THE IMPACT OF BRAND AMBASSADOR TRANSGRESSION ON BRAND PERCEPTION

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ABSTRACT

The impact of brand ambassador transgression on brand perception is investigated in this study.

To reach the goal of this research the impact brand ambassador transgression across different generational cohorts was measured. The essence of brand ambassadors in the new branding landscape was determined from literature. The new branding landscape as a whole was described to provide a context for the study and the impact and affect thereof on the different generations. The increasing popularity of using brand ambassadors in marketing campaigns due to their ability to increase brand awareness, create or strengthen brand image as well as to achieve brand differentiation was discussed in depth. The literature also focused on brand ambassador transgressions and the impact thereof on brand perception. Mini-case studies which focussed on Tiger Woods, Lance Armstrong, Oscar Pistorius, Wayne Rooney and Charlie Sheen were provided as basis for the empirical research.

An empirical research study has been launched to determine how different generational cohorts (Generation Y, Generation X and Baby Boomers) perceive values (both personal values and organisation brand values), brands and brand ambassadors as well as brand ambassador transgressions based on the provided case studies. The questionnaire was distributed to consumers in different generational cohorts. The results of the research indicated that:
- There is no clear differentiation between the different generations' perception on personal values. However, there was a greater amount of variance between the generations regarding their perceptions on brand values.
- There is a definite difference between the different generational cohorts regarding perceptions regarding brand ambassadors.
- The majority of the respondents stated that the mentioned brand ambassador transgressions did not negatively influence their perception of the brand, which was endorsed. Furthermore, the brand ambassador's transgression did not cause the consumers to refrain from purchasing products which was endorsed by the specific brand ambassador.

- No clear differentiation between the different kinds of transgressions and the severity thereof was made.
- When brands stopped endorsing brand ambassadors when their transgressions came to light it mostly had a positive impact on the consumers' perception of the brand.
- The Generation Y respondents, who are also more social media active than the other generations, were more forgiving and were not as easily influenced negatively by the brand ambassadors' transgression.
- Consumers are more brand-orientated than brand ambassador-orientated.

It can be concluded that the use of brand ambassadors in marketing campaigns holds many advantages. It is imperative that brand ambassadors should be decided upon carefully, although a brand ambassador does not define the entire brand. Brand ambassador transgressions' have a more important impact on the consumers' perception of the brand ambassador than on the brand itself. Consumers also feel that transgressions should be punished and are positive towards brands which ended brand ambassador agreements after transgressions, indicating that certain standard values are applicable for at least three consecutive generations of South-Africans and should be taken into account when branding decisions are made.

OPSOMMING/SAMEVATTING

Die doel met hierdie studie is om die invloed van oortredings van bepaalde waardes deur handelsmerkambassadeurs op die handelsname wat deur hulle onderskryf word, te bepaal. As wegspringplek om die navorsingsdoelwit te bereik, is 'n agtergrondstudie van die effek van handelsmerkambassadeurs binne die resente handelsmerk-beeldingsopset vanuit vakliterêre bronne gedoen. Binne dié studie is die spesifieke effek van handelsmerkbewustheid op verskillende geslagte bepaal. Die populêre tendens om handelsmerkambassadeurs in bemarkingsveldtogte te gebruik om handelsmerk-bewustheid te skep, die handelsmerkbeeld te versterk en die handelsmerk se uniekhede te beklemtoon, is bespreek. Die literatuurstudie ondersoek daarna relatief resente oortredings van verskeie waardes deur geselekteerde handelsmerkambassadeurs ten einde die effek van die oortredings op die verbruikers of potensiële verbruikers (by implikasie respondente op die vraelys) op die onderskeie handelsmerke te probeer bepaal.

Mini-gevallestudies fokus op die negatiewe optrede van ikone soos Tiger Woods, Lance Armstrong, Oscar Pistorius, Wayne Rooney en Charlie Sheen as uitgangspunt vir die empiriese studie ten einde die impak van verskeie tipes oortredings deur handelsmerkambassadeurs op drie opeenvolgende geslagte, nl. na-oorlogse babas, geslag X en geslag Y, te probeer bepaal.

Die doel met dié empiriese studie was om die waardes (beide persoonlike- en organisatoriese handelsmerkwaardes) van die onderskeie geslagte in die algemeen, maar ook in spesifieke scenario's met betrekking tot handelsmerke, handelsmerk-ambassadeurs en die oortreding van spesifieke waardegrense te bepaal. 'n Vraelys is aan verbruikers van verskillende geslagte voorgehou en die volgende bevindings kon uit die navorsingsresultate gemaak word:

- Al drie die opeenvolgende geslagte deel min of meer dieselfde persepsie van persoonlike waardes, maar 'n verskil is merkbaar ten opsigte van hul persepsie van handelsmerkwaardes.
- 'n Besliste verskil bestaan tussen die onderskeie geslagte aangaande persepsies rakende handelsmerkambassadeurs.

- Die meerderheid respondente se handelmerkpersepsie van 'n spesifieke handelsmerk is nie negatief deur die oortredings van die handelsmerk-ambassadeurs beïnvloed nie. Dit is noemenswaardig dat die handelsmerk-ambassadeurs se optrede verbruikers geensins genoop het om ondersteuning van die produkte, wat deur die oortreders geborg is, te staak nie.
- Geen duidelike verskil kon tussen die verskillende tipes oortredings en verbruikerspersepsie daarvan geïdentifiseer word nie.
- Die onttrekking van handelsmerkondersteuning aan hul ambassadeurs sodra die onderskeie oortredings aan die lig gekom het, het 'n positiewe uitwerking op die verbruikers se persepsie van die handelsmerk gehad.
- Generasie Y-respondente het, waarskynlik as gevolg van hulle meer aktiewe meelewing op sosiale media, meer vergewensgesind en positief op die handelsmerkambassadeurs se oortredinge reageer.
- Die verbruikers van al drie die geselekteerde geslagte is meer handelsmerk as handelsmerkambassadeur georiënteerd.

Dié studie het onteenseglik bevestig dat handelsmerkambassadeurs met groot vrug tydens bemarkingsveldtogte aangewend kan word, maar dat handelsmerk-ambassadeurs met groot omsigtigheid gekies behoort te word - ten spyte van die bevinding dat laasgenoemde nie 'n totale handelsmerk kan maak of breek nie. Dit is duidelik dat handelsmerkambassadeurs se oortredings 'n groter impak op die verbruiker se idee van die ambassadeur as persoon as op die handelsmerk as sodanig het.

Gegewe die byna gelykvormige waarde-oordele wat tussen drie opeenvolgende geslagte binne die Suid-Afrikaanse gemeenskap blyk te bestaan, is die verwagting dat oortredings wat betrekking het op waardes gestraf behoort te word - en die positiewe reaksie op die onttrekking van borgskappe aan oortreders. Die navorser beveel derhalwe aan dat waardes en die sentimente wat dit betrek met groot omsigtigheid deur handelsmerkbesluitnemers hanteer behoort te word.

Kernwoorde: Handelsmerk, Handelsmerkpersepsie, Handelsmerkambassadeurs, Bemarking, Generasies, Verskillende ouderdomsgroepe

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CHAPTER 1
NATURE AND SCOPE OF THE STUDY

1.1   BACKGROUND

Whether it is Beyonce for Pepsi, George Clooney for Nespresso and Omega, or Maria Sharapova for a number of brands such as Nike, Tiffany & Co., Sony Ericsson as well as TAG Heuer, celebrity brand ambassadors are regarded as a winning formula for product marketing and brand building (Mukherjee, 2009).

Organisations use various marketing practices to promote their attractiveness. However, using brand ambassadors became a popular marketing practice, over the past decade (Andersson & Ekman, 2009:41). A brand ambassador is seen as an effective way to provide a credible testimony of the organisation and through the word-of-mouth effect can influence others through their networks and relationships. Consumers often become attached to brands which enable them to create or represent their desired self-concepts, often as portrayed by brand ambassadors who walk-the-walk and talk-the-talk. Consumers make self-brand connections as they discover the fit between their self-concepts and brand images (Kemp *et al,*. 2012:509).

1.2   PROBLEM STATEMENT

Many researchers have focused on the value of brand ambassadors and how it can improve the brand value of an organisation (Andersson & Ekman, 2009:41; Boyd & Sutherland, 2005:9; Tylee, 2010:19). Not a lot of research has been done on the effect of brand perception when brand ambassadors "go to the bad". The list is endless – David Beckham's alleged affair with Rebecca Loos; Tiger Woods' infidelities; Kate Moss' drug allegations; Lance Armstrong's doping scandal and closer to home – Oscar Pistorius' murder trial. All of these celebrities were affected by sponsorships being revoked. According to Tylee (2010:19) organisations could

easily be seen as "fair weather friends" when they abandon their brand ambassadors at the first sign of trouble.

When brand ambassadors face personal crisis, not only should their personal brand be managed, but their sponsorships should also determine how the brand ambassador's actions will reflect on the organisation. This study will regard personal crisis as transgressions and misbehaviour on the brand ambassador's part.

Managing brand perceptions during times of crisis is extremely important as, according to Gunelius (2014), brands are built by consumers, not companies and the way consumers perceive the brand ultimately defines the brand. However, it is also important to note that organisations' different target markets consist of consumers from different generations who were raised with different technologies and lifestyles (Nicholas, 2009:47). From the aforementioned it can be deduced that different generations may perceive brand ambassadors' actions differently with different consequences to the brand. This study will be measured against the three scientifically acknowledged generational cohorts, namely Baby Boomers (1946 - 1964), Generation X (1965 - 1980) as well as Generation Y (1981 - 2000) (Nicholas, 2009:47).

Many organisations expect loyalty from their brand ambassadors, consumers and other stakeholders, but do not always extend the same courtesy when the morality of their brand ambassadors becomes apparent.

1.3 OBJECTIVES

The following research objectives are set:

1.3.1 Primary objective

To determine the impact of brand ambassador transgression on consumer brand perception.

1.3.2 Secondary objectives

- To determine the extent to which a company's reaction to the crisis of a brand ambassador influence brand perception. This objective aims to determine how consumers perceive organisations or a brand that drop brand ambassadors in the wake of a personal crisis.

- To determine the extent to which a brand ambassador affects consumers', of different generations, brand perception during times of crisis. This objective aims to determine to what extent brand perception is influenced by brand ambassadors during times of crisis.

- To determine to what extent consumers, from different generations, judge a brand ambassador's actions in order to justify the organisation's actions. This objective aims to determine if the seriousness of the brand ambassador's actions determine how consumers judge the organisation's actions amid the crisis.

1.4 RESEARCH HYPOTHESIS

The hypothesis is stated that there is no difference between the mean perceptions of different age groups regarding brand ambassador transgressions.

1.5 RESEARCH METHODOLOGY

1.5.1 Literature Study

In order to address the general research objective, the following research aspects will be addressed in the literature review:

- The changing marketing and branding landscape (How has marketing changed over the past decade? To what extent does social media influence perceptions? How do different generations perceive the changing media environment?)

- Brand ambassadors (Why do organisations use brand ambassadors? To what extent do brand ambassadors influence brand perception? What is expected from brand ambassadors?)
- Brand perception (Which factors influence brand perception? How do brand ambassadors influence brand perception? How does an organisation's actions, during a crisis, influence brand perception?)

Apart from a Nexus-search, the following sources and databases will be consulted to address abovementioned aspects:
- Academic journals (EBSCOhost; Emerald; JStor; Sabinet; SAePublications)
- Internet (Crisis management, brand ambassadors and brand perception)
- Books

1.5.2 Empirical investigation

1.5.2.1 Research Approach

This study will apply the quantitative research approach, as the purpose of the study is to evaluate objective data, consisting of numbers. The research questions and objectives indicate that a certain phenomenon effecting corporate communications, marketing and sales need explanation. This study will focus on the breadth of the phenomenon as opposed to the depth in qualitative research (Involve, 2013).

This approach was decided upon as it holds the following strengths (South Alabama Education, 2013):
- Research findings can be generalised when data are based on random samples of sufficient size;
- It allows studying large numbers of people;
- It provides precise, quantitative, numerical data;
- The research results are to a certain extent independent of the researcher.

However, the following weaknesses should also be kept in mind during this approach:

- The researcher might miss out on a phenomena occurring;
- Knowledge might be too abstract and general for direct application.

1.5.2.2 Sample

This study will utilise the non-probability sampling methods discussed by Welman *et al.* (2012:59). As this study was done across different generational cohorts, the quota sampling method was employed in order to ensure that the same proportions of units of analysis (such as age) are in the population. This technique is suitable as all members of the population are consumers of certain products. Whether it is consciously or not, consumers hold certain perceptions regarding certain brands. The sample will be centred on consumers from three different generations (regardless of gender and race), namely *Baby Boomers* (aged between 50 and 68)*, Generation X* respondents (aged between 34 and 49) as well as *Generation Y* respondents (aged between 14 and 34) (Nicholas, 2009:48). The population of this study will be limited to literate consumers in the South-Gauteng province.

1.5.2.3 Measuring Instrument

The measuring instrument employed will be that of a questionnaire, regardless of the low response rate associated with this measuring instrument (Welman *et al.,* 2012:59). The questionnaire will contain both closed- and open ended questions. Data will be gathered both electronically and manually and will subsequently be analysed. The questionnaire will apply a 4-point Likert scale, therefore, pressuring respondents to take a stand.

It is proposed that the questionnaire be divided into the following sections:

- Section A: Demographics of respondents
- Section B: General perceptions on brand ambassadors
- Section C: Brands and brand ambassadors
- Section D: Mini-case studies

The data will be analysed by means of electronic software packages in conjunction with SCS. Each question's responses will then be summarised by focussing on the frequency; percentage; mean; standard deviation and mode. The open-ended questions will be analysed by identifying themes relating to the topic.

1.6   SCOPE OF THE STUDY

This study focuses on literate, trans-generational respondents, as consumers, in the South-Gauteng area. Brand ambassadors with international appeal, who have faced personal crisis due to transgressions or misbehaviour, will form the centre of the study.

1.7   EXPECTED CONTRIBUTIONS

A small mishap of a brand ambassador can easily have an international impact in a world where news travels by the speed of lightning. Consumers are increasingly aware of what goes on in the world and social media ensures that fans are always informed of their role model's doings. By determining the impact of brand ambassadors' transgression on brand perception, an organisation can determine more effectively how to handle a situation where their reputation is on the line, dependent on their target markets' generational perception. A lot of money is spent on branding and brand ambassadors. By merely dropping a brand ambassador in the wake of personal crisis could not only result in financial loss, but also possibly have a negative impact on brand perception.

1.8   LIMITATIONS

The study is limited by the following possible methodological limitations, as outlined by USC Libraries (2013):

- Sample size. As the sample size will be divided into three generations, it is troublesome that the number of units analysed will be too small.

- Lack of prior research studies on the topic. Brand ambassadors only became a popular advertising tactic over the last decade (since 2004) (Andersson & Ekman, 2009:41). Therefore literature and previous research studies are limited.

- Measure used to collect data. Recording data from questionnaires can often be time-consuming and is subject to human error.

1.9 LAYOUT OF THE STUDY

Chapter 1 will focus on the nature and scope of the study. The background, problem statement, objectives and research methodology will be outlined in this chapter,

Chapter 2 will provide the body of knowledge and the theoretical framework against which the data will be analysed. This chapter will provide an extensive literature study.

Chapter 3 will be the empirical investigation. This chapter will outline the research methodology and data analysis.

Chapter 4 will conclude the study with recommendations for future research. This chapter will draw conclusions from the data, as analysed, and correlate the findings with the theory as per chapter two.

CHAPTER 2
LITERATURE STUDY

2.1 INTRODUCTION

Forbes Magazine estimated that Beyoncé and Jay-Z earned $78 million in sponsorships during 2012 (Antunes, 2012). Also George Clooney's deal with Nespresso gave him shares in the business, rather than fees, which further added to his wealth and Rapper 50 Cent sold his share in Glacéau for $4.1 billion. 50 Cent was reputed to earn $500 million in an endorsement deal with Glacéau Vitaminwater but instead opted for shares which he sold when Glacéau sold the brand to Coca-Cola. Tiger Woods was also the first athlete to earn more than $1 billion in winnings and endorsements (Ikalafeng, 2014). The global sponsorship industry is worth an estimated $50 billion a year, with more than 80% being spent on sports. Nike which makes annual revenues of more than $24 billion spends tens of millions of dollars on sponsorships each year. Nike's deal with the North Irish golfer, Rory McIlroy is estimated to cost between $100 million and $125 million over the period of five years (Taylor, 2013).

African brand ambassadors are not as lucrative as their American and European counterparts. Although, it appears that African sponsorships and the establishment of brand ambassadors are gaining momentum with African sportsmen (who are mostly soccer players) earning increased incomes. The top five African sportsmen are reputedly Ghana's Asamoah Gyan at $16 million, Liberia's American football player Tamba Hali at $16 million, Ivory Coast's Yaya Touré at $15 million, Togo's Emmanuel Adebayor at $13 million and Cameroon's Samuel Eto'o at $13million (Ikalafeng, 2014).

Globally the ranking of the wealthiest celebrities in the sporting sphere, whose income consists of both sponsorships and match earnings, are led by Tiger Woods

with an estimated $78 million, annually. Secondly Rodger Federer ($71 million) followed by American basketball players Kobe Bryant ($61 million) and Lebron James ($59 million). The final Top-five position is filled by American footballer Drew Brees with estimated earnings of $51 million (Ikalafeng, 2014).

A company's brand is one of the organisation's most valuable assets (Ikalafeng, 2014). Therefore it is important to obtain a better understanding on how transgressions of these brand ambassadors can affect the perceptions and loyalty of consumers to a brand as well as the company. This chapter will focus on the literature pertaining to brands and brand ambassadors.

Firstly an overview of how marketing has changed in the last decade will be discussed with a focus on the social media paradigm. Secondly the brand and the brand ambassador will be discussed by exploring the importance of brands and brand management. Brand loyalty and brand perception forms the cornerstones of the focus on brand ambassadors. There can be distinguished between numbers of different theories referring to brand management, but for the purpose of this study, the focus will be on that of Keller's brand equity model. An in-depth review of brand ambassadors and celebrity endorsements follows. Brand crisis and the effect of brand ambassador transgressions on a brand are further explored.

This chapter concludes with five mini-cases studies of brand ambassadors whose transgressions negatively affected their personal brands as well as those of the organisation which they endorsed. Tiger Woods, Lance Armstrong, Oscar Pistorius, Wayne Rooney and Charlie Sheen are the focus of these cases studies.

2.2 A NEW BRANDING LANDSCAPE

According to Klopper and North (2011:409) the field and scope of marketing has undergone tremendous change over the past decades as "everything, including people, can be branded". This change is mostly due to technological advances seen in the world's media industry with the media and entertainment industry being the

world's foremost industries shaped by technological and market forces. Traditional media (print and broadcast) is being outperformed by the internet, mobile and other interactive forms of media such as social media platforms (Klopper & North, 2011:191). Laforet (2010:90) supports the above by stating that companies' attitudes toward brands and brand management have changed drastically over the past decade. Brands and brand management is considered at a more senior management level than previously with companies spending more money on branding and also by outsourcing these activities to experts.

What has been dubbed the "new media environment" is characterised as follows (Klopper & North, 2011:192):

- Availability of increased volumes of information
- Information can be gathered, retrieved and transmitted quicker
- Media consumers are given increased control
- Fragmentation of media audiences and the resulting greater ability to target messages to particular audiences.
- Greater decentralisation of certain aspects of the media
- Increased interactivity between consumers and senders

These characteristics play a pivotal role in managing the impact of messages being transmitted during times of brand crisis.

The emergence of social media platforms such as Twitter, Facebook and YouTube has seen a shift in marketing power. With traditional media the power was with the organisation and mainly one-way, the new media environment has transferred the marketing power to the consumer. Organisations no longer have control over the perceptions of their brand and product through "carefully orchestrated advertising campaigns" (Nobel, 2014). Nobel (2014) refers to this phenomenon as "open source branding" where consumers have the power to not only discuss and disseminate branded content but they also have the ability to create it.

Four concurrent Web-based eras are identified in the social media landscape (Avery, as cited by Nobel, 2014):

- *The Age of Social Collective:*

  This age refers to the manner in which social media platforms promote a sense of camaraderie amongst like-minded people. These virtual communities have always had the ability to either boycott brands or "buy-cott" brands. Nobel (2014) refers to the Facebook pages of Nutella and Coca-Cola which were created by fans. Coke's Facebook page currently has 80 million likes and Nutella has 23 million likes. In both cases the companies have encouraged these consumers to continue to manage these pages.

- *The Age of Transparency:*

  Due to the easily accessible nature of information on the internet The Age of Transparency has seen the rise and transformation of consumers into amateur journalists. Consumers have the resources to expose a brand to a number of different virtual communities and are quick to respond to brand hypocrisy (when brands advertise one thing but do another in practice). Unilever's marketing drive for Dove's Real Beauty campaign which encouraged women to embrace their own bodies, won two Cannes Lions Grand Prix awards. However, customers quickly noted that Unilever also markets skin-lightening cream (Fair & Lovely) and diet aids (Slim Fast). This observation quickly spread across the internet. An employee also revealed that the images used in the campaign have been Photoshopped. This new information added to the crisis and tore across the Web.

- *The Age of Criticism:*

  The power shift between companies and consumers are clearly visible in the Age of Criticism. Social media platforms have become an outlet mechanism for consumers to complain. Consumers are quick to tweet their frustrations with an entire community of followers chiming in. Comcast (the largest broadcasting and cable company in the world, situated in the United States)

employs social media managers to monitor Twitter for complaints. These managers can then address the problem and reach out to disgruntled customers, directly in real time. The Twitter feed (@ComcastCares) regularly updates and apologises for service glitches.

- *The Age of Parody:*

  Consumers do not always share the sacredness of a brand with the organisation. Humour is a big part of certain social media cultures and in The Age of Parody satirical spoofs of advertisements are easily fabricated and distributed. Nobel (2014) states in this "open source branding landscape" that anyone with a camera and a YouTube account can poke fun at a brand and its advertisements. MasterCard's "Priceless" campaign is often the subject of spoofing videos on YouTube. The tagline "priceless" reminds viewers of the original ads.

Klopper and North (2011:243) are of opinion that as opposed to an extension strategy as usually employed by marketers, endorsement strategies have become more popular. Andersson and Ekman (2009:41) supports the aforementioned by stating that the use of various marketing practices such as brand ambassadors is a relatively new phenomenon, especially since traditional marketing tactics decline in effectiveness and popularity (Kleyn, 2007:32). Traditional marketing tactics are being replaced by customer-driven referrals which could consequently have a significant positive impact on the organisation's bottom line (Kleyn, 2007:32).

2.3 THE BRAND AND THE BRAND AMBASSADOR

2.3.1 Importance of brands and brand management

A brand is the name, term, design, symbol or any other feature that identifies and distinguishes a product from those of the competitors. Consumers regard a brand as an important part of the product with branding adding value to the product. Illiterate consumers are also dependent on branding. For example, in many parts of the

country as well as in other Third World countries, Colgate is regarded as the generic name for toothpaste not as the brand name (Cant *et al.*, 2009:213).

A brand ambassador is someone who represents a brand in a positive way. It is the duty of the brand ambassador to express the message of a company to consumers. A brand ambassador is defined as a well-known person who uses their fame to promote a product or service. Most organisations and brands use celebrities in their marketing in hopes that it will drive up sales and ultimately have a positive impact on their profits (McKinney, 2014).

Brands are everywhere and part of consumers' daily lives, but there are certain brands, such as Coca-Cola, Nike and McDonald's which have set themselves apart. These brands are not merely a product or service. These brands are icons, embedded in our culture and consciousness. Iconic brands inspire affection and are instantly recognisable (Hollis, 2014).

In 2014 Google took the lead over Apple in the BrandZ Top 100 Most Valuable Global Brand ranking (MillwardBrown, 2014). Google has managed to grow 40 percent since 2013 and has an estimated brand value of $159 billion. Apple's brand value (who was the leader for three years in a row until 2014) is estimated at $148 million. IBM (the leading global business-to-business brand) remained in the third position with a brand value of $64 billion. This ranking method uses the views of potential and current buyers of a brand together with the financial data in order to calculate the brand value. The combined value of the Top 100 most valued brands are worth $2.9 trillion, showing an increase of 49 percent compared with the valuation of 2008, during the global financial crisis (Rooney, 2014). As is evident from Table 2.1, the rise of technological companies and their competitiveness is clear. Table 2.1 indicates the ranking of the Top 10 Most Valued Brands according to BrandZ Top 100 Most Valuable Global Brands (MillwardBrown, 2014).

