

Athlete Endorsers - Risky Business?

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Many of us are aware of Oscar Pistorius who is now on trial for murdering his girlfriend in South Africa. Pistorius made history at the London Olympic Games in 2012 by becoming the first double amputee to participate in the games. He at one time received endorsements of \$2 million a year. Oakley has cancelled its contract with Pistorius, and Nike has "no further plans" to use him in advertisements. This is not the first athlete who has run into problems. There are many examples of popular celebrities transgressing in some way. Michael Phelps lost a Kellogg's endorsement for inhaling from a bong at a party, Michael Vick was dropped by Nike when he was charged with participating in dog fighting, and Lance Armstrong lost endorsements from Nike, UPS, Oakley, and RadioShack among others when he admitted to the use of performance-enhancing drugs. Tiger Woods at one time was making over \$100 million a year in endorsements before some of them dropped him after he was involved in a car accident outside his home following an argument with his wife.

Marketers have for many years used popular athletes to endorse their products and services. Selecting the appropriate source or communicator to deliver the message is an important part of communication strategy. Marketers realize the value of this form of communication. But what happens when these athletes transgress in some way? No company can monitor its endorsers all the time. Can it have a negative effect on the brand? The quick answer to this question is that it depends on a number of things. The answer lies in the question: how does a company choose an athlete or some other celebrity to endorse their product or service?

First, the endorser must be credible and match with the target audience as well as the product or service. The athlete's familiarity and likability with the target audience is important. Tiger Woods for example may not have any influence with non-golfers but is certainly a credible golfer. Second, the overall image of the athlete is important, as well as his trustworthiness. The target audience must find the athlete believable. Third, the cost of acquiring the celebrity must also be considered. They are not cheap. Phil Mickelson made over \$50 million from endorsements in 2012, and Maria Sharapova is paid \$22 million from her deals with Nike.

Celebrity endorsers are big business. They have large followings. They "sell" products. But they are also human. The Oscar Pistorius trial - likely to be a long one - serves as a reminder that some of the most admired athletes are only human and transgress like many of us.

Is it too risky, therefore, to use athletes to endorse products?

Do you think Oscar Pistorius is likely to get endorsement contracts if he is found not guilty by the court?

Reference

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