Celebrity images may change over time. They may voice dissenting views or behave in ways that are not aligned with the band image. The celebrity may become overexposed through representing too many brands, which blurs the alignment and synergy with the brand. Depending on the type of celebrity, they may overshadow. Or overpower the brand, whereby customers focus more heavily on the celebrity than they do on the brand that the celebrity is endorsing.

3. *Are there specific celebrities that can transcend culture? If so, who and how/why?*

   For an international brand, it is important to identify a celebrity who is recognizable and liked across various cultures. Many famous athletes (e.g. LeBron James) may be able to transcend cultures to foster brand recognition and likeability beyond borders.

4. *Is it better for a global hotel brand to use different celebrities depending on the culture and location of the advertisement?*

   There are benefits to using local celebrities. They are more likely to be relatable and recognizable to the target/local demographic. Additionally, there are more likely to be shared values and beliefs that attract people from that culture to that property.

5. *How can a global hospitality firm ensure alignment between the celebrity and the brand?*

The key to understanding alignment starts with the brand understanding who they truly are at their core and identifying the image they wish to portray. From there, they should identify a celebrity who is within their price range who exemplifies these core values and beliefs in some demonstrable capacity. From there, the two should work in tandem to create an ad that speaks to those values and highlights the synergy.

6. *How does a firm ensure that a celebrity ticks all the proverbial boxes in terms of credibility, attractiveness, and power?*

   Credibility represents the experience, knowledge or skills necessary to promote the brand. A celebrity should Attractiveness represents the familiarity, likeability and similarity, with the company based on an alignment between the individual's attitudes, behaviors, beliefs, and preferences. Power occurs when the celebrity is able to persuade individuals to act in some capacity. The firm should employ the use of the NoTEARS model as a benchmark checklist to ensure that there exists the synergy necessary to form a brand partnership and recruit a celebrity brand ambassador. Additionally, the firm could use focus groups and other surveys to gauge customers' perceptions of the alignment between the two before making a costly decision.

Understanding Check

To assess understanding, a written assignment should be employed in which the students explain using the No_TEARS model, a successful company's use of a celebrity endorsement. The written assignment may use the hypothetical partnership or it may be on an existing celebrity endorsement of a hospitality or tourism organization.

Assessment

Students will be asked to create and submit:

1. A group presentation on the assigned topic. This presentation should employ appropriate organization, language, delivery, supporting materials, and central message to present their assessment of the ways in which their factor from the No-TEARS model is appropriately employed in the Hilton Garden Inn/ Judy Greer endorsement as well as their hypothetical celebrity endorsement, demonstrating effective oral communication skills.

2. A final group paper using the no-TEARS Model and outlining the strengths and weaknesses, opportunities and threats of using a particular celebrity for a specific hospitality organization. The content of the paper will be assessed using the no-TEARS Model provided in the case and will examine alignment and issues presented in the eight areas of the model. Additionally, the writing will be assessed using the six traits of writing including conventions, ideas, word choice, organization, voice, and sentence fluency.

Future Research Ideas

In a higher-level class, the students may choose to do one of the following:

1. Analyze the use of animated characters as a celebrity endorser.
2. Analyze the use of social media influencers as celebrity endorsers.
3. Use the theory of cognitive dissonance to explain how behavioral outcomes do or do not align with celebrity endorsements.
4. Analyze the difference of perception of an endorser in comparison with the different cultures worldwide.

Additional Materials

Websites

The Story of How We Met. https://www.ispot.tv/ad/wttq/hilton-garden-inn-story-of-how-we-met-featuring-judy-greer.

Judy Eats Breakfast. https://www.ispot.tv/ad/Ze_c/hilton-garden-inn-breakfast-featuring-judy-greer .

Expect Better Expect Hilton. https://newsroom.hilton.com/corporate/news/new-hilton-campaign-featuring-anna-kendrick-urges-travelers-to-expect-better

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