Table 2.1: Top 100 Most Valuable Global Brands during 2014

Rank 2014	Brand	Category	Brand Value 2014 ($M)	Brand Value Change	Rank 2013
1	Google	Technology	158,843	40%	2
2	Apple	Technology	147,880	-20%	1
3	IBM	Technology	107,541	-4%	3
4	Microsoft	Technology	90,185	29%	7
5	McDonald's	Fast Food	85,706	-5%	4
6	Coca-Cola	Soft Drinks	80,683	3%	5
7	Visa	Credit Cards	79,197	41%	9
8	AT&T	Telecoms	77,883	3%	6
9	Marlboro	Tobacco	67,341	-3%	8
10	Amazon	Retail	64,255	41%	14

Source: MillwardBrown, 2014.

Brands are regarded as strategic issues according to Laforet (2010:88). Brands are the key strategic instruments and drivers to ensure long-term competitive advantages and also form the heart of a business' competitive advantage by representing critical resources. Brands are utilised to encourage consumer loyalty and confidence and to add value to the products (Laforet, 2010:89; Ivens & Valta, 2012:1062).

Establishing a strong, definite brand is not only beneficial to the manufacturer, but also to the consumer and retailer. These benefits are outlined below:

- The consumer:
  - Easier to identify the product
  - Communicates the features and benefits
  - Helps product evaluation
  - Reduces the risk in purchasing
  - Creates interest and character for the product image

- The manufacturer:
  - Helps create brand loyalty
  - Creates differential advantage

- Allows premium pricing
- Facilitates product diversification

- The retailer:
  - Benefits from brand-marketing support by the manufacturers
  - Attract customers

However, brands can be diminished very quickly and weak or badly managed brands can take many years to retrieve successfully. Andrews and Kim (2007:350) uses the example of Hyundai Motors (Korean automaker) who is still trying to overcome the quality problems they faced in the early 1980's, more than thirty years later. Badly managed brands could lead to substantial financial and market loss, especially as negative information could very quickly reach a large number of consumers in a short time (Andrews & Kim, 2007:351).

Brand loyalty and brand perception will now be discussed as these factors have a definite impact on the brand value.

2.3.2 Brand loyalty

Brand loyalty is defined as the positive feelings a consumer experiences towards a brand and the intense commitment to repurchase products of the same brand regardless of competitors' actions or changes in the environment (Lazarevic, 2011:48). Lazarevic (2011:48) further distinguishes between attitudinal and behavioural components which influences brand loyalty.

Attitudinal loyalty leads to consumer's inclination to make a purchase at a higher price regardless of certain obstacles to purchase, whereas behavioural loyalty is the actual re-purchase action. Attitudinal loyalty drives most of the loyalty behaviour and will lead to loyalty over time as this component is psychological and evaluative and will ultimately lead to behavioural loyalty (Lazarevic, 2011:48).

Brexendorf *et al.* (2010:1148) argues that the sources and development of brand loyalty is of high importance for brand management. Building brand loyalty requires investments in marketing programs which targets current and potential customers to ultimately influence their mindsets. By influencing customers' mindsets it could lead to outcomes such as brand awareness, brand associations, attitude and behaviour towards the brand and eventually brand loyalty as an essential measure for brand performance.

Brands that have strong and stable emotional connections with consumers and where the perception of the brand matches with the reality of using the brand's products are successful in building brand loyalty. Brand loyalty is developed after consumers are aware of brand messages, develop perceptions of the brand and have certain expectations thereof. It is strengthened after they tried the brand's product and are satisfied with it to the extent that they will purchase the product again and try other products of the brand as well (Gunelius, 2014).

2.3.3 Brand perception

A brand resides in consumers' minds and brand image is regarded as consumers' perceptions of the brand (based on the values the brand portrays, attitudes and characteristics of the brand) which is linked to brand associations held by consumers (Laforet, 2010:114; Klopper & North, 2010:411). Perception is the process of receiving, organising and assigning meaning to information or stimuli detected by the five senses. Perception refers to the manner in which buyers interpret or assign meaning to the world and their surroundings (Cant *et al.*, 2009:79).

The values upon which a brand is built establish the desired image of the brand (Grundy & Moxon, 2013:55). Klopper and North (2011:411) are of opinion that a brand is a bundle of images and feelings in people's minds about a product, organisation or person which subsequently influences their perception of the brand.

The favourability of brand associations generates certain attitudes which transfer to the product (Aghekyan-Simonian *et al.*, 2012:326) and these interpretations are not always according to the objective reality (Cant *et al.*, 2009:79). Subjective factors such as experiences, values and prejudice of the individual influences their perception (Cant *et al.*, 2009:79). Managing brand perception is further complicated as few people's perception are exactly the same pertaining to a specific phenomenon.

Therefore, brand image is extremely important for the following reasons: general promotion value; encourage favourable behaviour towards the organisation; increase sale of products; give products an added advantage; attract shareholders; attract potential employees; facilitate good relations with the community; facilitate good relations with the government; influence attitudes; create favourability; showcase the organisation; fulfil corporate objectives; aid management decisions and serve as a competitive advantage for organisations (Kennedy, as cited by Pang, 2012:360). Aghekyan-Simonian *et al.* (2012:326) argues that the more favourable the brand image, the more positive the attitude towards the brand.

2.3.3.1 Identity and authenticity

An organisation's marketing management can basically position a brand based on five elements namely, extent of sincerity, excitement, competence, sophistication and ruggedness (Ivens & Valta, 2012:1063). Reed *et al.* (2012:310) argues that it is a fundamental human drive for a person to understand who they are and what they believe. This drive subsequently provides a wide range of "identity driven effects" which are consistent with how the individual perceives himself. Identity driven effects include (Reed *et al.,* 2012:310):

- Attention to identity-related stimuli: consumers are more likely to notice and evaluate certain products such as athletic apparel if they are athletes themselves.

- A preference for identity-linked brands: consumers have a preference for athlete-focused products such as Powerade, rather than brands such as Vitaminwater that have no obvious link to athletes.

- Increased positive reactions to advertisements featuring endorsers who possess the desired identity: consumers who consider themselves as athletes would prefer advertisements with pro-athletes rather than advertisements with award-winning actors.

- The selection of media catering to the identity: Supersport would be the network of choice rather than CNN for athletic-focused consumers.

- Biased attention towards identity-consistent memories: increased ease of consumers recalling past athletic triumphs.

In this context an identity may by defined as any category label which allows a consumer to self-associate (either by choice or endowment). The category label raise a mental representation of what that specific type of person looks like, thinks, feels and does. Examples of identities include being a friend or a mother/father. A category label only becomes an identity when the consumer has started to incorporate it into their sense of what and who they are, initiating the process to become that kind of person (Reed *et al.,* 2012:312).

According to Napoli *et al.* (2013:1090) people attribute authenticity to brands, suggesting that authenticity is central to brand status, equity and corporate reputation. Furthermore, contemporary consumers utilise brands to develop an authentic self, allowing them to reconnect to places, time and others.

Brands with a sense of heritage hold a distinctive identity and nostalgic aura that adds to its authenticity by means of traditional cultures, customs, regions and beliefs. Over time this heritage develops into certain cultural values, acquiring symbolic meaning beyond its original identity which could lead to attained market share, institution-like status and legitimacy. These brands, such as Nike and Harley

Davidson are often associated with integrity, commitment to quality, a sense of moral virtue and an intrinsic love of the product (Napoli *et al.*, 2013:1091).

The concepts of self-brand connections and brand values will subsequently be explored to gain a better understanding of the factors which influence brand perception.

2.3.3.1.1 Self-brand connections

Consumers often become committed to brands which they feel represent their self-concepts and portray their self-images. This process occurs by matching or pairing products and brands and the images which they represent. As the fit between self-concepts and brand images are discovered, valuable self-brand connections are made. An example will be that of an aspiring athlete who identifies and connects with Nike as Nike's advertisements generally focuses on hard work, sweat and perseverance and ultimately enabling consumers to achieve their best in their quest for excellence. By using Nike's sports gear, the consumer can become their ideal self with personal accomplishments (Posavac, 2012:186)

Brand associations (which ultimately form the consumer's perspective) include attitudes and perceptions of brand quality as well as the perceived uniqueness of the brand. These brand associations can also help consumers to construct, cultivate and express their identities. Subsequently, strong and positive brand associations may lead to develop connections with brands that best enable them to convey their self-concepts (Kemp *et al.,* 2012:509; Andrews & Kim, 2007:355).

2.3.3.1.2 Brand values

The values on which a brand is built can be interpreted as the signals which a brand sends out to stakeholders, especially customers. These signals subsequently develop individual and subjective perceptions of the brand's personality. Each customer may perceive the same brand values and signals differently causing a variance among customer perceptions (Ivens & Valta, 2012:1063). Based on these

variances the impact of brand ambassador transgression on perception will be measured against different generational perceptions. Organisations' different target markets consist of consumers from different generations who were raised with different technologies and lifestyles (Nicholas, 2009:47). Therefore it can be deduced that different generations may perceive brand ambassadors' actions differently.

A study done by Swaiden *et al.,* (2003:175) found that older, more educated and married consumers rejected questionable activities more than younger, less educated and single consumers. Another factor which influenced the acceptability of questionable activities includes consumers' level of idealism. Consumers who are more idealistic were more likely to reject questionable activities than consumers who were more relativistic. Consumers who are more idealistic perceive that morality will guide a person's actions and that harming other people are wrong and to be avoided. Relativism suggests that moral rules exist as a function of time, place and culture and can not be derived from universal principles.

The Top 5 most valuable brands, as portrayed in Table 2.1, are defined by the following brand values:

- Google:
  Google's philosophy regards their values as the "Ten things we know to be true" (Google, 2014). This list was developed when Google was just a few years old and Google still revisit the list regularly to ensure that it still holds true. Google's brand values entail:

    i. Focus on the user and all else will follow
    ii. It's best to do one thing really, really well
    iii. Fast is better than slow
    iv. Democracy on the web works
    v. You don't need to be at your desk to need an answer
    vi. You can make money without doing evil
    vii. There's always more information out there
    viii. The need for information crosses all borders

ix.   You can be serious without a suit

x.   Great just isn't good enough

The abovementioned values personify the Google-brand. By outlining these values they accept responsibility and accountability. Google's brand values focus on improvement and are designed to motivate and inspire not only their employees but users as well.

- Apple:

Apple's core values focuses on simplicity and excellence. Apple's values are (Cook, 2014):

i.   We believe that we're on the face of the Earth to make great products.

ii.   We believe in the simple, not the complex.

iii.   We believe that we need to own and control the primary technologies behind the products we make.

iv.   We participate only in markets where we can make a significant contribution.

v.   We believe in saying no to thousands of projects so that we can really focus on the few that are truly important and meaningful to us.

vi.   We believe in deep collaboration and cross-pollination of our groups, which allow us to innovate in a way that others cannot.

vii.   We don't settle for anything less than excellence in every group in the company, and we have the self-honesty to admit when we're wrong and the courage to change.

- IBM:

The International Business Machines (IBM) Corporation is an American multinational technology and consulting corporation. Employees of IBM are referred to as IBMers. IBM states that some companies manage by rules and some by hierarchies, but that IBM manage by its values (IBM, 2014).

IBMers share the following values:

      i.   Dedication to every client's success

      ii.   Innovation that matters, for our company and for the world

      iii.   Trust and personal responsibility in all relationships

IBM's values are simple and clear - making it easily understandable and easy to remember.

- Microsoft:

Microsoft's values (Microsoft, 2014) are as follow:

"At Microsoft, our mission is to enable people and businesses throughout the world to realize their full potential. We consider our mission statement a commitment to our customers. We deliver on that commitment by striving to create technology that is accessible to everyone—of all ages and abilities. Microsoft is one of the industry leaders in accessibility innovation and in building products that are safer and easier to use."

The values on which Microsoft built their over the years focuses on a number of characteristics and personal values as outlined above in their mission statement.

- McDonald's (McDonalds, 2014):

The fast food giant, McDonald's, places people at the focal point of their values, whether employees or customers. McDonald's value the following:

      i.   We place the customer experience at the core of all we do

      ii.   We are committed to our people

      iii.   We believe in the McDonald's System

      iv.   We operate our business ethically

      v.   We give back to our communities

      vi.   We grow our business profitably

      vii.   We strive continually to improve

These values are simple and form the basis of McDonald's operation.

Three out of the five case studies at the end of the chapter had Nike as sponsors. For the purpose of this study the values of Nike will also subsequently be discussed.

- Nike

  Nike's official mission statement is "To bring inspiration and innovation to every athlete* in the world." The asterisk is strategically placed and further explains that "if you have a body, you are an athlete" (NikeInc, 2014). However, Nike does not have official core values, but according to Newell (2013) Nike's strong customer loyalty is due to the Nike brand strategy. Nike uses both self-loathing and determination to build customer loyalty by means of emotional branding. Nike uses heroism to inspire customers all over the world - where the hero is pitted against a great foe, and after a struggle, emerging triumphant. From the above it can be deduced that Nike places great emphasis on perseverance and loyalty.

  Nike's Code of Ethics (Nike, 2011) outlines the following standards which Nike expects employees to reflect: honesty, loyalty, trustworthiness, fairness, concern for other and accountability.

2.4 AN OVERVIEW OF BRAND MANAGEMENT THEORIES

2.4.1 Brand management strategies

According to Oakley (2013) there are many theories relating to brand management strategies. Oakley (2013) discussed the following three theories as indication for strategies used to perform better in the marketing landscape.

2.4.1.1 Theory of brand loyalty

This theory focuses and provides an understanding of the relationships of a customer's psychology with the brand of a company. According to the Theory of brand loyalty, there are three different aspects which determine the positive

behaviour of a customer towards a brand. Emotional attachment, brand evaluation and behavioural aspects form the basis of the Theory of brand loyalty.

2.4.1.2 Branding theory

Typical components of brand management are explored by the branding theory, including:

- The assignment of a specific name to the brand which can portray the business standards;
- Generating awareness of the specific brand;
- Attempting to address the customer's wants and needs;
- Establishing and maintaining long-term relationships; and
- Attempting to develop the brand with no compromise in any function.

2.4.1.3 Value-based brand theory

The intention to build long term customer value is explained by the value-based brands. The success all depends upon the value which is delivered to the customer by the brand. This theory argues that the customer is the distinguishing factor to defeat competitors. The value-based brand theory maintains that the customer is the lifeblood of the brand.

However, for the purpose of this study the focus will be on Keller's model of brand equity which reflects the real value that a brand name holds.

2.4.2 Keller's brand equity model

Two main frameworks relating to brand equity can be distinguished (Buil *et al.*, 2008:385), namely Keller's customer-based brand equity and Aaker's framework of core brand equity dimensions.

Keller's conceptualisation focuses on brand knowledge which can further be divided into brand awareness and brand image,

As marketers can gain competitive advantages through strong and established brands the term *brand equity* is increasingly perceived as very important (Wang *et al.,* 2008:305). A strong brand image and reputation enhances differentiation and has a positive influence on buying behaviour (Kuhn *et al.,* 2008:40). Furthermore Keller stated that powerful brands create meaningful images in customers' minds. This section will focus on Keller's brand equity model with influences from Tolba and Hassan (section 2.4.2.1) as well as Aaker (section 2.4.2.2).

Keller defined brand equity as something that occurs when a brand is known and has become strong, favourable and unique associations in the consumer's memory. Aaker (as cited by Buil *et al.*, 2008:385) defined brand equity as "a set of brand assets and liabilities linked to a brand, its name and symbol that add to or subtract from the value provided by a product or service to a firm and/or to that firm's customers."

Keller defined customer-based brand equity (CBBE) as the "differential effect of brand knowledge on consumer response to the marketing of the brand." Keller focused on two constructs namely, brand knowledge and brand response. Brand knowledge is regarded as brand awareness (the ability to recognise the brand and recall it under different conditions) and brand image (the attributes and benefits associated with a brand that distinguishes the brand from competition). Brand response is defined in terms of consumer perceptions, preferences, and behaviour arising from marketing mix activities (Tolba & Hassan, 2009:357; Davis *et al.,* 2009:203).

According to Keller (as cited by Wang *et al.*, 2008:306) a brand has the ability to have either positive (or negative) customer-based brand equity when consumers react more (or less) favourably to an element of the marketing mix as opposed to other brands. When the brand holds some "favourable, strong, and unique" brand associations in the mind of the consumer CBBE, brand strength and brand value, occurs. Brand strength is regarded as associations in the customer's mind. When

brand strength obtains superior current and future profits, brand values are regarded as the gains thereof. Brand equity originates from the greater confidence that consumers place in a brand when opposed to the brands competitors. This confidence is later translated into customer loyalty and willingness to pay higher prices for the brand (Wang *et al.,* 2008:306).

Keller (as cited by Wang *et al.,* 2008:306) suggested in 2003 that people, places, things or other brands should be linked to certain brands by marketers in order to improve their brand's equity. Furthermore, Wang *et al.,* (2008:306) stated that many branding-related activities such as word-of-mouth, endorsements, sponsorships and publicity should be incorporated in order to build and protect brand equity.

Keller's Customer-Based Brand Equity Pyramid (see figure 2.1) identifies four steps for building a strong brand. Brand identity, brand meaning, brand responses and brand relationships are regarded as the four steps to success. Each of these steps is dependent on the successful completion of the previous step. Furthermore, these steps consist of six brand building blocks, which include salience, performance, imagery, judgments, feelings and resonance. Resonance is the ultimate goal to be achieved with a completely harmonious relationship between the customer and the brand (Kuhn *et al.*, 2008:41-45). Figure 2.1 illustrates Keller's Brand Equity Pyramid and will subsequently be discussed.

- To develop a correct brand identity is the first step in building a strong brand identity. Customers should be able to identify with the brand and develop associations in their minds with a specific product class or need. In order to ensure this, brand salience must exist, with aspects of brand awareness and the range of purchase and consumption situations being present. The salience building block consists of two categories, namely need satisfaction and category identification.

Figure 2.1: Keller's Brand Equity Pyramid (Kuhn *et al.*, 2008:41-45).
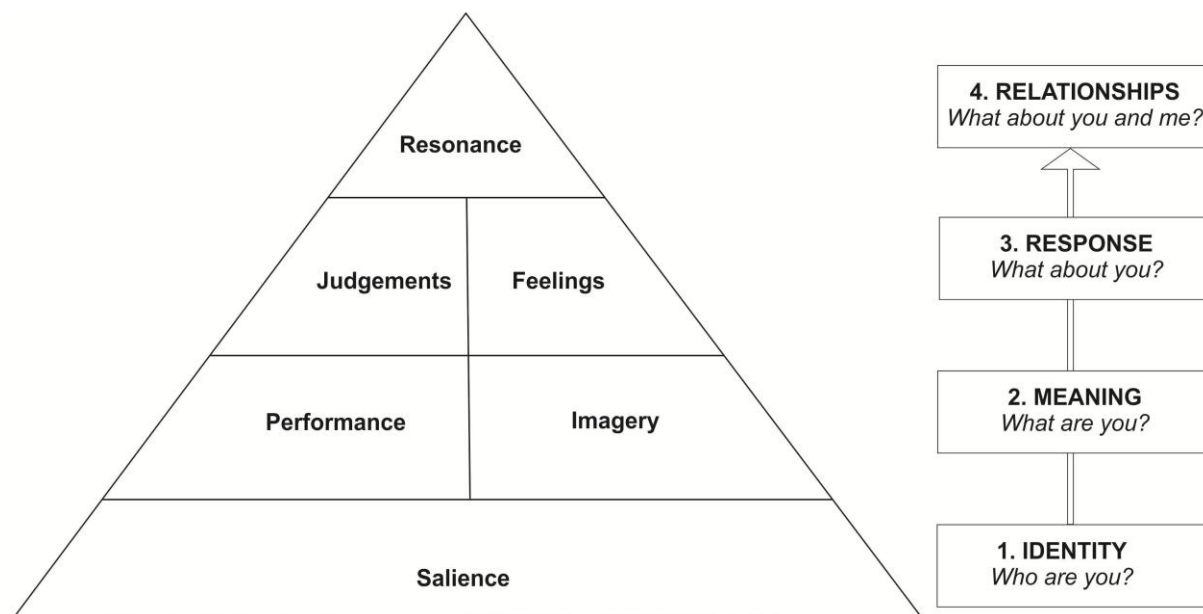
- The second step focuses on brand associations by establishing brand meaning. Brand meaning is either association of a functional (brand performance) or abstract (image-related) nature. Functional associations include style and design, price, service effectiveness, efficiency and empathy, product reliability, durability and serviceability. Image associations include aspects such as user profiles; purchase and usage situations; personality and values, as well as the history, heritage and experiences.

- Brand response is the third step in Keller's pyramid. It represents opinions and evaluation of the brand based on association identified in brand meaning. Quality, credibility, consideration and superiority are included in the judgments made by consumers. Six types of emotional responses to a brand are identified: warmth, fun, excitement, security, social approval and self-respect.

- The final step in the pyramid refers to brand relationships where brand response is converted to develop an intense, active loyalty relationship

between the customer and the brand. Resonance is the ultimate goal, with the nature of the relationship between the customer and brand being the focus. Behavioural loyalty, attitudinal attachment, sense of community and active engagement are the four elements of the relationship.

2.4.2.1 Tolba and Hassan CBBE dimensions

In addition to Keller's pyramid, Tolba and Hassan (2009:357) proposed a model which breaks CBBE into three dimensions:

1. Knowledge equity (KE): The component of CBBE which evaluates consumer's awareness (in other words their recognition and recall) of the brand as well as their familiarity with the brand and its characteristics, meaning and functions.

2. Attitudinal equity (AE): Consumer's attitudes towards a particular brand. AE refers to the perceived quality, perceived value and social image. It is important to note that consumers' attitude towards a brand has both cognitive and emotional dimensions.

3. Relationship equity (RE): Both customers' satisfaction with as well as their attitudinal loyalty towards the brand is included. RE measures the effectiveness of marketing activities in building relationships between the brand and its target consumers.

2.4.2.2 Aaker's framework of core brand equity dimensions

The other framework previously referred to is that of Aaker. His framework consists of five core brand equity dimensions, namely, brand awareness, perceived brand quality, brand associations, brand loyalty and other proprietary brand assets, such as patents, trademarks, and channel relationships (Tolba & Hassan, 2009:357; Wang *et al.,* 2008:306; Kuhn *et al.,* 2008:40).

- *Brand awareness* refers to the ability of a potential buyer to recall or recognise a brand as a member of a certain product category (Buil *et al.*, 2008:385). Brand equity is reliant on the differential effect of brand knowledge produced

by marketing activities. The focus should be on brand management and niche strategies in order to improve brand awareness by supporting connections between the brand and its consumers to ensure that brand is differentiated amongst competition (Wang *et al.,* 2008:307).

- *Perceived quality* refers to the consumer's judgment about a product's overall excellence or superiority. Perceived quality is of consumers' subjective evaluations (which is dependent on their perceptions) of the product (Buil *et al.,* 2008:385). Attitudinal and behavioural loyalty influences the consumers' quality perceptions, which are based on trust. Should the relationship between the brand and the quality of the product be established before the relationship between the product attributes and qualities, consumers will be more likely to be influenced by the perceived quality (Wang *et al.,* 2008:307).

- *Brand associations* are regarded as "anything linked to the memory of the brand". The brand's favourability, strength and uniqueness are all sources which influences brand associations (Buil *et al.,* 2008:385).

- *Brand loyalty* is defined as "the attachment that a customer has to a brand. Brand loyalty can be conceptualised in several ways, such as behavioural and attitudinal perspectives. Behavioural perspectives emphasises on repeat purchasing behaviours whereas attitudinal perspectives focus on commitment in terms of some unique values associated with the brand (Buil *et al.,* 2008:385).

- Other proprietary brand assets include aspects such as patents and trademarks (Buil *et al.,* 2008:385).

2.5 BRAND AMBASSADORS AND CELEBRITY ENDORSEMENTS

This section will focus on brand ambassadors and celebrity endorsers. The term celebrity endorsers and brand ambassador are used interchangeably. Firstly an overview of brand ambassadors is given. The purpose of brand ambassadors, three different types of brand ambassadors, and the characteristics looked for in brand ambassadors and celebrity endorsement strategies will be discussed in depth.

2.5.1 Overview of brand ambassadors and celebrity endorsers

Before the concepts of celebrity endorsers and brand ambassadors can be explored, it is important to differentiate between self-branding and celebrity branding:

- Self-branding, also referred to as personal branding, is the process of developing a symbol that is created around an individual's career or name. This symbol is used to express and communicate the individual's skills, personality and values in order to develop a personal brand which will develop a reputation to grow a network in a way that interest others (Lake, 2014).

- Celebrity branding, also referred to as celebrity endorsement advertising (celebrity endorsements) is defined as a well-known person who uses their fame to promote a product or service. The celebrities market the product through television or radio ads and large event appearance. Celebrities are used in marketing campaigns to drive up sales and ultimately have a positive impact on profits (Grimsley, 2014)

A brand ambassador is regarded as an individual whom constitutes a credible testimony of distinctive character and can by means of the word-of-mouth effect influence others through their networks and relationships. Furthermore, an ambassador has the ability to get access to target groups that, in many cases, would not have been reached (Andersson & Ekman, 2009:42) and also to increase brand awareness, create or strengthen brand image as well as to achieve brand differentiation (Westberg *et al.,* 2010:603).

A celebrity endorser is a well-known public figure who uses their celebrity status and fame to promote a product or service. Celebrities' names and images capture awareness and attention. Celebrity endorsers enable consumers to attach personality characteristics to the brand as celebrities are tangible and identifiable, making it easier for consumers to identify with the brand (Lazarevic, 2011:53). Also, a celebrity endorser can attract increased brand exposure in the media and consequently greater exposure for the organisation and the brand (Westberg *et al.,* 2010:603).

Kanner (2013) states that even though celebrities play a pivotal role in humanising the brand and creating awareness, it is their influence that determines the success of the brand campaign. "Influence" refers to who can portray the brand the best, who can generate the most interest among consumers and also, who can generate the best new thinking. These influencers must personify the brand - Steve Jobs were and Sir Richard Branson are examples of brand ambassadors who live and breathe the brand. These celebrity brand ambassadors indirectly create exclusive clubs which other people want to be part of. The value of the brand ambassador to the brand lies within the influence they inspire and those who embody the same things as the brand itself. These influencers develop a strong partnership with the brand by becoming highly relevant advocates that deliver the brand's vision with passion and genuineness and inspiring innovative thinking and a loyal following.

According to Klopper and North (2011:245-246), celebrity endorsements can either be a goldmine or a minefield. By aligning brands with celebrities can be significantly valuable in terms of brand building however, it is crucial for the ambassador to remain closely aligned to the brand values. By employing a celebrity endorser a relationship between the consumers and the brand could be facilitated as the endorser can represent similarities between themselves and the brand as well as themselves and the consumer (Lazarevic, 2011:49).

Brand names of celebrities can be very influential when consumers consider various brands for purchase (Klopper & North, 2011:411). According to Lazarevic, (2011:49) celebrity endorsements are especially influential to generation Y consumers as these endorsers are viewed as attractive, likeable and real. Furthermore, Generation Y consumers have portrayed an increased obsession with celebrities and their actions especially with what they wear and what products they use.

Therefore, the behaviour, performance and reputation of the ambassador is crucial. Celebrities who act as brand ambassadors provide the brand with an instant value and personality package which could have taken years and millions of dollars to establish (Klopper & North, 2011:246). All of the celebrity's values and behaviours reflect on the brand, thus any negativity on the celebrity's part has the ability to damage the brand as well (Lazarevic, 2011:53).

It is important to ensure that the brand and the brand ambassador fit to ensure maximum benefit is derived. Every brand has a unique, unseen personality in the eyes of the consumers and therefore the image of the product and the image of the brand ambassador should be agreeable. The brand ambassador must also be popular with the brand's target market and factors such as attractiveness, expertise and trustworthiness must also be considered in deciding on a brand ambassador. (Bizz101, 2013).

2.5.2 The purpose of brand ambassadors and celebrity endorsers

The purpose of the brand ambassador is to connect the brand he presents to his image and personality, thus creating brand credibility. According to Maguwu (2014) the concept of celebrity brand ambassadors revolves around the fact that mass media is not as effective anymore and that the likelihood of customers paying attention to the message is increased with a celebrity portraying the message.

OpenDorse (2014) narrowed the spent on brand endorsements annually worldwide down to following three most significant reasons:

- *To build brand awareness*

The best endorsement deals work when the corporate brand image is effectively matched with the brand ambassador's image. Thus consumers with similar values will be attracted to the brand and brand awareness will be increased. Maria Sharapova was the perfect spokesperson for Canon cameras as she possesses an image that is aligned with the brand. This "partnership" between Sharapova and Canon communicated a brand image which was focused on being powerful but with a sense style and precision.

- *Validate product features*

Athletes with certain prominent qualities or features may be approached by certain brands to promote their product specifically focussed on enhancing these qualities or features. An athlete may be approached by a brand of nutritional supplements to further endorse their products and therefore giving the impression that the athlete's physique and performance is due to using this specific supplement. Olympic gold medallist Michael Phelps, endorses a protein recovery drink and has been quoted as saying that it allows him to "push his body to the max every day" and also that it is "the only thing he knows which works".

- *Boost brand equity*

Brand equity can be enhanced for both the brand and the athletes through endorsement deals. In 2012 American Basketball player LeBron James earned $15 million from Nike. However, Nike sold over $100 million worth of a LeBron James signature shoe in the U.S. alone (OpenDorse, 2014). In order to create and maintain brand equity big brands are willing to pay athletes to endorse the brands.

2.5.3 Different kinds of brand ambassadors

Morin-Van Dam (2014) distinguishes between four different kinds of brand ambassadors, namely the goodwill ambassador, promotional models, testimonials and brand advocates.

2.5.3.1 The goodwill ambassador

The goodwill ambassador is a celebrity who supports brands (especially non-profit making and cause-related brands) by exploiting the celebrity's reputation and talent (Maguwu, 2014). These celebrities are often used by humanitarian organisations to assist in generating funding, donations as well as to encourage volunteers to participate in the organisation's activities. Examples of goodwill ambassadors include Katy Perry and David Beckham who are UNICEF ambassadors and use their fame to focus the world's attention on the needs of children (UNICEF, 2014).

2.5.3.2 Promotional models

Promotional brand ambassadors refer to commercial brands who take advantage of celebrities' fame to market their products (Maguwu, 2014). Catherine Zeta-Jones is an example, as she made $20 million from endorsements for the cell phone company T-mobile (Enstars, 2014).

2.5.3.3 Testimonial

The testimonial is a common advertising method where a consumer (as opposed to the manufacturer or creator) attests to the effectiveness and explains the benefits of the product. Celebrity testimonials are regarded as a powerful technique as the product or service which is being promoted is easily identifiable with the celebrity's image or specialty (Joseph, 2014).

On her television show, *Keeping up with the Kardashians*, Kim Kardashian underwent LASIK eye surgery from Robert Maloney (Maloney Vision Institute, 2011). Kim then became a celebrity endorser for the Maloney Vision Institute stating: "The

next day I woke up and I could see so clearly. I can see better than I ever have before. I just love everything that's going on right now."

2.5.3.4 Brand advocates

Trevor (2013) defines a brand advocate as "a consumer who influences other consumers' purchasing decisions, interacts with measurable consistency within their networks to promote a brand, generates online and offline word of mouth marketing, and is an integral component of every marketing and advertising objective." In 2008, Starbucks develop the advocate-driven idea tank (MyStarbuckIdea.com) where consumers can submit ideas and inputs for new products and coffees. This platform enabled Starbucks to already have millions of fans as soon as a new product is launched (Petersen, 2013).

2.5.4 Criteria for choosing a brand ambassador

People are intrigued by celebrities and these celebrities often have a positive effect on consumer feelings and are most effective in sustaining recollection of an advertisement and the brand name. The brand ambassador extends his status to the brand. However, the brand often becomes hostage to the celebrity's image. Celebrities with superstar status can overshadow the brand when they are used in advertisements resulting in consumers only remembering the celebrity rather than the product or brand. There is also the risk of over-exposure of certain celebrity brand ambassadors, where some celebrities endorse too many brands, causing confusion in the minds of the consumers (Bizz101, 2013).

From the sponsor's perspective the sponsorship should entail a positive effect on the corporate brand image and is used to define or enhance the perceptions of the brand. Sponsorships has been recognised as a powerful platform for building brands and especially sport entities are increasingly acknowledging the role of their brand in influencing relationships with key stakeholders such as fans and the media (Westberg *et al.,* 2010:603).

The marketing and communication agency Goodman AMC (2014) identified 20 attributes companies should consider before choosing brand ambassadors for endorsement deals. These attributes will subsequently be discussed.

1. Brand ambassador – product match

   The compatibility between the brand ambassador and the product to be endorsed will influence the effectiveness of the endorsement through:

   o The ambassador's motive for associating him- or herself with the product will influence the consumer's attributions of the ambassador.

   o The consumer's attributions will subsequently effect their evaluations of the endorser, the advertisement and the brand involved.

2. Brand ambassador – target audience match

   The brand ambassador is regarded as the mouthpiece for the brand and has the ability to easily change the consumer's perception of the brand. A brand ambassador who is more demographically compatible to the target audience is viewed as more viable and persuasive than an endorser who is not. For example, George Clooney who embodies style, elegance and sophistication will not be a good match to endorse Tony Hawk skateboards. Tony Hawk, who is demographically closer to the target audience, will be better suited.

3. Brand ambassador's popularity

   Brand ambassadors have a positive effect on both the attitude towards the advertisement and the brand. Brand ambassadors are widely recognised and perceived to be more credible and produce greater influence on evaluation of brands and its purchase intentions. The lifecycle of a brand ambassador's popularity varies as consumers also tend to match the personality of the brand ambassador with the brand. Thereby the recall value is increased.

4. Brand ambassador's credibility

This aspect is regarded as most important in endorsement deals. The most important dimensions of credibility are trustworthiness and expertise regarding the product or service marketed. These credibility components are interconnected with the traits of the brand ambassador. The image of the brand ambassador (dependent on the product to be marketed) should, for example reflect good qualities such as being pleasant, wise and educated as these characteristics lead to the positive and sincere perceptions in the consumers' minds. Furthermore, brand ambassadors who receive constant media coverage are trusted more than those who are not constantly in the spotlight.

For example, Maria Sharapova was signed as Porsche's brand ambassador in 2014. This decision was made on the basis that Sharapova "combines top performance in her sport with elegance and power." These are the exact qualities that are embroiled in Porsche. "Maria Sharapova is the perfect choice. Her profile and charisma are an ideal fit for Porsche. She is also highly respected around the world and enjoys outstanding reputation" (Porsche, 2014).

5. Values

The values of the brand ambassador transferring to the product or service which they endorse, forms the essence of using a brand ambassador. However, the brand ambassador's private life and their personal integrity is a matter of concern. Another matter of concern is the viability of the brand ambassador. In other words, how long will the brand ambassador maintain its popularity?

According to Urso (2013) Beyoncé is more than a performer or a legend. She is a brand. Beyoncé's brand is strong; reaches out to its audience emotionally and tells a story. These three qualities are extremely important for a

successful brand. The Beyoncé-brand became strong though serving her audience quality goods and services and gaining their trust through consistency. The Beyoncé-brand is strong and established and can withstand controversies like the lip syncing incident at the Obama-inauguration which, for other singers or brands could have been devastating. Beyoncé's strong brand is recognised by other strong brands, such as Pepsi who want to link their brand with Brand Beyoncé.

6. Physical attractiveness

The physical attractiveness of the brand ambassador may be related to the attitude of the consumer. In general attractive brand ambassadors are more effective than unattractive brand ambassadors. Attractive brand ambassadors are more likeable and have a positive effect on consumers.

7. Regional and international appeal factor

Dependent on the brand and the target market, but the brand ambassador should be chosen in such a way that can generate global overall impact. Celebrities with international recognition are more valuable internationally than nationally.

In South Africa, Olympic gold medallist and South African sportsman of the year, Chad le Clos announced a partnership with the South African health brand, Futurelife in 2013 (Bizcommunity, 2013). Chad le Clos is well-known in South Africa giving him a regional appeal. However, the le Clos-brand is not strong enough as of yet, to favour international appeal. Michael Phelps however has the ability to generate global impact.

8. Controversy risk

By associating a brand ambassador with a reputation of controversy or ill-behaviour it can reflect negatively on the brand. Any behaviour of the brand ambassador that gives him a negative image may reflect badly on the brand.

The Brittish model, Kate Moss was photographed in 2005 using cocaine. The pictures were published in London's Daily Mirror and quickly made headline news, which resulted in lost contracts from Burberry, Chanel and H&M. These lost contracts reportedly amounted to $4 million. Moss's troubled past still makes her a big risk for brands to be linked to her, even nine years later (Ward, 2005).

9. Multiple endorsements

Brand ambassadors endorsing multiple different brands can cause confusion in the minds of consumers and subsequently decrease the impact of using a brand ambassador in the first place. However, it can have the same result if a single brand uses multiple brand ambassadors.

TAG Heuer's brand ambassadors include a long list of celebrities. Even though these celebrities are all from different sport and entertainment backgrounds it still can cause some confusion. Celebrities associated with the brand include, amongst others, Cameron Diaz, Leonardo DiCaprio, Maria Sharapova, Jenson Button and Cristiano Ronaldo (Luxe Point India, 2014).

10. Cost of acquiring

In order to acquire the best brand ambassador, a company should be able to afford the brand ambassador. Small firms who use the services of a brand ambassador (whether local or internationally) run a great risk if they invest large amounts. Yarow (2014) reported that Tiger Woods made $83 million dollars in 2013, of which $71 million came from course endorsements.

11. Fit with the advertising idea

In the new marketing sphere, marketers now seek to adopt a 360 degree brand stewardship in which brands increase their number of contact points with target consumers. Brand ambassadors play a pivotal role in terms of their

recognition, status and / or popularity as each brand ambassador have their own unique image or cultural meaning.

Female rapper, Nicki Minaj, is the choice of the new generation of marketers as she easily identifies with younger consumers. In 2012 she also signed a "seven figure endorsement deal" with Pepsi (Hampo, 2012).

12. Availability

Due to the availability of certain brand ambassadors, brands may decide to delay their marketing campaigns with certain brand ambassadors as it can lead to the dilution of the brand image. The availability of brand ambassadors should be determined beforehand.

13. Brand user

It is crucial for the brand ambassador to also use the brand which they are promoting. In order for an endorsement deal to be successful, the customers should believe in the endorsement. BlackBerry unveiled Alicia Keys as its new spokesperson, but is later came to light that she was posting Tweets from her iPhone. This had a negative impact on the BlackBerry brand more than on Alicia Keys' image.

14. Consumer influencing advertisement

The brand ambassador should be genuine in portraying the image of brand in advertisements. The advertisement should be well made and designed and contribute to the image of the brand and focus on the message intended to be transferred. Often, due to poor performance of the brand ambassador the promotion attempt fails.

The Nike advertisement which was released in 2010 after Tiger Woods' scandal broke was highly criticised. The advertisement showed the athlete silent with the voice of Woods' father (who died in 2006) interrogating him and

"dressing him down". The advertisement was characterised as being "creepy" and "weird". Nike was also accused of using Woods' personal problems for their own gain (Parker, 2010).

15. Previous endorsements

Prior endorsements of a brand ambassador should also be monitored carefully. This will assist in determining the impact of the brand ambassador as well as their dedication, professionalism and credibility.

Again, Maria Sharapova's list of brands which she has acted on behalf of is a clear indication of her dedication, professionalism and credibility. Brands which she has endorsed include TAG Heuer, Porsche, Nike, Cole Haan (fashion house), Prince and Canon. As of 2007, she has been the United Nations Development Programme Goodwill Ambassador (Adams, 2014).

16. Proper use of promotional medium

The marketing campaign for which the brand ambassador is intended should ensure the proper use of promotional medium. Dependent on the time period of the campaign and the variance in target audiences the medium should be determined. When using audio, specifically for radio advertisements, the voice should be well known and easily recognisable. According to Barlowe (2014) James Earl Jones has Hollywood's most recognisable voice and is subsequently a good fit for audio advertising.

17. Brand image formation capability

Products endorsed by a brand ambassador is regarded as a form of co-branding as the brand image is influenced by the meaning transferred from the brand ambassador to the endorsed brand. The effective paring of brand ambassadors and product congruence results in a positive impact on brand image which, in turn, has a positive impact on brand equity.

18. Interest of endorser

   Many celebrities, such as Jennifer Lopez, Sean Combs, Victoria Beckham and Elizabeth Hurley have ventured into fashion and accessories business. The effectiveness of endorsements increases when the brand ambassador is also interested in the association with the brand and when the celebrity can use the benefit for building their own image as well. Should the brand ambassador be genuinely interested and have a genuine affection for the product it will subsequently add to the marketing campaign.

19. Endorsement management team

   Brand ambassadors who have multiple brands which they support often deal with multiple management teams. Brand leadership is maintained through proper and effective celebrity endorsements.

20. Unique idea of promotion

   Great ideas at the right time results in great brand endorsements. These brands express uniqueness and effectively, utilising all elements in the communications mix. Apple has creatively expressed its most "own able" and beneficial brand attribute, namely innovation. The innovative advertisement planning, promoting, selection of animation and identification of media are all aspects which contribute to successful endorsement deals.

   Nicki Minaj's endorsement deal with MAC Cosmetics resulted in the Viva Glam lipstick line being the best-selling shade in the range. The proceeds of the sales go to the MAC Viva Glam Aids Fund, which provided a unique idea of promotion (MAC, 2014).

2.5.5 Celebrity endorsement strategies

Celebrity endorsement strategies are generally applied for the following two reasons (Klopper & North, 2011:246):

- To stimulate acceptance and sales: A celebrity brand ambassador could not only create awareness of the existence of the endorsed brand, but can also provide a quality impulse and subsequently justify a premium price for the brand.

- To clarify the organisation's scope: For the majority of the brands that apply an endorsement strategy, the goal is product identification which can be achieved by adding the endorser permanently to the product packaging.

The phenomenon of brand ambassadors has been discussed. In order to gain a better understanding of how the transgressions of the brand ambassador could influence the brand being endorsed. The following section will focus on brand crisis to put the research objective in perspective.

2.6 BRAND CRISIS

Coombs (2010:19) stated that a crisis is the perception of an unpredictable event which has the ability to seriously affect an organisation's performance and generate negative outcomes. With the above definition in mind, this section will begin by clearly defining organisational, brand and brand ambassador crisis, followed by considerations in brand ambassador screening.

2.6.1 Organisational crisis

"We must accept that no organisation is immune from a crisis anywhere in the world even if that organisation is vigilant and actively seeks to prevent crisis." (Coombs, 2010:17). Crises, which are regarded as unpredictable events that threaten the expectancies of stakeholders and impact the organisation's performance, are occurring with increased frequency and complexity (Pang, 2012:358).

Corporate marketing has expanded to a boardroom and CEO concern and especially during times of brand crisis the importance of corporate-wide orientation is crucial (Greyser, 2009:590). An organisational crisis has the ability to destroy a brand extremely quickly, especially if the organisation acts in a way that is in contrast to the

brand's values (Grundy & Moxon, 2013:55). The words and actions of management during times of crisis affect how people not only perceive the crisis, but how they perceive the organisation as well. The perceptions formed by stakeholders shape their evaluations of the organisational reputation and their emotional response toward and future interactions with the organisation (Coombs, 2007:171).

Five elements are present when an organisation deals with a crisis (Priporas & Vangelinos, 2008:91):
1. Involvement of a wide range of stakeholders
2. Suddenness
3. Uncertainty
4. Ambiguity
5. Time compression

Crisis management is related to the value of reputations, referred to as reputational capital. Reputational capital refers to an organisation's perceptual and social assets which are described as quality of the relationship between the organisation and its stakeholders and how the brand of the company is regarded (Coombs, 2007:165).

2.6.2 Corporate brand crisis

Gregory (2009) defines brand crisis as when "Familiarity" grows and "Favourability" declines significantly and quickly. Financial Times (Anon, 2014) regards a brand crisis as where the negative event or incident centres on one particular brand or company. During a brand crisis, consumers and other stakeholders usually pose questions such as "Who is to blame?", "Is the event likely to happen again?", "Is it true?" and "What does the crisis signal about the brand?" In the long run the incident can severely damage the affected brand's reputation.

Greyser (2009:592-593) identified the following four key areas which should be examined when a brand's reputation is on the line:

1. Brand related elements:

   - The brand's current marketplace situation should be examined by focusing on aspects such as market share and corporate favourability, prior to the crisis. The severity of the crisis may be influenced by how strong or weak the organisation's current situation is. For example during times of a recession, the impact of the problem experienced may be more severe than should the same problem have been experienced during times of prosperity.

   - The brand's strengths/weaknesses should be evaluated. The higher the level of differentiation in relation to other entities the more likely the company will survive the crisis, however, unless the key differentiation factor be the subject of issue (especially when the integrity of athletic competition is under evaluation).

   - Essence of the brand's meaning and the message the brand aims to portray will determine the severity of the crisis.

2. The crisis situation:

   - This area focuses on the seriousness of the situation and the threat to the brand's position/meaning. The seriousness of the situation is largely influenced by the number of consumers affected by the crisis or the severity of the crisis e.g. death caused by the organisation

3. Company responses:

   - The behaviour of the company and their actions (especially communications) has an impact on the brand and the problem situation.

4. Results (after initiatives and/or passage of time):

   - The effectiveness of the company initiates in terms of recover/re-launch, restoring brand meaning, and favourability or market share.

In the sporting sphere there is an increased awareness of individuals' brands and negative player behaviour. This negative behaviour could be considered as a form of crisis for the individual as well as their sponsors (Westberg *et al.,* 2010:603).

Greyser (2009:591-592) categorised the different causes of corporate brand crisis as follow:

- *Product failure:* An example includes Firestone, where it was found that the tyres were the cause of many deaths in car accidents.
- *Social responsibility gap*: Nike's questionable working conditions and the use of non-US labour.
- *Corporate misbehaviour*: The oil spill in Alaska (Exxon) as well as the Hewlett-Packard Chairman who were caught spying on board members via questionable investigative means.
- *Executive misbehaviour*: Martha Stewart (American businesswomen convicted of insider trading charges)
- *Poor business results*: Polaroid's inability and failure to adapt technologically.
- *Spokesperson misbehaviour*: Spokespersons who misbehaved such as NBA athlete, Kobe Bryant, who was accused of rape.
- *Death of symbol of company*: When the "face of the brand" dies such as Steve Jobs (Apple).
- *Loss of public support*: Louis XVI of France, lost his ability to be seen by the people as a symbol of nationhood, who were guillotined and subsequently caused the monarchy fall.
- *Controversial ownership*: Venezuela and CITGO in the USA (vigorously anti-US Venezuelan president.

This study will focus on one of the brand crises referred to as "spokesperson misbehaviour".

2.6.3 Brand ambassador crisis

Transgressions by brand ambassadors are different to the other abovementioned crises as the organisation is not directly at fault. However, as the brand is built on certain values and the ambassador reflects and personifies those values it is crucial for the organisation to assess the type and scale of the crisis which they face (Grundy & Moxon, 2013:56). From the above it can be deduced that should the organisation ignore the brand ambassador's transgressions it could have a definite impact on the message pertaining to the values which the organisation portrays. When the crisis becomes public the level of perceived responsibility which the organisation will face must be determined.

2.6.3.1 Brand ambassador screening

To avoid the possibility of a brand ambassador crisis to reflect negatively on the brand, the organisation should thoroughly screen the ambassador beforehand. A brand ambassador to be knowledgeable about the brand which is intended to be represented in the industry is regarded as a prerequisite. The brand ambassador is the face of the brand and lack of brand knowledge will prevent him/her to effectively personify the brand. In the new media environment it is essential for the brand ambassador to be "tech-savvy" as most of the interaction between brands and their customers take place on the internet by making use of both e-mail and social media platforms. These social media platforms (Facebook, Twitter, YouTube, etc.) all provide a golden opportunity for the brand ambassador to build relationships with the customers as well as constructing communities of brand consumers which will assist in promoting the brand (Maguwu, 2014).

Good character and integrity of a brand ambassador is of great importance to the brand as celebrities of poor character have the potential to badly damage the brand (Maguwu, 2014). However, there are certain brands that would prefer such public personas as Wayne Rooney (European Footballer) who is known for his "bad boy" image. Rooney's reputation has the ability to enhance his value for certain brands (Tylee, 2010:19).

The Product Matchup Hypothesis (Simmers *et al.*, 2009) emphasises the need for a fit between the celebrity and the product. There can be distinguished between attractiveness matchup and expertise matchup, both of which support the hypothesis that celebrity/product fit remains critical to endorsement success. The attractiveness matchup is only of interest when an attractive source is paired with an attractiveness-related product. Physical attractiveness may also be considered as a type of expertise. As an illustration, a beautiful female model may be perceived as an expert on makeup, a product which could enhance her beauty. However, this model may not be regarded as an expert on cars as the car is not connected to her physical beauty (Simmers *et al.*, 2009).

However, a matchup between attractiveness and expertise alone is not sufficient to ensure successful endorsements. The consistency of the celebrity's image is what makes them useful to marketers and what will be transferred to the products endorsed (Simmers *et al.*, 2009).

When companies consider using a celebrity endorser it is important to note that that celebrity endorsers possess a multidimensional nature. The following criteria should be considered when choosing a celebrity endorser: trustworthiness, expertise, physical attractiveness, familiarity as well as the likeability of the endorser. All of these aspects depend on the product brand to be endorsed (Simmers *et al.*, 2009).

The abovementioned concentrated on the impact of brand ambassador transgressions on the brand. Subsequently the concept of brand ambassador transgressions will be explored to gain a better understanding of the different levels of impact of brand ambassador transgressions.

2.7 TRANSGRESSIONS OF BRAND AMBASSADORS

A firm's reputation risk is the single biggest business threat (Laforet, 2010:90). Negative incidents involving brand ambassadors may threaten the brands of both the ambassador and the organisation which it represents and could ultimately weaken or

even dissolve the co-branding partnership. What is identified as a degenerative episode is regarded as an incident which had a negative impact on the partnership by negatively affecting the cooperation, trust, mutual understanding and joint benefits (Westberg *et al.*, 2010:605).

Negative public behaviour by a brand ambassador is a challenge to the effectiveness of the relationships between both parties and their stakeholders. Westberg *et al.* (2010:605) maintains that a misdeed committed by one partner can have a negative spill over which can subsequently influence the other partner, especially if it seems that "innocent" partner condones these actions.

When celebrities misbehave sponsoring consumers usually react in three ways: stop the advertisements immediately; wait for the contract to end and then decline to renew it or cancellation of the contract (Bizz101, 2013). Organisations that invest in advertising by using celebrity brand ambassadors can easily be seen as "fair weather friends" if they abandon these ambassadors when their morality becomes evident. Tylee (2010:19) is of opinion that this 'abandonment' could have the potential to do the brand even more damage. In certain instances a transgression may not affect the brand or ambassador's reputation or even sometimes enhance its value for certain brands, dependent on the brand image and values. If a brand employed a brand ambassador due to certain characteristics, values and image which the brand ambassador portrays, such as a being rebellious, then a transgression might even increase the popularity of the brand.

A poll of 18 000 consumers were conducted by US based market research firm Ipsos MORI (Ipsos MORI, 2011) on the purchase opinions and perceptions of consumers once a celebrity has been removed as a brand ambassador due to bad behaviour. Of the respondents, 27% stated that they will stop buying the product or patronising service completely. However, half of those who stopped buying the product admitted that it was only a temporary measure as they resumed buying the product once the scandal died down (Ipsos MORI, 2011).

Many organisations do not want to be perceived as kicking someone when they are down, so they would refrain from withdrawing their sponsorships in times of brand ambassador crisis. These organisations will support the brand ambassador hoping that things will turn out for the better (Bizz101, 2013).

In a media environment where all publicity is good publicity some companies will continue to support the brand ambassador despite what the celebrity has done wrong. After Tiger Woods' infidelities were exposed, six of his sponsorships withdrew their support, except for Nike. Nike continued to stay by his side, apparently because of a golf line of products which was started and developed around him. The financial loss would have been far greater should Nike have decided to abandon him (Kay, 2012).

However, there should be distinguished between whether the issue is regarded as a moral dilemma or a legal matter. If the crisis was illegal, it is crucial that the brand let go of the ambassador since increased focus is placed on social responsibility (Tylee, 2010:19). When Tiger Woods admitted to cheating on his wife, Nike continued to support the golfer to the annual estimated amount of $20 million. However, the same cannot be said for when Lance Armstrong admitted to his transgression. Nike dropped Armstrong when undeniable proof surfaced that the cyclist cheated on the field of play. Both athletes suffered tremendous damage to their personal brands however; the line seems to be drawn for Nike when the transgressions are related to the integrity of the performance as a professional and elite athlete. The difference between these two cases is that Armstrong cheated to achieve his success as an athlete whereas Woods's morality only came into question (Kay, 2012).

The above overview of brand ambassador transgressions and the impact thereof provides a platform for the following section, where cases studies are provided of celebrity brand ambassador transgressions.

2.8 BRAND AMBASSADOR CASES STUDIES

The entertainment and sporting sphere have seen a number of celebrity endorsements being cancelled as soon as it appears that the face of the brand is troubled. Tiger Woods, Lance Armstrong, Oscar Pistorius, Wayne Rooney and Charlie Sheen are portrayed in the following case studies. These cases all provide different insights into the effects of brand ambassador insights as all of the cases focus on different moral issues. Adultery, doping, murder, sex addictions, drug addictions and abuse are all moral issues which come into play in these case studies. These cases will also be tested empirically in the following chapter.

2.8.1 Tiger Woods

Tiger Woods captured the imagination of golf enthusiasts when he was only two years old and managed to hit a golf ball with "adult-like" skill on the Mike Douglas TV show. Woods later attended Stanford University and won numerous golf awards before becoming the youngest golfer to win the Masters at the age of 21. The tournament victories combined with numerous sponsorships and endorsements made him the first athlete to top $1 billion in career earnings (Kalb, 2013). Before news broke of Tiger Wood's infidelities he had been the best-paid athlete in the world for almost a decade. Much of that income came from endorsements and ESPN once estimated that his lifetime earnings could total as much as six billion dollars (Surowiecki, 2009).

Tiger Woods is the embodiment of dedication, hard work and single mindedness. He is known for his mental toughness and his astonishing capacity for focus and discipline - never wavering under pressure. The golfer never portrayed an image of being warm or even especially personable. Brands wanted to link their image with these characteristics and his endorsements ranged from golf clubs, sports drinks and consulting firms (Surowiecki, 2009). Woods also portrayed the image of a stable, happily married man with two young children (Kalb, 2003)

However, when his serial infidelity with Las Vegas waitresses and celebrity groupies made headline news and him driving his S.U.V. into a tree, Woods' brand image of discipline and being in control shattered (Surowiecki, 2009). Brands which linked their brand connections to Tiger Woods' good-guy, family image distanced themselves from him. Accenture, ATT, Gatorade (division of PepsiCo), Gillette, Golf Digest and Tag Heuer all discontinued their endorsements with the golfer. During this time, it was estimated that Tiger Woods lost $22 million in sponsorships. However, he still managed to secure the number one position in Sports Illustrated's list of highest earning athletes in 2009 (Kalb, 2003).

Even though some consumers felt that the scandal made Tiger more approachable and humanised him. Surowiecki (2009) maintains that the reason why Tiger Woods was such a good brand ambassador is that he is not like other people. He wasn't weak or distracted and undisciplined.

Surowiecki (2009) is of opinion that Tiger Woods' situation wasn't a matter of morals but when the news broke a huge gap started to exist between his advertising persona and his public image. Brands such as Nike and Electronic Arts, which linked their image to Tiger Woods, the golf star, and not Tiger Woods, the family man, continued to stand by his side despite him falling from the number 1 position in the world to the number 52 (Kalb, 2013).

Since the cheating scandal, Tiger Woods' image has split into two. Kalb (2013) states that even though Woods is the most popular golfer amongst golf fans with higher attendance at the PGA tour when he is present, he appears on a list of America's most disliked athletes at the same time. During the time of Tiger Woods' absence from golf the entire category of golf ball brands lost $10.2 million in revenue (Kalb, 2013).

Although Woods has recently returned to the number one position with his earnings and number one rankings supporting it and his sports brand alive and well, his personal brand image is still suffering.

2.8.2 Lance Armstrong

The American professional road racing cyclist and winner of seven consecutive Tour de France titles saw Lance Armstrong as one of the most inspiring athletes of all times. However, Armstrong, a cancer survivor and founder of the Livestrong Foundation (which provides support to cancer patients) admitted in January of 2013 to doping and taking other banned substances.

Being a cancer victim and turning that into a status as a successful professional athlete lead to Armstrong's image of being a superhero. The world of professional cycling had a hero personified by Lance Armstrong with brands such as Nike supporting further brand evolvement. Lance Armstrong's remarkable athletic performance, corporate appeal and celebrity status lead to him being a brand endorser for numerous brands and being among the most powerful people in sports (Cortsen, 2013).

Allegations of using banned substances shadowed his career with denials and lawsuits in response to these accusations. Lance's brand was professed by integrity so when he admitted to using performance-enhancing drugs his entire brand image came into disrepute. The U.S. Anti-doping Agency issued a report that contained detailed allegations of pervasive doping by Armstrong and his teams during his incredible Tour de France streak. The report contained sworn statement from 11 of his former teammates (Mayer, 2012).

Nike, who sponsored Armstrong since 1996 put an end to their relationship with Lance Armstrong by releasing the following statement on October 17, 2012 (NikeInc, 2012): *"Due to the seemingly insurmountable evidence that Lance Armstrong participated in doping and misled Nike for more than a decade, it is with great*

sadness that we have terminated our contract with him. Nike does not condone the use of illegal performance enhancing drugs in any manner. Nike plans to continue support of the Livestrong initiatives created to unite, inspire and empower people affected by cancer."

Nike was the first of Armstrong's sponsors to drop him and Magary (2012) is of opinion that it was no big sacrifice for Nike to drop this retired athlete as they already capitalised on all of his past achievements. In 2010 Nike signed a five-year contract with the Lance Armstrong Foundation to pay at least $7.5 million annually from profits generated by the Livestrong merchandise. Armstrong also resigned as chairman of the Livestrong board, stating that he doesn't want the negativity surrounding his career to negatively influence the foundation (Levinson & Novey-Williams, 2012).

Other brands that followed Nike and terminated their relationships with Lance Armstrong include (Parekh, 2012 & Rovell, 2012):

- AB-InBev: The brewer decided not to renew their contract with the cyclist which expired at the end of 2012.
- Trek: The bicycle manufacturing company terminated their long-term relationship with Armstrong as soon as die USADA report was released.
- Honey Stinger: The energy-food company, of which Armstrong was part owner, stated that they removed Lance Armstrong's image and endorsement from their packaging.
- 24 Hour Fitness: The chain gyms stated that they terminated their business relationship with Armstrong as he no longer aligns with their company's mission and values. Lance Armstrong branding was removed from the six co-branded fitness clubs.
- Radioshack: The retailer sponsored the Armstrong cycling team but stressed that they are under no current obligation to him, from an endorsement deal which ended in July 2009.
- Giro: The bike-helmet company which marketed a line of Lance helmets terminated its sponsorship with the cyclist.

- FRS Co: The energy-drink company, of which Armstrong was a board member as well as an investor, saw Armstrong resigning shortly after the news broke. The company also stated that Armstrong will no longer be used to help market the products.
- SRAM: The bicycle part company also terminated their contract with Armstrong.
- Oakley: This company stated that in light of the overwhelming evidence that the USADA presented they decided to terminate their longstanding relationship with Lance Armstrong.

According to Levinson and Novy-Williams (2012) it is estimated that Lance Armstrong's transgression will cost him approximately $30 million in earning potential. His earning potential includes current endorsement deals, future endorsement deals and corporate speaking. When the news broke, Armstrong's popularity has dropped significantly from the 65th position in 2008 to the 2 625th position in 2012, based on consumer's opinions of approximately 2 900 celebrities (Cortsen, 2013). Also during June of 2008 Lance Armstrong was ranked as the 60th most effective product spokesperson, on par with celebrities such as Michael Phelps and Brad Pitt. September 2012 saw Armstrong in the 1 410th position alongside rapper Nicki Minaj (Albergotti *et al.,* 2012).

2.8.3 Oscar Pistorius

As 2012 draw to an end it appeared as if Oscar Pistorius had the world at the tip of his carbon fibre blades. Oscar was a supreme athlete and Olympian as well as a commercial sensation. He was perceived as an icon, a poster-boy and sound business proposition, being identified by Forbes and Sports Pro Media as being one of the most marketable athletes (Chadwick, 2014).

Regardless of the fact that Pistorius' upbringing was troubled with the early death of his mother, his physical disability and the difficulty he experienced to fit into the regular school system, he won his first Paralympic Gold Medal in Athens in 2004 at

the age of 18 in the 100 metres. Sponsorships soon started pouring in as companies such as Nike, Oakley and French fragrance house Thierry Mugler, British telecoms firm BT, TV broadcaster M-Net and Ossur (the Icelandic firm that manufactures the prosthetic carbon fibres blades which he wore for races) saw commercial potential. Pistorius was regarded as a role model and symbolic of the sporting age with a strong brand that stood out from others. He managed to engage consumer attention, adding value to brands that associated with him (Chadwick, 2014; Wall, 2013; Davis, 2013).

At the height of Pistorius' career he earned an estimated R21 million a year through appearances and sponsorships. He managed to confound doubters, broke barrier and triumphed adversity by turning his disability into ability and inspiring millions across the globe, especially as he became an athlete who competed in both able and disabled sport at the 2012 London Olympics (Ikalafeng, 2012).

The arrest of South African Paralympic star Oscar Pistorius on the 13th of February 2013 for shooting and killing his girlfriend Reeva Steenkamp made international headlines. Even though Pistorius claims it was an accident many of his brand sponsors withdrew. Nike, Oakley and French Fashion house Thierry Muggler and M-net decided to terminate their sponsorship agreements with Pistorius (Chadwick, 2014; Wall, 2013; Davis, 2013).Ikalafeng (2014) stated that irrespective of whether Pistorius is acquitted or convicted the events of the night of the 13th of February 2014 lead to the end of "Brand Pistorius" as it was known. The damage to his person and brand was more devastating than the doping scandal of Lance Armstrong and will continue to remain longer than Tiger Woods's infidelity shock.

M-Net was the first to respond by removing billboards relating to a campaign linking Oscar Pistorius to Oscar-winning movies. M-Net merely stated that "Out of respect for the bereaved, M-Net will be pulling its entire Oscar campaign featuring Oscar Pistorius with immediate effect." (Talyor, 2013)

Nike initially responded by withdrawing an advertisement proclaiming that Pistorius was the "bullet in the chamber". Another video featuring Pistorius saying, "My body is my weapon. This is how I fight", with Nike's 2012 annual report headline being "We are on the offense. Always" (Davis, 2013; Taylor 2013) were also retracted. However, as the events of the night of the 13th of February became clearer Nike announced that Pistorius would not be featured in any future campaigns (Davis, 2013). Oscar's values of tenacity, valour and triumph over adversity made him a good fit with Nike. Three years prior to the Pistorius-incident Nike's other brand ambassador Tiger Woods' scandal was exposed (in 2009). However, Nike stuck by Woods despite other brands abandoning him. The difference being that it wasn't a matter of life and death and that during the time of the Woods scandal Nike's entire golf proposition was built around Woods. They spent millions of dollars on a campaign and product lines so they could not afford to merely drop him (Taylor, 2013).

Pistorius was also part of South African "It gets better campaign" featuring celebrities who support gay teenagers. The organiser later confirmed that in light of recent circumstances the video no longer formed part of the programme (Davis, 2013).

Thierry Mugler, who once proclaimed that Pistorius was "part man, part god and unchained by the conventional codes of seduction, he is defined by his interior strength and his desire to conquer." Oscar Pistorius, who possessed the masculine values which Thierry Mugler "holds so dear" shortly removed Pistorius' image from their website (Davis, 2013).

Taylor (2013) is of opinion that even if Pistorius is found innocent, he is "damaged goods" and brands will distance themselves from him. The murder trial of Reeva Steenkamp painted a different picture of Pistorius than that portrayed by the brands and the media prior to the incident. An image of a manipulative, volatile, aggressive and violent Pistorius make it unlikely for him to ever act as a brand ambassador, despite the outcome of the trial (Ikalafeng, 2014).

2.8.4 Wayne Rooney

Wayne Rooney's popularity in the world of football is definitely noteworthy. This football star's achievements date back to when Rooney was 10 years old and played for Everton's youth team. His achievements only grew as he continued to build his career and superstardom. However, large companies now want to associate their brands with his achievements and it is estimated that his sponsorship deals alone are to be worth $10.88 million a year (Kotler & Armstrong, 2012:445).

The European footballer has been the "face" of numerous brands including Nike, Nokia, Ford, Asda, Coca-Cola and EA Sports. Rooney has endorsed these brands and has subsequently appeared on five UK-version covers of EA's FIFA series (2005 - 2010) (UTalkMarketing.com, 2010).

When news broke of Rooney's affair with a call girl in 2010, while his wife Coleen was pregnant, Rooney's image plummeted. Coca-Cola contracted the footballer because of his family image and built an entire marketing campaign around this image. When it became apparent that he cheated, Coca-Cola's enthusiasm declined. The footballer earned £600 000 a year from his deal with the soft-drinks giant at that time. The intended campaign which was to run until 2011 had Rooney's face on cans and bottles of Coke Zero. However, this never realised as Coca-Cola is regarded as a family-friendly brand and company and Rooney's actions were in direct contrast to the brand's values. Rooney was initially approached to appeal to young people, especially young men and teenage boys (Gorgan, 2010).

However, it was not until April of 2011 that Coca-Cola permanently ended its relationship with Wayne Rooney. The news came after Rooney scored his third goal in Manchester United's 4-2 league win at West Ham United following the footballer to unleash a foul-mouthed tirade directly into the camera with the outburst being broadcasted live to Sky Sports viewers (Wright, 2011).

In 2010 amid Rooney's personal crisis in a poll of 2 000 consumers, 49% said that Rooney was the celebrity least likely to persuade them to purchase a product. Only 2 per cent of the consumers who participated in the poll said that they would buy a product which the 24-year-old Rooney was endorsing (UTalkMarketing.com, 2010).

Tylee (2010:19) is of opinion that Rooney's reputation will actually enhance his value for certain brands, as his "bad boy image" is much more in line with his nature. However, this image also makes him unpredictable and companies tend to steer clear of using him as a brand ambassador. Badenhausen (2014) characterises Rooney as not being an endorsement star with current deals only with Nike and Samsung worth $3 million. Fellow footballers such as Lionel Messi and Cristiano Ronaldo both acquired more than $20 million each through their endorsement deals. EA Sports terminated its seven-year partnership with Rooney in 2012 and other deals have been slow to materialise due to the controversies surrounding his involvement with prostitution, infidelity as well as his temper.

2.8.5 Charlie Sheen

The controversial actor, Charlie Sheen's career has been characterised by bad behaviour which included domestic violence, drugs, alcohol, porn stars and strippers. Ever since he shot then-fiancée Kelly Preston in the arm in January 1990 his life has been marked by stints in rehab and anger management classes. In July of 1995 Sheen admitted to spending almost $53 000 on Hollywood madam Heidi Fleiss' prostitutes (TV Guide News, 2011).

The Charlie Sheen-brand has never been that of a devoted family man. Instead Sheen positioned himself as the "Hollywood rock star". According to Davis (2010) as long as Sheen continues to show up for work, hit his marks and not kill anybody his brand as a Hollywood rock star will continue to gain strength.

Charlie Sheen joined the cast of the CBS sitcom Two and a half men in 2003 as Charlie Harper. During the show's eighth season, Sheen announced that he was

taking time off from the show and that he is voluntarily checking into rehab in February 2010. His inclination to receive treatment followed an arrest during December 2009 on charges of domestic violence with his third wife, Brooke Mueller. The production of Two and a half men was put on hold while Sheen underwent treatment. During May of 2010 Sheen announced that he signed a two-year deal with the sitcom earning him $1.8 million per episode (TV Guide News, 2011).

However, in February 2011 Charlie Sheen went on a rant about *Two and a half men* creator and executive producer, Chuck Lorre, on The Dan Patrick Show. Sheen blamed the producer for delaying the return of the show. Sheen later challenged Lorre to a fight and said the he owns Lorre. Subsequently the production for the rest of season 9 was shut down and Sheen responded by stating that he would only return to season 9 of the show if Lorre was not involved (TV Guide News, 2011).

A highly publicised battle between Sheen and Lorre followed with Sheen starting his "Tiger Blood Tour". The Tiger Blood Tour is in reference to Sheen stating that he has tiger blood coursing through his veins. The "Tiger Blood Tour" had Sheen doing interviews on The Today Show, Howard Stern as well as Good Morning America. Sheen stated the following on *The Today Show*: "I'm tired of pretending I'm not a total bitching rock star from Mars, I'm gonna live my life the way I want. I'm gonna win inside every moment. The only thing I'm addicted to right now, is winning." (Davis, 2010).

During May 2014, CBS announced that Two and a half men would not return for a 13th season. As a result of Sheen's rants against Lorre, Charlie Harper (Sheen's character in the sitcom) was killed off at the start of the ninth season. Sheen was replaced by Ashton Kutcher with 28 million viewers tuning in to watch the first episode of season 9. However, Sheen's absence was not received well by long-time viewers. Currently in its 11th season the show receives between 8 and 10 million views per episode. Compared to the average of 15 million viewers when Sheen was still on the show these results are mediocre (Acuna, 2014).

2.9 SUMMARY

An organisation's brand is one of its most important assets, especially in this billion dollar advertising industry. Therefore, as is evident from the above, a brand should be managed continuously. The phenomenon of using celebrity brand ambassadors also reflects on the brand and brand values which it portrays. Transgressions of brand ambassadors have the ability to negatively impact the brand's image and the perception thereof in the minds of consumers. Brand ambassador transgressions could have severe brand crisis as result, which is why organisations should ensure that the brand ambassador fit the brand values and brand image.

The discussed literature study provides a better understanding of the impact of brand ambassador transgressions on the brand. Mini-case studies which focus on Tiger Woods, Lance Armstrong, Oscar Pistorius, Wayne Rooney and Charlie Sheen are provided as illustrations of brand ambassador transgressions; the impact thereof on the celebrities and the brands which they endorse and set the stage for the empirical study and its findings.

Chapter 3 will focus on the empirical study and the findings of the research. The results of the empirical study will be discussed in order to form a hypothesis regarding the influence of brand ambassadors.

CHAPTER 3
EMPIRICAL INVESTIGATION

3.1 INTRODUCTION

This chapter will focus on the empirical part of the study. Firstly an overview of the primary and secondary objectives will be given, followed by the research methodology being outlined.

The section on the research methodology firstly provides an overview of quantitative research and the validity and reliability thereof. The questionnaire, which was distributed to 200 individuals, will also be discussed in detail pertaining to the different sub-sections and the rationale and objectives of each sub-section. The sample and collection of data will be discussed before the data analysis and interpretation commence.

The last part of this chapter focuses on the data analysis and interpretation. Due to the nature of this study, a general overview of all the sub-sections of the questionnaire will be given to provide an overview of the respondents' opinions. Secondly all of the sub-sections are further analysed according to their responses per generational cohort.

3.2 OBJECTIVES OF THE EMPIRICAL STUDY

The objectives of this study are divided into primary as well as secondary objectives.

3.2.1 Primary objective

The primary objective of this study is to determine the impact of brand ambassador transgression on consumer brand perception.

3.2.2 Secondary objectives

- To determine the extent to which a company's reaction to the crisis of a brand ambassador influence brand perception. This objective aims to determine how consumers perceive organisations or a brand that drop brand ambassadors in the wake of a personal crisis.

- To determine the extent to which a brand ambassador affects consumers from different generations and brand perception during times of crisis. This objective aims to determine to what extent brand perception is influenced by brand ambassadors during times of crisis.

- To determine to what extent consumers, from different generations, judge a brand ambassador's actions in order to justify the organisation's actions. This objective aims to determine if the seriousness of the brand ambassador's actions determine how consumers judge the organisation's actions amid the crisis.

3.3 RESEARCH METHODOLOGY

A distinction between quantitative and qualitative research methodological approaches can be made. This study focused on the quantitative research approach, which will subsequently be discussed in depth.

3.3.1 Quantitative Research

This study employed the quantitative research approach. The quantitative research approach is used to gather information which is focused on describing a phenomenon across a larger number of participants. This approach provides the possibility of summarising characteristics across groups or relationships. Quantitative research surveys a large number of individuals and applies statistical techniques to identify certain patterns in the relations of processes (Ben-Eliyahu, 2014).

As opposed to the quantitative research approach, qualitative research affords the researcher and practitioners the opportunity to comprehend the perceptions and experiences of individuals, as well as recognise important antecedents and outcomes of interest that might not surface with pre-determined questions (as with a questionnaire) (Ben-Eliyahu, 2014).

However, the quantitative research approach was decided upon, as it holds the following benefits, according to Ben-Eliyahu (2014):

- Enables gathering information from a relatively large number of participants
- Comparisons can be drawn as research can be conducted in a number of groups
- It allows generalisation to a broader population
- Quantitative research provides numerical or rating information
- Quantitative research lends itself to statistical techniques that allows determining relations between variables

Due to the nature of the research and the abovementioned objectives the quantitative research approach was most suitable. The quantitative approach affords the opportunity to draw comparisons across the different generational cohorts and lends itself to gather information from a large number of participants to better determine the impact of the phenomenon.

3.3.3.1 Validity and reliability of the quantitative research approach

Ben-Eliyahu (2013) differentiates between validity and reliability by stating that reliability is a measure of the precision of the test, whereas validity is a measure of the accuracy of the test.

3.3.3.1.1 Validity

There can be distinguished between two forms of validity, namely external validity and internal validity (Ben-Eliyahu, 2013).

- External validity refers to the extent to which research findings apply to other groups of people or situations.
- Internal validity considers alternative reasons that explain the observed effects.

This study applied external validity as the same constructs were measured across different age groups.

3.3.3.1.2 Reliability

There are four different types of reliabilities (Ben-Eliyahu, 2013). These reliabilities include internal consistency, test-retest reliability, inter-rated reliability and inter-method reliability. This study will employ the internal consistency reliability which evaluates the extent to which the questions in the questionnaire assessed the constructs it was intended to assess. An average per section of Cronbach's alpha is provided in the analysis below in order to determine the reliability of the data.

3.3.2 Questionnaire design

A questionnaire consisting of four sections was developed. The sections were designed with the abovementioned objectives in mind and to ultimately determine to what extend brand ambassador transgressions impact brand perceptions across different generational cohorts. The questionnaire consists of issues that are identified by constructs in chapter two. This questionnaire employed the Lickert scale.

The Lickert scale was developed as a principle measuring tool in measuring the attitudes of people by asking them to respond to a series of statements about a topic. The respondents respond in terms of the extent to which they agree with the statements. Fixed choice response formats are designed to measure the respondents' opinions (McLeod, 2009). For the purpose of this study a scale from 1 to 4 was provided. Four choices were given as possible answers. These options included: strongly agree (1), agree (2), disagree somewhat (3), and strongly disagree (4). No neutral option was provided as the aim of the study is to identify definite trends by urging respondents to take a stance.

3.3.2.1 Section A: Demographical profile

3.3.2.1.1 Age group

The first section, Section A, focused on the demographic profile of the respondents. The first question relates to the age group. The questionnaire was constructed to ultimately differentiate between the generational cohorts known as Baby Boomers (50 to 68 years old) (Rahulan *et al.*, 2013:163; Nicholas, 2009:48), Generation X (34 to 49 years old) and Generation Y (between the ages of 14 and 33) (Nicholas, 2009:47). Question one was formulated with the secondary objectives in mind: To determine the extent to which a brand ambassador affects consumers of different generations and brand perception during times of crisis, as well as to determine to what extent consumers, from different generations, judge a brand ambassador's actions in order to justify the organisation's actions.

- Generational Cohort Theory

The generational cohort theory maintains that persons born in the same time period share similar behaviours, life experiences and values which cause them to develop similar attitudes and beliefs (Rahulan *et al.*, 2013:163; Lazarevic, 2011:45; Brosdahl & Carpenter, 2011:549). They can therefore be segmented according to similar behaviours they portray as a group. Although peers and parents have a tremendous influence on the development of a person, popular culture and prominent events that occur during formative years of childhood and adolescence are factors that bind these cohorts together (Lazarevic, 2011:46; Gilboa & Vilnai-Yavetz, 2010:502). The different generations' different life experiences mean that they differ in their lifestyles, views, expectations, attitudes and values and consequently also in their consumption patterns (Gilboa & Vilnai-Yavetz, 2010:502).

The generational cohort theory has been criticized as overestimating the similarities between generational cohorts worldwide despite different upbringings. However, even though people in different countries experience certain events differently in different social contexts, it may be argued that widely broadcasted events may have a similar impact on people within the same generational cohorts. Examples include

the global recession, the internet and the growth and role of social media (Lazarevic, 2011:46).

The generational theory speculates that behaviour is not only determined by age, but also by the social context in which a generation is raised in. The theory provides a broad approach as opposed to an individual focus on the consumer (Lazarevic, 2011:47).

This study will focus on the following three scientifically acknowledged generational groups (Ferguson, 2011:265):

- Baby Boomers:

This generation was born between 1946 and 1964 which means that they are currently between the ages of 50 and 68 (Rahulan *et al.*, 2013:163; Nicholas, 2009:48). The Baby Boomers were born during and after World War II and were subjected to social movements such as the hippy culture, anti-war activism, feminism, as well as non-conformism (Gilboa & Vilnai-Yavetz, 2010:502). Boomers were willing to easily change jobs or create businesses, as opposed to their Traditionalist parents who held the same job for their entire lives (Nicholas, 2009:48).

This cohort is in the stage where they are reaching retirement and their children are leaving home, which leaves them with extra time and spendable income (Rahulan *et al.*, 2013:163). Boomers have become increasingly more materialistic, with modern-day Boomers regarding work and personal sacrifice as keys to success (Gilboa & Vilnai-Yavetz, 2010:502). Baby Boomers own three-quarters of all financial assets and control more than half of today's discretionary spending. This generation represent approximately 25 per cent of the population and are described as wealthy, healthy, and open to new products and consumers of high amounts of media (Hardy, 2013:75).

In direct contrast to Generation Y, some Boomers may fear technology and need strong encouragement and clear instructions to learn new skills (Nicholas, 2009:48).

- Generation X:

Generation X consumers were born between 1965 and 1980, thus they are currently in the age group 34 to 49 (Nicholas, 2009:47).

According to Coupland (cited by Ferguson, 2011:265) generation X consumers are deeply suspicious of advertisers, with statements such as "we are not a target market". Also, this generation is termed as "underemployed, overeducated, intensely private and unpredictable". Gilboa and Vilnai-Yavetz (2010:503), add to these characteristics by stating that *Xers* are known for being independent, entrepreneurial, consumer-oriented, and savvy as well as self-reliant and being mistrustful of institutions (Brosdahl & Carpenter, 2011:549). This generation grew up in an environment with decreased job security and increased consumerism opposing one another, subsequently leading them to be regarded as a sceptical or cynical generation (Gilboa & Vilnai-Yavetz, 2010:503).

This generation was mainly responsible for the burst in information as these members were the first users of the internet (Brosdahl & Carpenter, 2011:549).

- Generation Y:

This generation, also referred to as Millennials, was born between 1981 and 2000 which places them between the ages of 14 and 33 (Nicholas, 2009:47).

This generation's global culture is, to a great extent, influenced by global media vehicles (such as MTV). Consumers in this generation are highly dependent on these media vehicles to tell them what is cool and what is not, in effect influencing their decisions on a daily basis. Consumption choices (which are influenced by mass media, social media, peers and family) are influenced by the macro environment during formative socialisation (Ferguson, 2011:265; Jordaan *et al.,* 2011:1).

Generation Y consumers habitually use technology for socialising on platforms such as Facebook, Twitter, SMS, email and YouTube (Jordaan *et al.,* 2011:2). This then leads to high media literacy, high expectations of choice and strong image consciousness (Ferguson, 2011:265-266). However, contrary to expectation, they are described by marketers as being difficult to communicate with and elusive as they are resistant to traditional marketing efforts and difficult to capture and retain as loyal customers (Jordaan *et al.,* 2011:3; Lazarevic, 2011:45).

Even though each generation seems to be more materialistic than the previous one, this generation is regarded as the most materialistic generation to date. Their consumption patterns are focused on their sense of identity and socially accepted behaviours (Ferguson, 2011:265-266; Lazarevic, 2011:47). Jordaan *et al.* (2011:2) adds to the above by stating that these consumers are self-expressive, favour freedom of speech and regard it as their right to engage with the latest technologies and with their peers. This "always-on and always-connected" generation is also comfortable with change and is considered as trendsetters.

This generation have been brought up in a time where almost everything is branded thus making their approach to brands and marketing more comfortable. Brands are utilised as an extension of the consumers themselves (Lazarevic, 2011:46).

As mentioned above, this generation is highly influenced by the macro environment. Ferguson (2011:266) describes macro environmental events, such as the terrorist attacks of 9/11 and the increased popularity of reality television, as influential for this generation. Generation Y has placed greater emphasis on celebrity and the phenomenon of becoming a celebrity through reality televisions and various other media channels.

As for South African generation Y consumers, they are believed to be culturally tolerant and open-minded. There can be differentiated between developed and emerging generation Y teenagers on the basis of personal spending capacity,

interaction with media as well as attitudes towards various societal, political and environmental issues (Jordaan *et al.*, 2011:2). Unlike generation X consumers who are loyal and committed to brands, generation Y consumers are a notoriously disloyal segment (Lazarevic, 2011:46).

Due to the fact that the abovementioned generations are born in different eras and characterised by different social circumstances and historical events these generations developed different perspectives, values and attitudes (Gilboa & Vilnai-Yavetz, 2010:503). From this perspective the questionnaire was designed to differentiate between the age groups.

3.3.2.1.2 Gender

The purpose of determining the respondents' gender was to determine whether female respondents generally share male respondents' perspectives on brand ambassador transgressions.

3.3.2.1.3 Ethnicity

Ethnicity was added to the questionnaire in order to determine if any comparison can be drawn regarding the moral issues portrayed in the questionnaire and the ethnicity of the respondents.

3.3.2.1.4 Religious affiliations

As the study is reflective of moral issues, two questions pertaining to the religious affiliation of the respondents were added. Firstly a question to determine if the respondent is an active member of a religious institution was posed (question A4). The purpose of this question was to determine if the respondent regularly visits a religious institution as this could also possibly impact their perception and tolerance for what is regarded as bad behaviour.

The second question (question A5) pertaining to the religious affiliation of the respondent was added to the questionnaire to determine what the main religious

orientation of the respondents were. The different religious affiliations could influence the perception of the respondent regarding the acceptance and forgiveness of certain transgressions.

3.3.2.1.5 Social media usage

As stated in Chapter 2 (section 2.2) the new media environment has changed drastically. Information is now easily available with increased volumes. Consumers are also given increased control with higher levels of interactivity (Klopper & North, 2011:192). As the social media paradigm forms an integral part of consumers' perceptions, two questions pertaining to social media usage was constructed in the questionnaire (question A6 and A7).

Question A6's purpose was to firstly determine if the respondent makes use of social media, such as Twitter, Facebook and YouTube. The following question was posed to determine how often the respondents use social media platforms.

3.3.2.2 Section B: Ethics and Values

Section B differentiated between values which the respondents regard as being important (personal values) and values which are perceived to be important for an organisation's brand. Section B1 referred to personal values, whereas Section B2 referred to brand values. Both sections contained 10 different values which the respondents had to rate in order of importance, where "1" is very important and "4" is not important at all.

The personal values the questionnaire required to be rated, included honesty, respect, integrity, trustworthiness, accountability, commitment, achievement, persistence, community and responsibility. These values were derived from a list provided by Pavlina (2014).

Brand values to be rated included transparency, honesty, inspiration, authenticity, excellence, fun, exceptionality, superiority/ uniqueness, optimism, generosity and

credibility. These values were compiled based on values derived from the Top 5 most valuable brands, as per section 2.3.3.1.2.

3.3.2.3 Section C: Brands and Brand ambassadors

This section's purpose was to obtain better insight into the respondent's perception of brands and brand ambassadors in general. Questions C1 and C2 were constructed to determine if the respondents are brand orientated and to what extent they identify with the brands based on the values portrayed by the brand. Questions C3 to C6 referred to brand loyalty. The objectives of these questions were to determine to what extent the respondents are loyal to certain brands. Questions C4 and C5 focused specifically on brand loyalty through brand awareness and social media interaction.

Questions C7 to C10 were specifically designed to gain a better understanding of the respondents' perceptions on brand ambassadors. The objective of these questions was to determine to what extent the respondents' choices and perceptions regarding certain brands are influenced by brand ambassadors.

3.3.2.4 Section D: Brand ambassador cases

Section D consisted of five subsections which were based on the case studies of Tiger Woods, Lance Armstrong, Oscar Pistorius, Wayne Rooney and Charlie Sheen, as per section 2.8. These brand ambassadors were chosen as their transgressions were highly publicised and were popular topics of discussion in the media. It therefore increased the possibility that the respondents would have been aware of their transgressions and could actively partake in the study. The different subsection started by providing an overview of the brand ambassador's transgression. All of the subsections had the same questions in order to determine to what extent the respondents' perception is influenced by the severity of the transgression.

The questions started by firstly determining if the respondent was aware of the transgressions referred to. The following questions in section D (questions 2 to 6) focused on the impact of the transgression on the respondent's perception of the

brand ambassador and the brand. Question 5 specifically focused on the impact on the respondent's perception of the brand when the brand ambassador was dropped by certain brands. This question was specifically constructed with one of the secondary objectives in mind, namely to determine the extent to which a company's reaction to the transgression of a brand ambassador, influence brand perception.

Question 6 provides only two possible answers, namely positive or negative, regarding the impact of the respondents' perception of the brand after the sponsorship was cancelled. The intention of omitting a "neutral" option was to urge respondents to form a firm opinion on the matter. Question 6 was further supported by question 7 which requested respondents to provide a short explanation for their answer to question 6.

3.3.3 The sample and collection of the data

This questionnaire was distributed to a population of 200 individuals. The population consisted of grade twelve high school learners, third year university students and working individuals of different ages. As this study aims to determine how different generational cohorts' brand perceptions regarding brand ambassador transgressions differ, respondents from the ages of 14 to the ages of 65 years were approached. Of the 200 questionnaires distributed, 137 questionnaires were returned. This results in a response rate of 68.5%. Of the 137 questionnaires, 54 of the respondents were in the first generational cohort (Generation Y), 40 respondents were in the second age group (Generation X) and 43 respondents were in the last age group (Baby Boomers).

This study made use of a non-probability sampling method. As this study was done across different generational cohorts, a quota sampling method was employed in order to ensure that the same proportions of units of analysis (such as age) are in the population.

The data will subsequently be analysed and further interpreted.

3.4 DATA ANALYSIS AND INTERPRETATION OF THE DATA

The data, as gathered from the 137 questionnaires received, will subsequently be analysed. The Statistical Consultation Services of the North-West University (both Vaal Triangle and Potchefstroom campuses) assisted in the processing, analysis and interpretation of the gathered data. The quantitative data analyses were done on the basis of inferential statistics.

- **Quantitative data analysis**

Quantitative researchers are prone to rely on deductive reasoning with certain hypothesis and theories from which conclusions can be drawn. It is imperative for this research to remain objective during data-analysis by means of statistical procedures and objective criteria in order to evaluate the outcome of the procedures (Booysen, 2009:228)

Data analysis were done by means of descriptive statistics. The general nature of the data was determined by frequencies, means and standard deviations. Inferential statistics are concerned with inferences that can be made about a population based on corresponding indices obtained from the samples drawn randomly (Welman *et al.*, 2012:236). Inferential statistics refers mainly to the testing of hypothesis, correlations, regression, differences (F-test) and factor analysis (Booysen, 2009:228).

- **ANOVA Test for differences**

The analysis of variance (ANOVA) is used to compare the means of a group when numerical variables are analysed and certain assumptions are to be met. The objective in ANOVA is to analyse differences among the group means. By analysing the variations among and within groups, certain conclusions can be reached about possible differences in group means. In ANOVA the total variation is subdivided into variations that result from differences among and within the groups. Within-group variation measures random variation whereas among-group variation is due to the differences from group to group (Levine *et al.*, 410 - 412).

The ANOVA F Test Statistic will be employed in the analysis of the data as this provides an indication of whether the null hypotheses should be rejected or not. If the null hypothesis is true, the test statistic is expected to be approximately equal to 1 because both the numerator and denominator mean square terms are estimating the overall variance in the data. If Ho is false the F-test is expected to be larger than 1 because the numerator (MSA) is estimating the differences among groups in addition to the overall variability in the values (Levine *et al.*, 413).

The F-test will subsequently be employed in sections B to D in order to determine if the Ho should be rejected or not. The Ho (null hypothesis) in sections B to D is stated as: There is no difference between the mean perceptions of different age groups. The data will be analysed, corresponding to the sections of the questionnaire.

- **Ethical considerations**

According to Babbie and Mouton (2008:520-526), the following ethical issues should be taken into consideration in social research:

- Voluntary Participation

  The respondents were under no obligation to partake in the study. Permission was given by the Principal of Transvalia High School for the learners to take part in the study. This study only focused on perceptions and opinions of the respondents and did not require the respondents to reveal any personal information.

- No harm to the participants

  No persons who took part in the study were injured, harmed, endangered or embarrassed.

- Anonymity and confidentiality

  The purpose of the study was clearly outlined in the letter which accompanied the questionnaire. As the questionnaires did not require the respondents to provide any personal information a guarantee that the data is anonymous was

given. The respondents were further assured that the data will be handled in confidence.

3.4.1 Section A: Demographical profile

The demographical profile of the respondents are summarised in Table 3.1 below. The differentiation is done on the basis of the Generational cohort theory, as discussed in section 3.3.2.1.1. All of the respondents were divided into one of the following categories: Baby Boomers (50 to 68 years old), Generation X (34 to 49 years old) and Generation Y (between the ages of 14 and 33).

Table 3.1: Summary of demographic profile of the 137 respondents.

		Generation Y 14 - 33 years	Generation X 34 - 49 years	Baby Boomers 50 - 68 years
A1	**Age group**	54	40	43
		39.42%	**29.2%**	**31.39%**
A2	**Gender**			
	Male (1)	22	11	9
		16.1%	**8%**	**6.6%**
	Female (2)	32	28	34
		23.4%	**20.4%**	**24.8%**
A3	**Ethnicity**			
	Asian (1)	3	1	1
		2.2%	**0.7%**	**0.7%**
	Black (2)	28	1	2
		20.4%	**0.7%**	**0.7%**
	Coloured (3)	2	-	-
		1.5%	**-**	**-**
	White (4)	19	38	40
		13.9%	**27.7%**	**29%**
	Other (5)	1	-	-
		0.7%	**-**	**-**
A4	**Active members of religious affiliations**			
	Yes (1)	37	32	38

		27%	23.4%	27.7%
	No (2)	17	8	4
		12.4%	5.8%	2.9%
A5	**Religious affiliations**			
	Christian (1)	45	37	42
		32.8%	27%	30.7%
	Muslim (2)	6	2	-
		4.4%	1.5%	-
	Hindu (3)	-	-	-
		-	-	-
	Buddhist (4)	1	-	-
		0.7%	-	-
	Atheist (5)	2	1	-
		1.5%	0.7%	-
	Other (6)	-	-	1
		-	-	0.7%
A6	**Social media users**			
	Yes (1)	52	29	28
		38%	21.2%	20.4%
	No (2)	2	11	15
		1.5%	8%	10.9%
A7	**Frequency of social media usage**			
	Daily (1)	38	17	16
		27.7%	12.4%	11.7%
	More than three times a week (2)	7	4	4
		5.1%	2.9%	2.9%
	Weekly (3)	7	6	7
		5.1%	4.4%	5.1%
	Monthly (4)	-	3	1
		-	2.2%	0.7%
	Never (5)	2	9	15
		1.5%	6.6%	10.9%

Source: Own compilation

In the table above one of the respondents omitted question A3 in the Generation Y cohort. Two different respondents from the Generation X cohort failed to answer questions A2 and A7. Question A4 was also left unanswered by one respondent in the Baby Boomer cohort.

From the above table (Table 3.1) it can be derived that the majority of the respondents were in the age group 14 to 33 years. Furthermore, the majority of the respondents were female (68.6%). The majority of the respondents were white (70.8%) with black (22.6%) being the second most frequent response pertaining to ethnicity. The above table also indicates that 107 of the respondents (78.1%) are active members of a religious affiliation, with Christianity being the most popular religious affiliation (124 respondents; 90.5%). Only 28 of the 137 respondents (20.4%) are not active social media users, with 51.8% of the respondents using social media on a daily basis.

The following graph (Graph 3.1: General Demographical Analysis) summarizes the demographical information of the respondents. This graph (Graph 3.1) provides a clear indication of the demographical composition of the respondents.
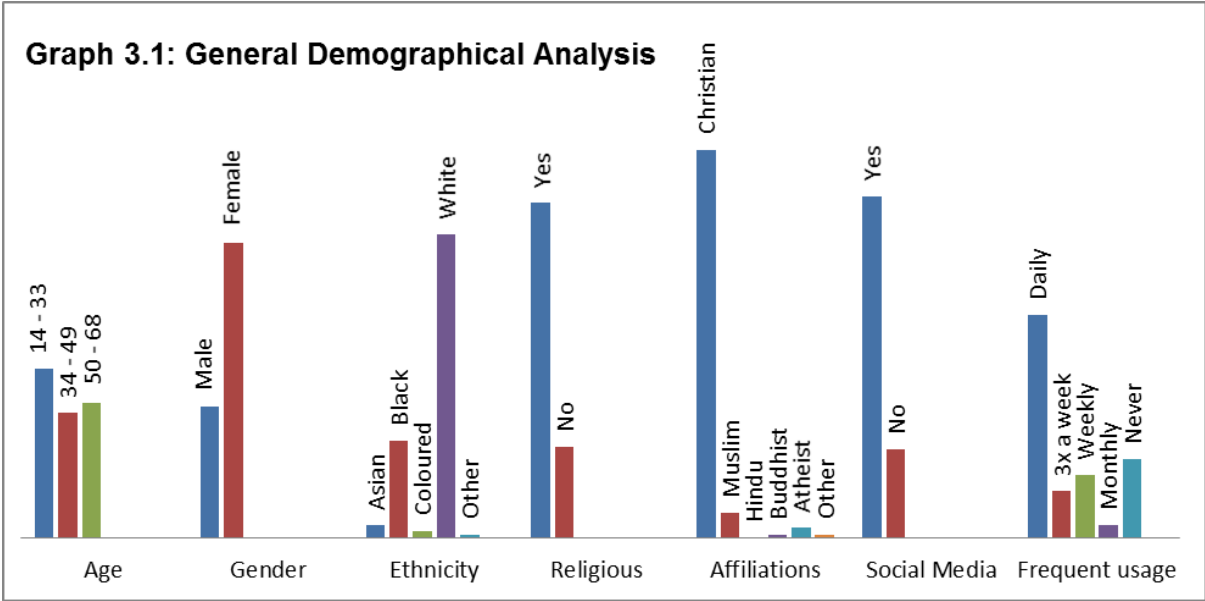
Source: Own compilation

3.4.2 Section B: Ethics and Values

Section B consists of two sections. The first section is based on the respondents' personal values, whereas the second part evaluates the respondents' perceptions on organisational brand values. The results of this section have proven to be very reliable with a Cronbach's alpha of 0.82. The responses from the sample are summarised in Table 3.2.

3.4.2.1 Personal values
3.4.2.1.1 General analysis

From Table 3.2 it can be derived that the respondents in general regard personal values as very important. The personal value with the least importance is "community", whereas honesty, respect and trustworthiness are all regarded as the most important personal values. The *not important (3)* and *not important at all (4)* responses were all from different respondents; therefore no definite pattern can to be identified.

From the Table 3.2 it can be derived that the respondents in general regard personal values as very important. The personal value with the least importance is "community", whereas honesty, respect and trustworthiness are all regarded as the most important personal values. The *not important (3)* and *not important at all (4)* responses were all from different respondents; therefore no definite pattern can to be identified.

Table 3.2: Responses pertaining to personal values.

		Very important (1)	Important (2)	Not important (3)	Not important at all (4)
B1	Honesty	128	7	1	1
		93.4%	**5.1%**	**0.7%**	**0.7%**
B2	Respect	128	9	-	-
		93.4%	**6.6%**	**-**	**-**
B3	Integrity	126	9	1	-
		92%	**6.6%**	**0.7%**	**-**
B4	Trustworthiness	128	7	-	1
		93.4%	**5.1%**	**-**	**0.7%**
B5	Accountability	119	18	-	-
		86.9%	**13.1%**	**-**	**-**
B6	Commitment	116	20	1	-
		84.7%	**14.6%**	**0.7%**	**-**
B7	Achievement	83	48	5	-
		60.6%	**35%**	**3.6%**	**-**
B8	Persistence	89	42	6	-
		65%	**30.7%**	**4.4%**	**-**
B9	Community	45	76	14	2
		32.8%	**55.5%**	**10.2%**	**1.5%**
B10	Responsibility	119	15	1	2
		86.9%	**10.9%**	**0.7%**	**1.5%**

Source: Own compilation

3.4.2.1.2 Generational cohort analysis

As per the generational cohorts the data can be further analysed. The Generation Y (14 – 33 years) group regards all of the personal values as *very important (1).* Integrity is the most important value with 96.3% of the respondents in this age group agreeing. This results in 37 % of the respondents agreeing, when compared to the greater sample of 137 respondents. Respect is the second most important personal value with 94.4% of the respondents in this age group agreeing. The personal value

with the least importance for this age group is community. Only 35.2% respondents stated that this value is *very important (1)* and 57.4% respondents felt that is was only *important (2)* whereas 7.4% respondents were of opinion that it is *not important (3).* Of the personal values outlined above, there was only one respondent in this age group that felt that one of these personal values were not important at all (4). The value referred to is: responsibility.

The Generation X (34 – 49 years) age group identified honesty and trustworthiness as the *most important (1)* personal values. Both of these values had 95% respondents (in this age group) agreeing. When compared to the greater sample of 137 respondents it results in 27.7% of the Generation X respondents who are like-minded. However, both of these values also received *not important at all (4)* responses which are both from the same respondent. The Generation X and Generation Y respondents agree that community is the least important personal value. Only 32% of the respondents regard community as *very important (1)*, whereas 15% felt that community is either *not important (3)* or *not important at all (4).* This age group also regards achievement as the second least important personal value.

The Baby Boomers (50 – 68 years) agreed with Generation X in that honesty and trustworthiness are the most important personal values. Most of the respondents in this age group (97.7%) agreed that honesty and trustworthiness are the *most important (1)* value. When compared to the greater sample of these responses, the Baby Boomers amount to 31% of the opinions. With regard to the least important personal value, the Baby Boomers and Generation X*ers* agree again that community is the least important personal value for this age group. Six of the respondents (4.4%) felt that community is *not important (3).*

Based on the above data it can be deduced that honesty, respect and trustworthiness are the most important personal values, whereas community and persistence is of least importance for the respondents. There seems to be no definite

differentiation between the age groups' perspective on important values. Graph 3.2 (Generational comparison on personal values) provides a clear indication of the respondents perceptions regarding personal values and the importance thereof. The data portrayed in graph 3.2 is with regards to the *very important (1)* responses given by the different generational cohorts.
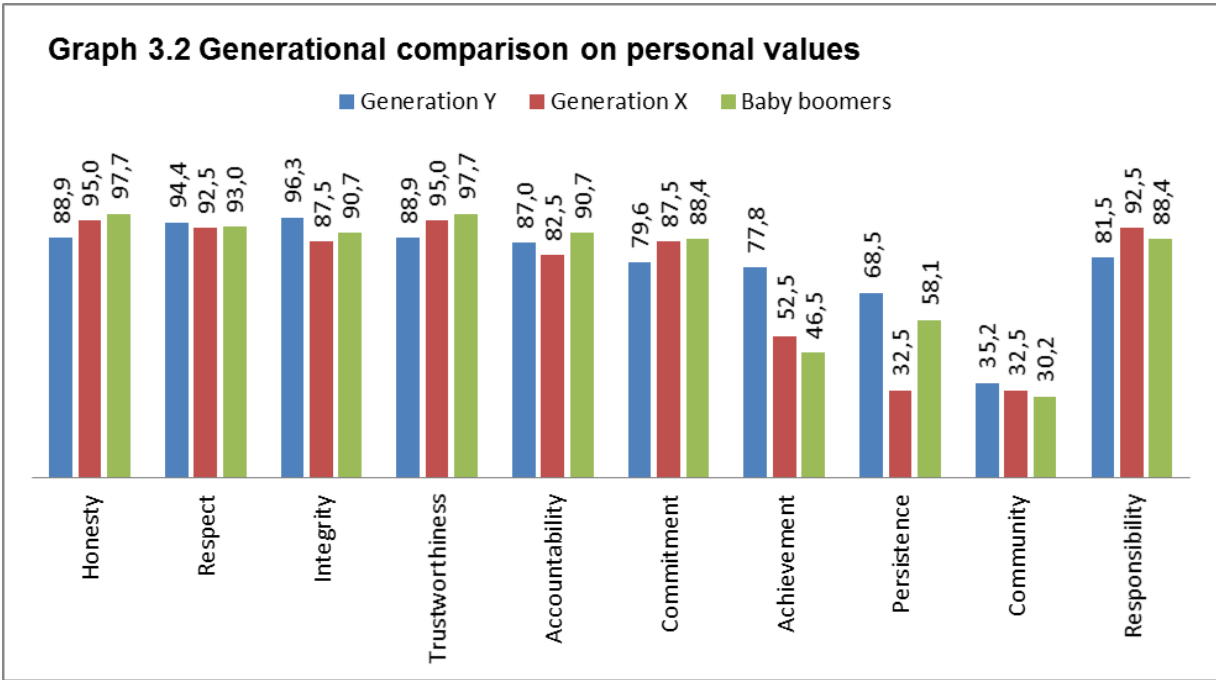
Source: Own compilation

The results of the F-test for section B 1 to 10 is 0.353. The null hypothesis of no variation between different groups can be accepted. The results indicate that there is little variation among the different groups' responses. Subsequently the other subsection of Section B will be analysed which focuses on brand values.

3.4.2.2 Organisational brand values

The following section will highlight what the respondents regarded as the most important values which they value in a brand. Based on the responses from the 137 respondents, Table 3.3, was constructed.

3.4.2.2.1 General analysis

Table 3.3: Organisation brand values

		Very important (1)	Important (2)	Not important (3)	Not important at all (4)
B11	Transparency	87	46	3	-
		63.5%	**33.6%**	**2.2%**	**-**
B12	Honesty	124	12	-	1
		90.5%	**8.8%**	**-**	**0.7%**
B13	Inspiration	74	56	7	-
		54%	**40.9%**	**5.1%**	**-**
B14	Authenticity	72	56	8	1
		52.6%	**40.9%**	**5.8%**	**0.7%**
B15	Excellence	94	40	3	-
		68.6%	**29.2%**	**2.2%**	**-**
B16	Fun	40	62	34	1
		29.2%	**45.3%**	**24.8%**	**0.7%**
B17	Exceptionality, Superiority / Uniqueness	69	52	14	1
		50.4%	**38%**	**10.2%**	**0.7%**
B18	Optimism	68	55	14	-
		49.6%	**40.1%**	**10.2%**	**-**
B19	Generosity	46	67	21	3
		33.6%	**48.9%**	**15.3%**	**2.2%**
B20	Credibility	96	33	6	2
		70.1%	**24.1%**	**4.4%**	**1.5%**

Source: Own compilation

Table 3.3 provides a clear indication of what values the respondents regard as important in brands. Of the 137 respondents, 90.5% of the respondents, across the different generational cohorts agreed that honesty is the most important brand value which an organisation can portray. The second most important brand value, with only 70.1% of the respondents being like-minded, is credibility. It can therefore be deduced that, regardless of age, consumers expect a brand to be honest with them

as well as to be credible. Only the third most important brand value relates to physical attributes, as opposed to actions and perceptions categorised as the first two brand values. The respondents, in general, agreed that fun as a brand value is the least important with only 29% respondents rating it as *very important (1)*.

3.4.2.2.2 Generational cohort analysis

When the above responses are further analysed per age group, the following became evident: In accordance with the above results, Generation Y (14 – 33 years) respondents regarded honesty as the *most important (1)* brand value. All 54 respondents in this age group rated honesty as either *very important (1)* or *important (2)*, therefore affording honesty a 100% score. Transparency and credibility are all brand values which tie in the second place, as 70.4% of the respondents rated these brand values as *very important (1)*. Generation Y respondents feel that a brand's generosity is the least important brand value. Seventeen percent regarded generosity as *not important (3)* or *not important at all (4)* whereas 46.3% of the respondents rated this value only as *important (2).* The brand value which is second to last with regards to importance is fun. Twenty-two of the respondents (16.1%) rated it as *important (2)*, and 17% regard this brand value as *not important (3)* or *not important at all (4)*. From the data it is clear that this generation does not feel that generosity is an important brand value. Generosity is the brand value with the least importance. However 46.3% of the respondents felt that generosity was *important (2)* but not *very important (1).*

Generation X (34 – 49 years) respondents also agreed with the Generation Y respondents that honesty is the most important of the stated brand values with 97% of the respondents in this age group agreeing. Only one respondent stated that honesty is not important. The Generation X*ers* differed from the Generation Y respondents in that the second most important brand value is excellence. All 40 (100%) of the respondents agreed that excellence is either *very important (1)* or *important (2).* Twenty eight of the Generation X*ers* felt that fun as a brand value was not important.

The Baby Boomers (50 – 68 years) are of opinion that honesty is important as a brand value. Eighty six percent of the respondents rated honesty as *very important (1)*, with the remainder of the Baby Boomers regarding it as *important (2)*. Transparency and excellence are also brand values which are important to this generational cohort. These brand values both had 55.8% of the respondents rating it as *very important (1)* and 41.9% respondents regarding it as *important (2)* only one of the responses pertaining to each of these values were *not important (3)*. It was not the same respondent who rated the values as *not important (3)*. The Baby Boomers' responses indicated that fun and generosity were the least important brand values. Thirty five percent of the responses stated that fun was not important, whereas 21 percent had the same opinion of generosity.

The above data shows that there is no clear differentiation between the generational cohorts' regard of the importance of brand values. It seems that across the age groups honesty is highly regarded as an important brand value. The age groups also agree that fun is not a prerequisite as a brand value. Graph 3.3 (Generational comparison on brand values) support the abovementioned, based on *very important (1)* responses.

Graph 3.3 Generational comparison on brand values
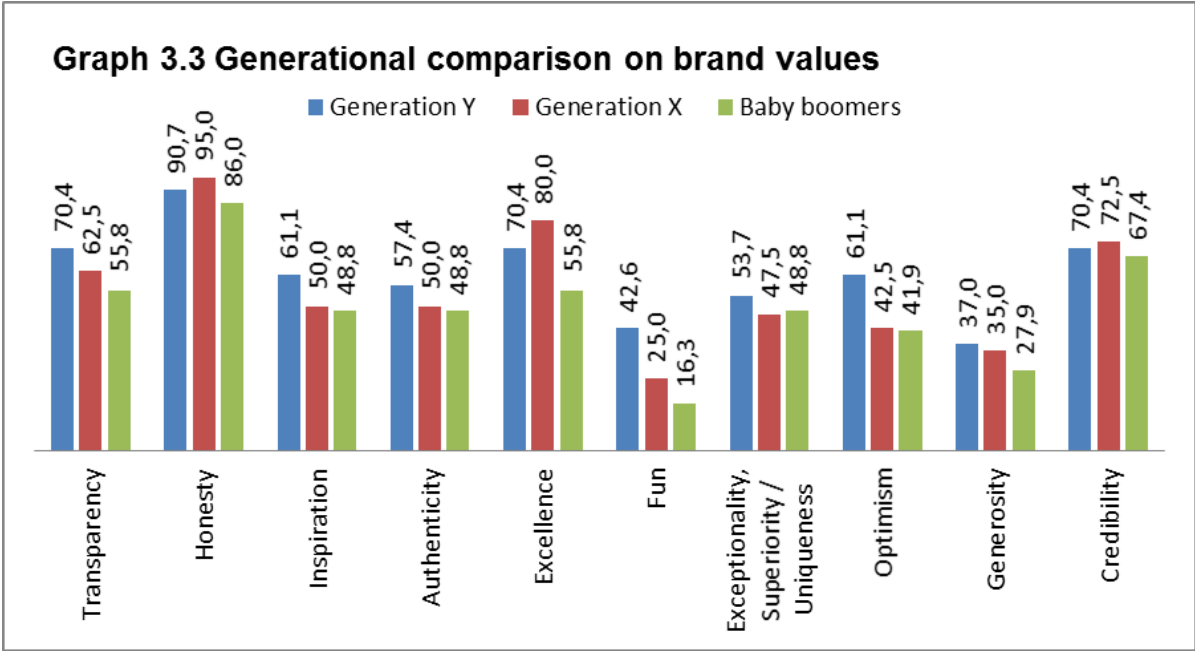
Source: Own compilation

From the above analysis it is evident that there is no definite correlation between ethnicity and religion and the role that is plays in ethics. Even though the majority of the respondents were Christian and White there is no direct correlation between religion and the respondents' perception regarding the above values. The results of the F-test for section B 11 to 20 is 2.322. The null hypothesis of no variation between age groups should be rejected. The results indicate that there is more variation among the different groups than to be expected. With this section specifically, the sum of squares within groups is 19.702 which shows that the differences between each value and the mean of its own group are high. The means square between groups is 0.344.

Section C will now be analysed in depth. The focus of this section was specifically brand perception and awareness as well as general perceptions on brand ambassadors.

3.4.3 Section C

This section had to determine to what extent the respondents are aware of certain brands and brand ambassadors, as well as their general perception of brands. This section's Cronbach Alpha is 0.897, indicating that the results are very reliable. This section consists of ten questions and will, as with the previous sections (3.4.1 and 3.4.2) firstly by analysed in general, followed by an analysis per generational group.

3.4.3.1 General analysis

The responses are summarised in Table 3.4. In general it seems that the majority of the respondents are brand orientated and that they identify with and are loyal to certain brands. However, when it came to new developments and social media the respondents were not in agreement. Seventy five percent of the respondents agreed that they will purchase another brand if their brand of choice is not available (Question C6). This could also be due to the low switching costs.

Table 3.4: General perceptions on brands and brand ambassadors

		Very important (1)	Important (2)	Not important (3)	Not important at all (4)
C1	I consider myself as brand orientated.	18	58	48	13
		13.1%	**42.3%**	**35%**	**9.5%**
C2	I identify with the brands I support because of the values which it portrays.	24	70	31	12
		17.5%	**51.5%**	**22.6%**	**8.8%**
C3	I am loyal to certain brands	31	68	25	13
		22.6%	**49.6%**	**18.2%**	**9.5%**
C4	I am always aware of new developments & products of my brand of choice.	16	46	55	20
		11.7%	**33.6%**	**40.1%**	**14.6%**
C5	I follow my favorite brands on social media (such as Facebook, Twitter & YouTube)	14	29	50	43
		10.2%	**21.2%**	**36.5%**	**31.4%**
C6	I will not purchase another brand if my brand of choice is not available.	10	24	67	36
		7.3%	**17.5%**	**48.9%**	**26.3%**
C7	I have supported brands endorsed by a celebrity brand ambassador.	7	30	56	44
		5.1%	**21.9%**	**40.9%**	**32.1%**
C8	I support brands which are endorsed by a specific brand ambassador.	3	30	59	43
		2.2%	**21.9%**	**43.1%**	**31.4%**
C9	I have purchased a product only because I admired the brand ambassador.	7	12	64	54
		5.1%	**8.8%**	**46.7%**	**39.4%**
C10	I perceive a product to be of a better quality when the name of a celebrity is attached to it.	7	15	56	59
		5.1%	**10.9%**	**40.9%**	**43.1%**

Source: Own compilation

Seventy three percent of the respondents stated that they have not supported brands which are endorsed by a specific brand ambassador (Question C8), whereas only 13.9% of the respondents declared that they have purchased a product only because they admired the brand ambassador (Question C9). This indicates that these

respondents did not buy a specific product because it was endorsed by a specific brand ambassador. Sixteen percent of the respondents perceived that a product was of a better quality when a celebrity's name was attached to it. However, the majority of the respondents (84 %) agreed that the name of a celebrity did not indicate that a product was of a superior quality.

It can therefore be deduced that even though the majority of the respondents are brand orientated and identify with brands based on the brands' values and are loyal to certain brands, brand ambassadors do not affect the intent to support certain brands. Worthy of remark is that even though 99 of the respondents stated that they are loyal to certain brands (Question 3), 75% of the respondents replied that they would purchase other brands if their brands of choice are not available. This indicates that product availability and low switching costs are stronger driving forces than brand loyalty and could possibly be of concern to organisations.

C8 only had 135 responses and C5 only had 136 responses. The responses can further be analysed as per the different generational groupings.

3.4.3.2 Generational cohort analysis

The Generation Y respondents (14 – 33 years) considered themselves as brand orientated with 38 of the 54 (70.4%) respondents agreeing to Question 1. Sixty seven percent of these respondents also stated that they identify with certain brands based on the values which the brands portray and 76% (41 respondents) of the respondents in this age group stated that they are brand loyal. However, only 35.2% of the respondents said that they will not purchase any other products if their brand of choice is not available (Question 6).

This generation seem to be more in touch with social media and new developments and products of their brands as the majority of the respondents follow their favourite brands on social media with 55.6% respondents agreeing to question C5 and 51.9% respondents agreeing (either *strongly agree (1)* or *agree (2)*) to question C4. The

questions relating to brand ambassadors however, all had negative responses (questions C7 – C10). Fifty nine percent of the respondents disagreed that they have supported brands endorsed by celebrity brand ambassadors, whereas 38 (70.4%) respondents disagreed that they support brands endorsed by celebrities. Only 24.1% respondents in this generational cohort agreed that they have purchased products only because they admired the brand ambassador and that they perceive a product to be of a better quality when a celebrity's name is attached to it.

The majority of the Generation X*ers* (34 – 49 years) considered themselves as brand orientated (60% either *strongly agreeing (1)* or *agreeing (2)*). These respondents also identify with the brands which they support based on the values which it portrays and are also loyal to certain brands, as 72.5% of the respondents agree to both C2 and C3. However, these respondents are not as informed as the Generation Y respondents as only 47.5% agreed to be aware of new developments of their brand of choice and only 15% follow their favourite brands on social media. Eighty percent of the respondents agreed that they will purchase another brand if their brand of choice is not available. Only 17.5% of the respondents have supported brands endorsed by a celebrity brand ambassador whereas 72.5% disagreed to support brands endorsed by a specific brand ambassador. Only 7.5% of the respondents agreed to have purchased a product only because they admired the brand ambassador and only 15% agreed that they perceive a product to be of better quality when the name of a celebrity is attached to it.

The Baby Boomers' (50 – 68 years) perceptions pertaining to brand ambassadors proved to be drastically different from those of the other generational cohorts. These respondents were predominantly not brand orientated with 67.4% of the respondents either *disagreeing (3)* or *strongly disagreeing (4)* with C1. The only positive responses received from this cohort related to brand values and brand loyalty. The majority of the respondents, 65% (28 of the 43 respondents) stated that they support brands because of the values which it portray (C2). Twenty nine of the respondents indicated that they are loyal to certain brands. Based on the responses from question

C6 it is evident that, even though consumers regard themselves as brand loyal, they will seldom not purchase a different brand when their brand of choice is not available. Only 16.3% respondents replied that they *agree (2)* with the statement (C6) that they will not purchase another brand if their brand of choice is not available. None of the respondents felt that they *strongly agree (1)* with the statement.

Questions C4 to C10 all had predominantly negative answers as the respondents mostly disagreed (3) or strongly disagreed (4). This age group is principally not aware of new developments and products of their brands (35% agreed that they are aware) and also do not follow their brands on social media with only 16.3% respondents agreeing to question C5. None of the respondents *strongly agreed (1)* that they have supported (C7) and support (C8) brands endorsed by specific brand ambassadors. Ninety three percent of the respondents either *disagreed (3)* or *strongly disagreed (4)* that they have purchased products only because they admired the brand ambassador. This generational cohort was also of strong opinion that they did not perceive a product to be of a superior quality because the name of a celebrity was attached to it, with 93% of the respondents being like-minded.

From the summary in Graph 3.4, it is clear that the respondents generally feel that the brand values of an organisation are more important than a celebrity brand ambassador endorsing a product. Based on the F-test, there is a high variance within the different generational groups, with the F-test Statistic of 7.569. The null hypothesis of no variation between age groups should be rejected. It is evident that different cohorts have different perceptions regarding brand ambassadors. The variation between the age groups is higher than to be expected with reference to the general perceptions on brand ambassadors. It is also clear that from all the generational cohorts, the Baby Boomers are the least influenced by brand ambassadors.

Graph 3.4 provides a general comparison on brand ambassador perceptions of the different generational cohorts, based on *strongly agree (1)* responses.

Graph 3.4 General comparison on Brand Ambassador (BA) perceptions

■ Generation Y   ■ Generation X   ■ Baby boomers

Statement	Generation Y	Generation X	Baby boomers
Considered as brand orientated	22,2	10,0	4,7
Support brand because of its values	16,7	22,5	14,0
Loyalty to certain brands	29,6	20,0	16,3
Aware of brand developments	16,7	10,0	7,0
Follow brands on social media	22,2	5,0	0,0
Will not purchase another brand if brand of choice is unavailable	14,8	5,0	0,0
Have supported brands endorsed by a BA	11,1	2,5	0,0
Support brands endorsed by a BA	5,6	0,0	0,0
Purchased product because of the BA	11,1	2,5	0,0
Perceive products to be superior due to BA.	11,1	2,5	0,0

Source: Own compilation

3.4.4 Section D: Brand ambassador case studies

This section focuses on the case studies provided in section 2.8. Tiger Woods, Lance Armstrong, Oscar Pistorius, Wayne Rooney and Charlie Sheen are the objects of discussion. Every one of the subsections consists of the same six statements followed by an explanatory answer. This section's average reliability as indicated by Cronbach's Alpha is 0.68. Although it is a little less than the desired 0.7, it is still acceptable. All of the subsections will firstly be analysed in general and then according to the generational cohorts.

3.4.4.1 Tiger Woods

3.4.4.1.1 General analysis

In general, the following responses were given pertaining to Tiger Woods (section D1 in the questionnaire):

Table 3.5: General responses to Tiger Woods

		Strongly Agree (1)	Agree (2)	Disagree somewhat (3)	Strongly disagree (4)
D1	I am aware of Tiger Woods' transgressions.	52	67	10	7
		38%	**48.9%**	**7.3%**	**5.1%**
D2	Tiger Woods' transgression had a negative impact on my perception of the golfer.	23	49	34	30
		16.8%	**35.8%**	**24.8%**	**21.9%**
D3	Tiger Woods' transgression had a negative impact on my perception of the brands which he endorsed.	4	13	43	76
		2.9%	**9.5%**	**31.4%**	**55.5%**
D4	I stopped supporting brands which Tiger Woods endorsed due to his transgressions.	2	4	40	89
		1.5%	**2.9%**	**29.2%**	**65%**
D5	When certain brands dropped Tiger Woods it had an impact on my perception of the specific brand.	5	27	43	60
		3.6%	**19.7%**	**31.4%**	**43.8%**
D6	Was the impact of your perception of the brand positive or negative after the sponsorship was cancelled?	90	38	-	-
		65.7%	**27.7%**	**-**	**-**

Source: Own compilation

From the above it is clear that 87% of the respondents were aware of Tiger Woods' transgressions. Seven percent of the respondents stated that they disagreed somewhat, which could indicate that they were aware of the scandals but did not know any specifics around it and did not actively "follow" as the story developed. However, seven respondents were not at all aware of Tiger Woods' infidelities.

Tiger Woods' transgressions had a negative impact on 72 (53%) of the respondents' perception of the golfer. It is also observant that 47% of the respondents felt that Tiger Woods' transgression did not influence their perception of the golfer. The difference between the respondents who are of opinion that his transgression had a negative impact on their perception and those who felt that it did not, is only 6%.

It can be deduced from this data that the respondents feel that the actions of the brand ambassador (Woods) did not negatively influence their perceptions of the brands as only 12% of the respondents either *strongly agreed (1)* or *agreed (2)* to D3. D4 evoked a strong opinion as 65% of the respondents *strongly disagreed (4)* that they stopped supporting brands which Woods previously endorsed. It can be reasoned that only 1.5% of the respondents boycotted the brands which Woods endorsed as only 2 respondents strongly *agreed (1)* that they stopped supporting brand which Tiger Woods endorsed due to his transgressions.

D5 and D6 are interlinked. Forty four percent of the respondents *strongly disagreed (4)* and 31% of the respondents *disagreed somewhat (3)* that the brands that dropped Tiger Woods had an impact on their perception of the golfer. D5 does not distinguish whether the impact was positive or negative, but D6 found that 65.5% of the respondents were of opinion that their perception of the brands was positive after the sponsorships with Tiger Woods were cancelled, whereas 38 (28%) respondents felt negatively towards the brands. D6 only had a response rate of 93% with 128 of the 137 respondents providing answers.

In order to gain a better understanding of the different generations' opinions pertaining to the brands which cancelled endorsements amid brand ambassador transgressions, D7 will be analysed in the different generational cohort analysis. The above responses will now further be analysed according to the different age groups.

3.4.4.1.2 Generational analysis

Of the Generation Y respondents (14 – 33 years) only 17% of the respondents (9 of the 54 in this generational cohort) were not aware of Tiger Woods' transgressions. The remaining 45 respondents (83%) all either *strongly agreed (1)* or *agreed (2)*.

The majority of the Generation Y respondents felt that Tiger Woods' transgressions had a negative impact on their perception of the golfer, with 52% agreeing. Fifteen of the respondents (27.8%), however, *strongly disagreed (4)* indicating either that

Woods' transgression had no impact on their perception of the golfer, or possibly, a positive impact. D3 (negative impact on the brands which he endorsed) had definite disagree responses. Twenty five (46%) of the respondents *strongly disagreed (4)* that Tiger Woods' transgressions had a negative influence on the respondents' perception of the brands. Also, 33% of the respondents *disagreed somewhat (3)* to the abovementioned statement. Only 5.6% of the respondents *strongly agreed (1)* that Woods' actions negatively influenced their perception of the brands.

D4's objective was to determine if the respondents stopped supporting brands which Tiger Woods endorsed. The responses were clear that the majority of the Generation Y respondents did not stop purchasing these brands. Ninety three percent of the respondents either *strongly disagreed (4)* (53.7%) or *disagreed somewhat (3)* (38.9%). In this generational cohort only one respondent (1.9%) *strongly agreed (1)* to D4.

The majority of the respondents (68.5%) agreed that when certain brands dropped Tiger Woods it did not have an impact on their perception of the specific brands. Three of the respondents agreed that it influenced their perception of the brands.

The following statement (D6) only had a response rate of 96%. Thirty five percent of the respondents admitted that the impact on their perception was negative when the brands cancelled endorsements with Tiger Woods. Based on these results it could be deduced that these respondents are more loyal to the brand ambassador (Tiger Woods) than to the brand as their perceptions were negative. However, the majority of the respondents stated that their perceptions were influenced positively when endorsement deals were cancelled.

D7 afforded respondents the opportunity to provide an explanation as to whether their perception was positive or negative after Woods' endorsement deals were cancelled. One of the respondents, whose perception was positive, stated that they will continue to purchase the products of the brands as they are still good brands.

The majority of the responses pertaining to D7 focused on the fact that the transgression did not physically change anything to the product and that it was still good products and that they still "liked the brands". One respondent, whose perception was negative, simply stated that the brands were "unloyal". Other respondents were more understanding towards Woods, as one respondent stated "I understand that he's human, we are not perfect".

The Generation X*ers* (34 - 49 years) were also aware of Tiger Woods' transgression, with 42.5% of the respondents *strongly agreeing (1)*. Forty eight percent of the respondents stated that they *agree (2)* whereas only 2.5% respondent *disagreed somewhat (3)* and 7.5% respondents strongly *disagreed (4)*. Of the 40 respondents, 10 strongly disagreed that Woods' transgression had a negative impact on their perception of the golfer. This indicates that 25% of the respondents' perceptions were not influenced by his series of infidelities and possibly feel that his abilities as a golfer were the stronger driving force. Twenty percent of the respondents *strongly agreed (1)* and another 35% respondents *agreed (2)* that his transgressions negatively influenced their perception of the golfer. None of the respondents in this age *group strongly agreed (1)* that Tiger Woods' actions influenced their perception of the brands which he endorsed. This shows that the respondents in this generational cohort do not necessarily link the values of the brand to the brand ambassador and that transgressions on the brand ambassadors' part are not likely to influence their buying behaviour, as is further evident from D4.

Question D4 determined whether respondents stopped purchasing certain brands due to Woods actions. None of the respondents *strongly agreed (1)* or *agreed (2)*, whereas 30 of the respondents *strongly disagreed (4)* to the statement. These responses show that the respondents regard brand ambassadors as a matter of minor importance when compared to the brand itself. The respondents definitely had opinions regarding Tiger Woods and his actions, but they distanced these perceptions from their perceptions of the brands which he endorsed.

Almost half of the respondents (47%) agreed that when Woods was dropped by certain brands it did not impact their perception of the specific brand. Another 33% of the respondents *disagreed somewhat (3)* in that the statement made in D5 impacted their perceptions. In determining whether the cancellation of certain brand endorsements had a positive or negative impact on the respondents' brand perception, only 88% of the respondents responded, which could be due to a neutral feeling pertaining to this matter. Of these respondents, 70% stated that the brands which cancelled their endorsements had a positive influence on their perception.

One of the respondents who was negative towards the brand after cancelling Woods' endorsements stated that "His private life does not interfere with his golf." Another respondent stated that the cancellation does not matter as this specific respondent does not link persons to a brand. One of the respondents whose perception of the brand was positive after they dropped Tiger Woods responded: "He was being paid to uphold the brand name – so he should behave".

From the above it is clear that Generation X*ers* do not identify the brand with the brand ambassador. Tiger Woods' affairs were of a nature that it did not affect his performance on the golf course so the respondents viewed Woods separately from the brands.

The Baby Boomers (50 – 68 years) were mostly aware of Tiger Woods' transgression as only 9.3% of respondents *disagreed somewhat (3)*. The remaining respondents *strongly agreed (1)* or *agreed (2)*. The majority of the respondents agreed that Woods' affairs had a negative impact on their perception of the golfer. However, many of the respondents also either *disagreed somewhat (3)* or *strongly disagreed (4)*. Fifty one percent of the respondents experienced negativity towards the golfer, whereas 47% respondents were not negative.

This age group were all like-minded in that Woods' actions did not influence their perception of the brands. Ninety three percent agreed to D3 that Woods' series of

affairs did not impact their perception of the brands which he endorsed. These respondents also did not stop to support brands previously endorsed by Woods. As with the Generation X*ers*, the Baby Boomers view the brand and the brand ambassadors separately. Even though the majority of the Baby Boomer respondents were negative towards Woods, they did not allow their perception of the golfer to influence their perception of the brand. The responses to D5 further supported this as 79% of the respondents stated that when certain brands dropped Tiger Woods, it did not have an impact on their perceptions of the specific brand.

D6 determined that when the Tiger Woods was dropped by certain brands, it mostly had a positive impact on the respondents' perceptions. This question had a 95% response rate with 674.4% of the respondents being of opinion that their perception was positive and only 27.9% respondents stating a negative impact.

Respondents who were positive towards the brands after the brands cancelled Tiger Woods' sponsorships supported their views with comments such as, "When you are a brand ambassador for a brand, your personal life must advertise of good manner." As well as, "He is an ambassador for the brand. He should be a role model to everybody. I do not want to support a brand that invests money in a person that has such a way of life as him." Another respondent who perceived the brands in a positive light stated that by cancelling his endorsements it reflected the values of the brands.

Graph 3.5 (Generational perceptions of Tiger Woods) provides a comparison between the different generational cohorts' perception of the golfer and his impact on the brands which he endorsed. The Generation X*ers* are more lenient towards Tiger Woods' transgressions especially with regards to D3 and D4. However, no definite distinction can be drawn based on the age groups perceptions.

Graph 3.5 Generational perceptions of Tiger Woods

■ Generation Y ■ Generation X ■ Baby boomers

Category	Generation Y	Generation X	Baby boomers
D1.1 Aware of the transgression	38,9	42,5	32,6
D1.2 Transgression had a negative impact on perception of BA	14,8	20,0	16,3
D1.3 Transgression did not have a negative impact on perception of brand	46,3	65,0	58,1
D1.4 Did not stop to support brands endorsed by BA	53,7	75,0	69,8
D1.5 Had an impact on perception of brand when brand dropped BA	5,6	5,0	0,0
D1.6 Impact was positive	61,1	70,0	67,4

Source: Own compilation

From the above analysis it is clear that the Generation X and Baby Boomer respondents do not link the brand ambassador's action to the brand. Even though the Generation Y respondents generally felt the same, they were more inclined to be influenced by the brand's actions as well. With regards to Tiger Woods, the F-test provided a result of 1.82. The null hypothesis of no variation between cohorts should therefore be rejected. There is a definite variance between the age group's responses.

3.4.4.2 Lance Armstrong
3.4.4.2.1 General analysis

In general, the responses pertaining to Lance Armstrong (section D2 in the questionnaire) are summarised in Table 3.6

The below analysis proves that, in general, 85% of the respondents were aware of Lance Armstrong's doping scandal. Only 20 of the 137 respondents (15%) disagreed that they were not aware of his transgression.

Table 3.6: General responses to Lance Armstrong

		Strongly Agree (1)	Agree (2)	Disagree somewhat (3)	Strongly disagree (4)
D1	I am aware of Lance Armstrong's transgressions.	58	58	11	9
		42.3%	**42.3%**	**8%**	**6.6%**
D2	Lance Armstrong's transgression had a negative impact on my perception of the cyclist.	34	38	41	23
		24.8%	**27.7%**	**29.9%**	**16.8%**
D3	Lance Armstrong's transgression had a negative impact on my perception of the brands which he endorsed.	5	14	48	67
		3.6%	**10.2%**	**35%**	**48.9%**
D4	I stopped supporting brands which Lance Armstrong endorsed due to his transgressions.	4	10	32	89
		2.9%	**7.3%**	**23.4%**	**65%**
D5	When certain brands dropped Lance Armstrong it had an impact on my perception of the specific brand.	9	24	39	64
		6.6%	**17.5%**	**28.5%**	**46.7%**
D6	Was the impact of your perception of the brand positive or negative after the sponsorship was cancelled?	85	37	-	-
		62%	**27%**	**-**	**-**

Source: Own compilation

Even though the majority of the respondents stated that after Armstrong's transgressions came to light it had a negative impact on their perception of the cyclist, there were also many of the respondents who did not agree with the statement. Twenty five percent of the respondents *strongly agreed (1)* and 28% of the respondents *agreed (2)*.

The responses to the possible negative impact on their perceptions of the brands which he endorsed showed that the majority of the respondents *strongly disagreed (4)*. Eighty four percent of the respondents agreed that Armstrong's transgressions did not negatively influence their perceptions on the brands which he endorsed. Based on the responses referring to D2 and D3, it is again clear that the majority of

the respondents feel that any bad behaviour on the brand ambassador's part could not reflect on the perception of the brand itself.

Generally, the respondents also did not stop supporting brands which Lance Armstrong endorsed with 88% of the respondents agreeing to this. There were however, some respondents who felt passionate enough about Armstrong's misbehaviour that they refrained from purchasing any brand which he endorsed.

Twenty percent of the respondents stated that when the brands dropped Lance Armstrong, it influenced their perceptions of the specific brands. Of the 137 respondents, 85 (75%) agreed that their perceptions where positive when the brands did not offer further support to the cyclist.

3.4.4.2.2 Generational analysis
The *Generation Y* respondents were mostly aware of Lance Armstrong's transgressions. Twenty five of the 54 respondents (46.3%) *strongly agreed (1)* that they were aware, whereas only 11% of the respondents *strongly disagreed (4)* about being aware of the scandal.

This generational cohort felt that Armstrong's transgression did not have a negative impact on their perception of the cyclist. This is opposed to the general analysis where 34% of the respondents agreed that Lance Armstrong's transgression negatively impacted their perceptions of the golfer. Fifty four percent of the respondents in this age group either *disagreed somewhat (3)* or *strongly disagreed (4)* to the statement that Armstrong's transgressions negatively impacted their perception of the cyclist.

Furthermore, the majority of these respondents also felt that Lance Armstrong's doping scandal did not have a negative impact on the brands which he endorsed. Eighty three percent of the respondents *strongly disagreed (4)* to the statement made in D3, whereas only 5.6% respondents *strongly agreed (1)*. The results from this

generational cohort pertaining to D2 and D3, indicates that Generation Y respondents' perceptions are not easily impacted by negative behaviour of brand ambassadors. This statement is further supported by the responses to D4 which refers to respondents who have boycotted brands due to transgression on the part of the brand ambassador. Generation Y consumers predominantly did not stop to support brands endorsed by Lance Armstrong (87% either disagreed somewhat or strongly disagreed with the D4-statement).

Only 28% of the Generation Y respondents stated that Lance Armstrong's transgressions had an impact on their perceptions of the brands he endorsed, which also cancelled endorsement deals with the cyclist. However, 61% of the respondents stated that their perception of the brand was positive when the sponsorships were cancelled. Question D6 had a response rate of 93%, which could again be attributed to the lack of a neutral option.

Some of the respondents, who were positive towards the brands which cancelled sponsorships with the cyclist, further explained their opinions as follow:
- "He did not deserve that title; he cheated to get to the top. Unacceptable."
- "These brands stated that they will not support dishonesty."
- "Showed me that the brand did not want to be associated with a bad reputation."
- "The brands do not support the actions of the cyclist."
- "The involved parties recognised that what he did was wrong and didn't want to associate them with that."

Responses from respondents, who were negative towards the brand for cancelling endorsements deals with the cyclist, focused on the fact that all people make mistakes and should be forgiven.

Based on the above it can be argued that the Generation Y respondents are not really impacted by the behaviour of the brand during times of crisis. However, these

respondents still feel positive towards the fact the brands cancelled sponsorship deals. This suggests that these respondents are able to differentiate between right and wrong and are positive towards brands that distance themselves from bad behaviour.

The *Generation Xers* were also predominantly aware of Lance Armstrong's transgressions, with only 2 respondents (5%) *strongly disagreeing (4)* to D1. Thirty seven of the forty respondents (92.5%) agreed to be aware of the incidents. Opposed to the Generation Y respondents this age group predominantly agreed that the cyclist's bad behaviour had a negative impact on their perception of him. Fifty eight percent either *strongly agreed (1)* or *agreed (2)* to the abovementioned statement.

On the other hand, 88% of the respondents felt that Armstrong's transgressions did not negatively impact their perceptions of the brands which he endorsed. In fact, in this age group none of the respondents *strongly agreed (1)* that the transgressions had a negative impact on their perceptions of the brand. Also, there were not any respondents who strongly *agreed (1)* that refrained from supporting brands which Lance Armstrong endorsed due to his transgression.

The Generation X respondents' perceptions were also not negatively impacted when the brands decided to cancel sponsorship deals with the cyclist, as 80% of the respondents either *disagreed somewhat (3)* or *strongly disagreed (4)* to D5. Although the respondents mostly stated that they were not influenced by the brands' decision to drop Lance Armstrong, there were still 65% respondents who stated that their perception of the brand was positive once the brand cancelled sponsorships with the cyclist. This is an indication that even though the respondents did not necessarily consider the brands' action with regards to their perception of the brands; the majority of the respondents still feel that the brands acted correctly by not further associating themselves with Lance Armstrong.

Some of the respondents further explained their answers in D6 by comments such as, "Nobody should stand by a blatant liar!" and that the brand cannot be accountable for an individual's behaviour. Another respondent stated that "it is about the brand and not the celeb", whereas another response was that it shows that the brand values honesty by cancelling sponsorship deals amid misbehaviour of brand ambassadors.

It can therefore be derived that Generation X*ers* view the brand and the brand ambassador separately and that the brand cannot be held accountable for the actions of the brand ambassador. Furthermore, this age group is in favour of brands cancelling sponsorships when the brand ambassador did not act according to the brand's image.

The *Baby Boomers* (50 – 68 years old) were primarily aware of Lance Armstrong's transgressions with only 7% of the respondents disagreeing to D1. As with the Generation X*ers*, the Baby Boomers were mostly like-minded in that 24 of the 42 (42%) respondents either *strongly agreed (1)* or *agreed (2)* to a negative perception of Lance Armstrong, after his transgressions came to light. Again, as with the other two generational cohorts, Lance Armstrong's actions did not have a negative impact on the Baby Boomers' perceptions of the brands which he endorsed.

The Baby Boomers also *strongly disagreed (4)* with the statement that they stopped to support brands, which Lance Armstrong endorsed due to his transgressions. Twenty nine respondents (70%) *strongly disagreed (4)* with D4. Only one respondent stated that he did not further support brands which were endorsed by Lance Armstrong. The majority of this age group also disagreed that brands which cancelled endorsements with Lance Armstrong had an impact on their perception of the brand. Seventy five percent of the respondents either *strongly disagreed (4)* or *disagreed somewhat (3)* to D5.

Despite the respondents stating that the brands' actions did not impact them, 61% of the respondents stated that they were positive towards the brands after the sponsorships had been cancelled. One of the respondents, who were positive towards the brand stated that: "The brands are value-based and support a healthy lifestyle and true sportsmanship." Another respondent responded with, "You can't have a brand ambassador whose personal life is a mess. If companies don't act, it seems like they condone his actions." A response from another respondent also was: "I strongly believe in honesty. Lance was totally dishonest."

One of the respondents who was negative towards the brand stated the following: "As a cyclist (for fun) I also take substances (from DisChem) to enhance my performance before and during a race, and products to recover after a race. Who decided and why do they ban specific substances? If it is bad for your health you should stop it, if not, go for it!"

Graph 3.6 (Generational perceptions of Lance Armstrong) compares the different generational cohorts' responses to section D2. Even though this case received greater responses with regards to the perceptions when the brands dropped Armstrong, there is still no definite differentiation between the different age groups. Again, the Generation X*ers* seems to be more forgiving.

Graph 3.6 makes it clear that even though there are some respondents who are negative towards the brands, the majority of the respondents agree that brand ambassadors should portray certain values, especially in the sporting sphere. The majority of the respondents feel that ambassadors who misbehave should not be a brand ambassador and should subsequently be dropped by brands. The F-test provided results of 0.761. The null hypothesis of no or little variation between age groups can be accepted.

Graph 3.6 Generational perceptions of Lance Armstrong

■ Generation Y   ■ Generation X   ■ Baby boomers

	Generation Y	Generation X	Baby boomers
D2.1 Aware of the transgression	46,3	37,5	41,9
D2.2 Transgression had a negative impact on perception of BA	31,5	15,0	25,6
D2.3 Transgression did not have a negative impact on perception of brand	46,3	57,5	44,2
D2.4 Did not stop to support brands endorsed by BA	59,3	70,0	67,4
D2.5 Had an impact on perception of brand when brand dropped BA	9,3	7,5	2,3
D2.6 Impact was positive	61,1	65,0	60,5

Source: Own compilation

3.4.4.3 Oscar Pistorius

3.4.4.3.1 General analysis

In general, the responses pertaining to Oscar Pistorius (section D3 in the questionnaire) are summarised in Table 3.7.

Due to the fact that the respondents are all South African, the high amount of respondents who either *strongly agreed (1)* or *agreed (2)* to be aware of Oscar Pistorius' transgression is understandable. As Oscar Pistorius is South African and the murder trial after the death of his girlfriend was televised the respondents were likely to have followed the events. Ninety eight of the 137 (71.5%) respondents *strongly agreed (1)* to be aware of Oscar Pistrorius' transgression. The remainder of the respondents *agreed (2),* whereas 1.4% of the respondents did not agree (*either disagreed somewhat (3), strongly disagreed (4)* or left the question unanswered).

In general, the respondents agreed that Oscar Pistorius' transgression had a negative impact in their perception of the athlete. Forty two percent of the

respondents *strongly agreed (1)*, 20.4% of the respondents *agreed (2)* whereas 17.5% of the respondents *disagreed somewhat (3)* and 19% *strongly disagreed (4)* to D3.2.

Table 3.7: General responses to Oscar Pistorius

		Strongly Agree (1)	Agree (2)	Disagree somewhat (3)	Strongly disagree (4)
D1	I am aware of Oscar Pistorius' transgressions.	98	36	1	1
		71.5%	**26.3%**	**0.7%**	**0.7%**
D2	Oscar Pistorius' transgression had a negative impact on my perception of the athlete.	58	28	24	26
		42.3%	**20.4%**	**17.5%**	**19%**
D3	Oscar Pistorius' transgression had a negative impact on my perception of the brands which he endorsed.	12	8	38	78
		8.8%	**5.8%**	**27.7%**	**56.9%**
D4	I stopped supporting brands which Oscar Pistorius endorsed due to his transgressions.	8	3	33	91
		5.8%	**2.2%**	**24.1%**	**66.4%**
D5	When certain brands dropped Oscar Pistorius it had an impact on my perception of the specific brand.	17	21	33	64
		12.4%	**15.3%**	**24.1%**	**46.7%**
D6	Was the impact of your perception of the brand positive or negative after the sponsorship was cancelled?	95	29	-	-
		69.3%	**21.2%**	**-**	**-**

Source: Own compilation

As with the previous two cases, the respondents were of opinion that their perceptions of the brands which Pistorius endorsed were not affected negatively, with 84.7% of the respondents disagreeing to the statement. There were however, 8.8% of the respondents who *strongly agreed (1)* that their perception of the endorsed brands also changed along with their perceptions of the athlete.

Sixty six percent of the respondents stated that they did not stop to purchase brands which were endorsed by Pistorius due to his misbehaviour. Furthermore, only 28% of the respondents claimed that their perceptions of the brands were impacted when the brands dropped the athlete, whereas 69% of the respondents felt positive towards the brands for cancelling sponsorships with Pistorius. Question D3.6 had a response rate of 91% with only 125 respondents providing an answer.

From the above it can be derived that in general Oscar Pistorius' transgression had a negative influence on the perceptions of the athlete on the respondents. The negativity the respondents felt towards the athlete did not transfer to the brands which he endorsed and the respondents generally felt positive towards the brands which cancelled his endorsement deals.

The impact of Oscar Pistorius' transgression will be further analysed according to the different generational cohorts.

3.4.4.3.2 Generational analysis

All of the respondents (100%) of the Generation Y cohort agreed to be aware of Oscar Pistorius' transgression. Eighty two percent of the respondents *strongly agreed (1)*, whereas 18% of the respondents *agreed (2)*.

The Generation Y respondents (14 – 33 years) felt strongly that their perception of the athlete had changed as 63% of the respondents either *strongly agreed (1)* or *agreed (2)*. There were however, also 22% of the respondents who *strongly disagreed (4)* that their perception of the athlete is now negative. Seventeen percent of the respondents felt that Oscar Pistorius' transgression had a negative impact on their perception of the brands which he endorsed. However, the bulk of the respondents disagreed to the statement (76% respondents).

Eighty seven percent of the respondents did not refrain from buying products from brands which Oscar Pistorius endorsed. Also, the minority of the respondents

agreed, amounting to 31% of the responses (*either strongly (1)* or *agreed (2)*), that their perceptions were influenced when the brands seized from supporting the athlete. Even though 37 respondents (69%) claimed that the brands' actions did not influence their perception of the brand, 69% stated that their perceptions were positive when Oscar Pistorius' endorsements were cancelled.

One of the respondents was of opinion that due to the fact that Pistorius' future was uncertain the brands had no choice but to cancel his sponsorships. This respondents' perception of the brands was positive and the respondent continued by saying that the brands' actions were fair. Another respondent supported the above by stating that the brands acted within reason. Whereas yet another respondent commented that, "It showed me the brand cared about the perception its endorsers give."

Although one of the respondents felt positive towards the brands for cancelling Pistorius' sponsorships the respondent stated that they, "buy the brand not the ambassador." Another respondent agreed by claiming that they support the brand because of the quality of the brand and not because of the person who endorses the brand.

Respondents who were negative towards the brands for dropping Oscar Pistorius specified their opinions with:
- "Brands which were endorsed were obtaining losses, but humanly you don't drop people in need."
- "I believe people make mistakes and that shouldn't affect my judgments."
- "They didn't wait to find out if he was guilty."

It can therefore be deduced that the Generation Y respondents were aware of Oscar Pistorius' transgressions and it had a negative impact on their perception of the athlete. However, their perceptions of the athlete did not further influence their perceptions of the endorsed brands. This generational cohort also feels strongly about acting against crimes.

Subsequently the responses to Oscar Pistorius will be analysed based on the Generation X's perceptions.

Almost all of the Generation X respondents were aware of Oscar Pistorius' transgressions. Only one of the 40 respondents specified that they strongly disagreed. In general this generation also agreed that Pistorius' transgression had a negative impact on their perception of the athlete. The majority of the respondents either *strongly agreed (1)* or *agreed (2)* to the negative perception of the athlete. As with the Generation Y respondents the Generation X respondents' negativity towards the brand ambassador did not influence their perception of the brands which Pistorius endorsed. Ninety five percent of the respondents agreed that Pistorius' actions did not negatively influence their perceptions of the brands which he endorsed.

None of the Generation Y (34 – 49 years) respondents admitted to stop supporting brands which Oscar Pistorius endorsed. The respondents who did not agree (either *strongly (4)* or *somewhat (3)*) to D4 amounted to 100%. This indicates that this generation feels very strongly about the brands which they support, regardless of brand ambassador misbehaviour.

Of the 40 respondents, 11 (27.5%) agreed that when certain brands dropped Oscar Pistorius it had an impact on their perception of the specific brand. However, the majority of the respondents (11 who disagreed somewhat and 18 who strongly disagreed) were of opinion that their perception of the brands were not at all impacted by the brands' decisions to drop Pistorius. Nevertheless, 72.5% of the responses stated that the impact on their perception of the brand was positive after the brand terminated their sponsorship with the athlete. For this age group, D3.6 had a response rate of 85%.

From the data received from D3.7 it appears as if the respondents are more passionate with their responses as this is in a South African context as well as the

fact that the transgression was murder (being a legal issue) as opposed to a moral issue. Some of the respondents' responses were as follows:

- "Seeing that this was a murder being committed, I feel that the sponsors had to protect their name and credibility."
- "I think because it's a South African I've a more intense expectation of him."
- "Brands need to protect themselves from being associated with supporting illegal transgressions."
- "Cancelling the brand ambassadors' sponsorships shows that 'values are important to them.'"
- "I was pleased that the brands stood for good moral values."
- "His impulsive behaviour cannot be justified. Better role models are needed."
- "His transgression was criminal and therefore dropping him was justified."

Responses as to the negative perceptions of the brands which terminated agreements with the athlete included:

- "Support the sport, not the man."
- "Oscar's personal life had nothing to do with the brands linked to him."
- "He was an idol to many people."

From the above it can be derived that Generation X respondents were aware of the incident and that it influenced their perception of the brand ambassador to a greater extent than the Generation Y respondents. Furthermore, this generation has more definite opinions regarding Oscar's punishment and the termination of sponsorship deals. These respondents feel strongly about moral issues (what is wrong and what is right) as well as messages which the brands send through their actions.

The responses of the Baby Boomers pertaining to the Oscar Pistorius case will now be analysed.

Only one of the Baby Boomer (50 – 68 years) respondents *strongly disagreed (4)* to being aware of Oscar Pistorius' transgression. Sixty seven percent of the 43

respondents agreed (either *strongly agreed (1)* or *agreed (2))* that Pistorius' actions had a negative impact on their perception of the Paralympic athlete. Furthermore, 86% of the respondents stated that Pistorius' transgression did not have any impact on their perception of the brands which he endorsed.

The Baby Boomer respondents also predominantly claimed that they did not refrain from purchasing or supporting brands which Oscar Pistorius endorsed. Sixty five percent of the respondents *strongly disagreed (4)* to the statement in D3.4. Only 23.3% respondents felt that their perceptions of the brands were impacted when these brands decided to terminate Pistorius' sponsorships. The majority of the respondents (72%) *disagreed somewhat (3)* or *strongly disagreed (4)* that the actions of the brands impacted their perceptions of the brands.

What is evident from the Baby Boomers is that 78% of the respondents felt that the brands terminating the Pistorius' sponsorships had a positive impact on their perceptions. This is the highest rate of all the generational cohorts with regards to this specific case. Generation X*ers* had 70% and Generation Y respondents had a 73% positive impact of the brand perception after the sponsorship with Oscar Pistorius was terminated.

The Baby Boomers were reluctant to provide further explanations for their answers in D6. None of the respondents who felt negative towards the brands provided additional enlightenments as to their answers. Some of the respondents who were positive towards the brand who cancelled Oscar Pistorius' sponsorships, stated the following:
- "It is good to see that the brands did not condone murder."
- "The transgression is that of the sportsman, and not the brand, but they need to show the public that they don't agree with the behaviour / crime of the celebrity / sportsman."
- "Abusive behaviour is totally unaccepted."

Some of the responses also centred on the perception that the brand quality was still good despite the brand ambassadors' actions. This shows that although the respondents are more opinionated, they were more reluctant to provide further insight, thus showing that there is no particular attachment to brand ambassadors. The Baby Boomers are more focused on product quality than on brand image portrayed by the brand ambassador.

Graph 3.7 (Generational perceptions of Oscar Pistorius) summarised the different age groups' responses. The data is based on *strongly agree (1)* responses.

Graph 3.7 Generational perceptions of Oscar Pistorius
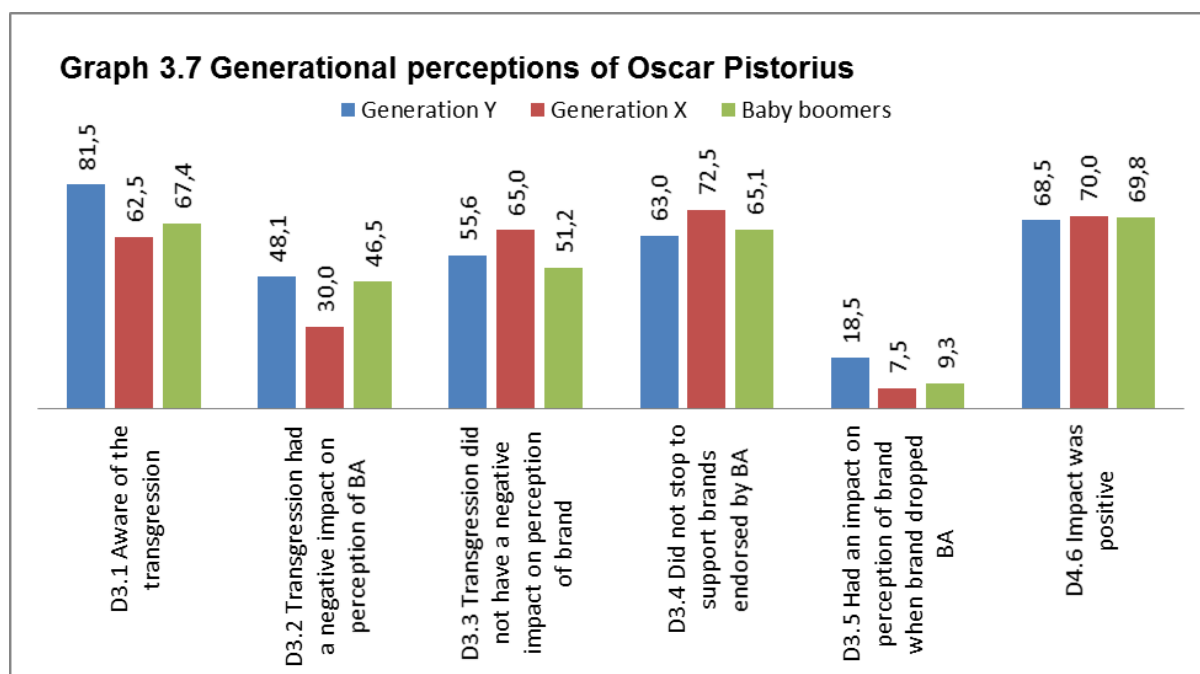
Source: Own compilation

Based on the above it can be deduced that generally there was a positive impact on the respondents' perception across all the different generational cohorts when the sponsorships were cancelled. Based on the responses pertaining to Oscar Pistorius, the F-tests' results are 1.85. The null hypothesis of no variance amongst the different cohorts has to be rejected. Different age groups had different opinions.

3.4.4.4 Wayne Rooney

3.4.4.4.1 General analysis

The general responses regarding Wayne Rooney (section D4 in the questionnaire) is summarised in Table 3.8.

As Wayne Rooney is a European football player this case study was not as well received as the Oscar Pistorius case as the majority of the respondents (38.7%) strongly agreed that they were not aware of his transgressions. The 14.6% of the respondents who *disagreed somewhat (3)* with the statement could be respondents who have heard of the footballer but do not know any specifics regarding his existence. Due to the fact that 73 of the 137 respondents (53.3%) were not aware of this particular brand ambassador or his transgressions many of the questions in the questionnaire with regards to section D4 were left unanswered. The high rate of *strongly disagree (4)* responses could be due to the high amount of respondents who were not aware of the footballer or his actions. For the purpose of this study the following section will be analysed on the basis of respondents who either *strongly agreed (1)* or *agreed (2)* with the statements.

However, based on the data received, 29.9% of the respondents stated that Rooney's transgression had a negative impact on their perception of the footballer and 11.7% of the respondents stated that Rooney's transgression had a negative impact on their perception of the brands which he endorsed. The statement that followed focused on the respondents' support towards brands which Rooney endorsed. Only 2 of the 137 respondents (1.5%) *strongly agreed (1)* that they have refrained from supporting the brands endorsed by Rooney.

Eighteen percent of the respondents claimed that their perceptions were influenced by brands which dropped Rooney after his infidelities came to light. The majority of the respondents were positive towards the impact of the perceptions of the brands after the sponsorships were cancelled. Seventy five respondents (82.5%) were like-minded in the positive perception.

Table 3.8: General responses to Wayne Rooney

		Strongly Agree (1)	Agree (2)	Disagree somewhat (3)	Strongly disagree (4)
D1	I am aware of Wayne Rooney's transgressions.	33	29	20	53
		24.1%	**21.2%**	**14.6%**	**38.7%**
D2	Wayne Rooney's transgression had a negative impact on my perception of the footballer.	16	25	34	56
		11.7%	**18.2%**	**24.8%**	**40.9%**
D3	Wayne Rooney's transgression had a negative impact on my perception of the brands which he endorsed.	4	12	27	88
		2.9%	**8.8%**	**19.7%**	**64.2%**
D4	I stopped supporting brands which Wayne Rooney endorsed due to his transgressions.	2	3	29	97
		1.5%	**2.2%**	**21.2%**	**70.8%**
D5	When certain brands dropped Wayne Rooney it had an impact on my perception of the specific brand.	10	14	29	77
		7.3%	**10.2%**	**21.2%**	**56.2%**
D6	Was the impact of your perception of the brand positive or negative after the sponsorship was cancelled?	75	38	-	-
		54.7%	**27.7%**	**-**	**-**

Source: Own compilation

3.4.4.4.2 Generational analysis

Of all the different age groups, the Baby Boomers (50 – 68 years) had the highest percentage of respondents who were aware of Wayne Rooney's transgressions. Forty nine percent of the Baby Boomer respondents either *agreed (2)* or *strongly agreed (1)*, whereas 42% of the Generation X*ers* and 44% of the Generation Y respondents were aware of it.

Of the Generation Y respondents (14 – 33 years), 38.9% of the 54 respondents *strongly disagreed (4)* that they were aware of Wayne Rooney's transgressions. When this is combined with the nine respondents who disagreed somewhat a total of 30 respondents (55.6%) in this age group were not aware of Rooney's

transgressions. This could be due to the fact that Rooney is a European footballer player and that European football is not popular in South Africa. It can, alternatively be argued that his affairs were not regarded as newsworthy in South Africa.

Therefore, due to the high number of respondents who were not aware of Rooney's transgressions many of the respondents might have merely selected to disagree to the statements which followed. Subsequently the following statements will be analysed according to the respondents who agreed, as opposed to the ones who disagreed.

Sixteen of the respondents in this generational cohort agreed (either strongly or agreed) that Rooney's transgressions negatively impacted their perception of the footballer. Only nine respondents were of opinion that Rooney's transgressions had a negative impact on the perceptions of the brands which he endorsed. Furthermore, only two of the 54 respondents stated that Rooney's actions urged them to not support brands which he endorsed.

Eleven respondents (20.4%) claimed that when certain brands dropped the footballer it had an impact on their perception of the specific brands. Furthermore, 53.7% respondents supported the notion that the brands cancelled sponsorships of Wayne Rooney and that they were feeling positive towards the brand.

Some of the positive responses included that the brands showed that they were not in support of immoral behaviour and that the brand cared about its image. Another respondent felt that it was a private matter between Rooney and his wife and viewed brands which cancelled his sponsorships in a negative light. This respondent explained: "It was unnecessary as Rooney made peace with his wife." Another respondent simply stated that the brand was disloyal to Rooney.

The Generation X*ers* (34 – 49 years) were predominantly not aware of Rooney's transgression with 57.5% of the respondents stated that they were not aware. Only

35% of the 40 respondents felt that Rooney's actions had a negative impact on their perception of the footballer and only 3 respondents agreed that Rooney's behaviour negatively affected their perceptions of the brand. None of the respondents stopped supporting the brands which terminated sponsorship agreements with Rooney and only 17.5% of the respondents agreed that the brands' action had an impact on the perception of the specific brands. Despite the response rate to this case study being low, 50% of the respondents felt that the impact on their perception of the brand was positive after the sponsorship was cancelled.

One respondent, who was negative towards the brands which cancelled Rooney's sponsorship, commented that, "Personal lives of celebrities should not affect their sponsorships." Responses from this age group who were positive, mainly focused on brand infidelities and that brands need to associate themselves with positive role models and moral values.

The Baby Boomers were the age group with the highest percentage of respondents aware of Wayne Rooney's transgressions, although only 20.9% respondents *strongly agreed (1)* and 27.9% of the respondents *agreed (2).* Of the 20.9% respondents who *strongly agreed (1)* to be aware of his infidelities, only 9.3% *strongly agreed (1)* that his actions had a negative impact on their perception of the footballer, and furthermore only 4.7% *strongly agreed (1)* that the negative perception of the footballer transferred to a negative perception of the brand. Only one of these respondents stated that he *strongly agreed (1)* that he stopped supporting brands which Rooney endorsed.

Fourteen percent of the 43 respondents either *strongly agreed (1)* or *agreed (2)* that the brands which dropped Rooney had an impact on their perception of the specific brand. The respondents predominantly selected a positive brand image towards these brands which cancelled Rooney's sponsorship deals. Sixty percent agreed to the positive statement. This question had a response rate of 79%.

Some of the Baby Boomers' responses to support their responses in D6 included:

- "One person does not make a brand."
- "This will teach him to be more responsible in the future I hope!"
- "Good family values are most important as children idolise them (the brand ambassadors)."
- "I buy products for the quality, definitely not the person they sponsor."
- "Coca Cola is still my favourite brand."

One respondent who was negative towards the brands stated:

- "His transgression impacted his personal life and is not really rare given the general divorce ratios in the world. The brand overreacted."

D4.7 had a low response rate, with only 11 respondents providing an explanation. This could be attributed to the fact that not many of the respondents knew the footballer.

From Graph 3.8 it can be derived that the respondents did not really care about the transgressions of the European footballer. However, the fact that he cheated on his pregnant wife seemed to have had a negative influence of him on the respondents, regardless. The Generation X*ers* were most passionate about the negative influence Rooney's actions had on their perception with 30% respondents either agreeing or strongly agreeing. The null hypothesis of no variance between the different age groups can be accepted. The F-test indicates that the variation between the different generational age groups are less than to be expected (0.865), meaning that there is low variances between the age groups' perceptions.

Graph 3.8 (Generational perceptions of Wayne Rooney) summarises and compares the different generational cohorts' perceptions of Wayne Rooney based on *strongly agree (1)* responses.

Graph 3.8 Generational perceptions of Wayne Rooney

- Generation Y
- Generation X
- Baby boomers

Category	Generation Y	Generation X	Baby boomers
D4.1 Aware of the transgression	25,9	25,0	20,9
D4.2 Transgression had a negative impact on perception of BA	9,3	17,5	9,3
D4.3 Transgression did not have a negative impact on perception of brand	59,3	75,0	60,5
D4.4 Did not stop to support brands endorsed by BA	64,8	82,5	67,4
D4.5 Had an impact on perception of brand when brand dropped BA	9,3	7,5	4,7
D4.6 Impact was positive	53,7	50,0	60,5

Source: Own compilation

The last case study to be analysed is that of Charlie Sheen. The television star's transgressions will firstly be analysed in general, followed by a generational analysis.

3.4.4.5 Charlie Sheen

3.4.4.5.1 General analysis

The general, responses pertaining to Charlie Sheen (section D5 in the questionnaire) are summarise in Table 3.9.

Charlie Sheen was the only case study pertaining to the entertainment industry in the questionnaire. In general of the 137 respondents the majority of 70.8% of the respondents either *strongly agreed (1)* or *agreed (2)* to be aware of Sheen's transgressions. The 23 respondents (16.8%) who *strongly disagreed (3)* about being aware of Charlie Sheen's transgressions could be because they were either not familiar with the television programme or Sheen's actual transgressions. It should be noted that the response rate to the different statements vary between 80% and 97%

as the respondents who were not aware of Sheen's transgressions could have refrained from further commenting on the statements.

The differentiation between those respondents who felt that Sheen's transgressions had a negative impact on their perception of the actor and those who did not were very close. Almost 50% of the respondents agreed (*either strongly (1) or agree (2)*) that their perception of the actor was negative, whereas 47.4% of the respondents disagreed to the statement. The negative impact of Sheen's transgression on the TV sitcom *Two and a half men* also portrayed a definite opinion of the respondents. Seventy four percent of the respondents felt that Sheen's transgressions did not negatively impact their perception of the television show. Also, of the 137 respondents, only 5.1% of the respondents felt passionately enough about Sheen's transgressions of alcohol and drug abuse that they stopped watching *Two and a half men*. The majority of the respondents, however, *strongly disagreed (4)* that they stopped watching the show on the account of Sheen's transgressions.

Twenty eight percent of the respondents agreed that Charlie Sheen being dropped by *Two and a half men* had an impact on their perception of the brand, with 50.4% of the respondents feeling positive towards the brand.

In general, it can be deduced that Charlie Sheen's transgressions were widely publicised and that it had a definite negative impact on the respondents' perception of the actor. This impact was to such an extent that 91% of the respondents agreed or strongly agreed to have stopped watching the show. Therefore, alcohol and substance abuse can be regarded as transgressions with a low tolerance level amongst the respondents.

Table 3.9: General responses to Charlie Sheen

		Strongly Agree (1)	Agree (2)	Disagree somewhat (3)	Strongly disagree (4)
D1	I am aware of Charlie Sheen's transgressions.	47	50	16	23
		34.3%	**36.5%**	**11.7%**	**16.8%**
D2	Charlie Sheen's transgression had a negative impact on my perception of the actor.	30	38	28	37
		21.9%	**27.7%**	**20.4%**	**27%**
D3	Charlie Sheen's transgression had a negative impact on my perception of the TV sitcom, *Two and a half men*.	11	20	36	65
		8%	**14.6%**	**26.3%**	**47.4%**
D4	I stopped watching *Two and a half men*, which Charlie Sheen starred in due to his transgressions.	7	9	38	76
		5.1%	**6.6%**	**27.7%**	**55.5%**
D5	When TV sitcom, *Two and a half men*, dropped Charlie Sheen it had an impact on my perception of the specific brand.	15	23	36	58
		10.9%	**16.8%**	**26.3%**	**42.3%**
D6	Was the impact of your perception of the brand positive or negative after the sponsorship was cancelled?	69	44	-	-
		50.4%	**32.1%**	-	-

Source: Own compilation

3.4.4.5.2 Generational analysis

The Generation Y (14 – 33 years) respondents were predominantly aware of the transgressions of Charlie Sheen. Of the respondents, 66.7% *either agreed (1)* or *strongly agreed (2)* to be aware of the actor's actions. Only 12 respondents (8.8%) *strongly disagreed (4)*. For the most part, this generational cohort was of opinion that Sheen's transgressions did not have a negative influence on their perception of the actor. Fifty seven percent of the 54 respondents agreed. Also, due to the fact that the majority of the respondents did not feel that Sheen's transgressions influenced their perception of the actor, there was subsequently little negative perception to be transferred to the *Two and a half Men* brand. Only 14.8% of the respondents felt that Sheen's actions had a negative influence on their perception of the sitcom.

Furthermore 24.1% of the respondents who stated that Sheen's transgression had a negative influence on their perception of the actor, only 9.3% *strongly agreed (1)* to stop watching the sitcom due to Sheen's behaviour. The respondents predominantly *disagreed somewhat (3)* or *strongly disagreed (4)* that the actor's personal life urged them to stop watching the TV show.

Although only 29.6% of the respondents stated that when the sitcom fired Sheen it had an impact on their perception, the majority of the respondents still felt that it was a good thing for the show to discontinue his services. Twenty eight of the 54 respondents (51.9%) felt positive towards the brand. This indicates that even though the respondents feel that Sheen's actions didn't affect their lives or perceptions, they still agree that the sitcom's actions to fire him, was justified. However, many of the respondents also felt negative towards the Two and a half men brand when Sheen was fired from the show. Forty one percent had a negative perception of the brand.

Respondents whose perceptions were negatively influenced mainly stated that they only watched the show because of Charlie Sheen and that the story merely was not the same without Sheen as the leading man. Other responses included:
- "Personal life should not affect work, unless you cannot separate the two."
- "I stopped watching the TV sitcom as Charlie Sheen was my main focus."

Other respondents who were in favour of the sitcom's actions stated that:
- "It showed they won't support drug and alcohol abuse."
- "They were protecting their reputation."
- "The TV sitcom would not support such behaviour, which I liked."

The Generation Y respondents generally felt that Charlie Sheen's transgressions did not influence their perceptions of the actor or the *Two and a half men* brand. It is still noteworthy that the majority of the respondents do not condone his behaviour and felt positive towards the brand when they terminated their agreement with them.

The Generation X*ers* (34 – 49 years) were almost all aware of Charlie Sheen's transgressions. Thirty five percent of the 40 respondents *strongly agreed (1)*, whereas 42.5% of the respondents *agreed (2)* to be aware of the actor's actions. The majority of these respondents also felt that his transgressions had a negative impact on their perception of the actor. Twenty five percent of the 14 respondents who said that they were aware, stated that they subsequently have a negative perception of Sheen, by strongly agreeing to D2. However, only one of these respondents continued to say that Sheen's bad behaviour influenced their perception of *the Two and a half men* brand. Forty five percent of the Generation X respondents *strongly disagreed (3)* that Sheen's behaviour influenced their perception of the brand.

Furthermore, even though one respondent said that Sheen had a negative impact on his perception of the brand, that negative perception was not further transferred, as none of the respondents strongly agreed to stop watching the sitcom. In fact, the majority of the respondents *strongly disagreed (4)* to the D4-statement (45%). There was also no definite trend that when Sheen was dropped from the *Two and a half men* brand that it had a definite influence on the respondent's perception of the brand. Seventy three percent of the respondents either *disagreed somewhat (3)* or *strongly disagreed (4)* to the above. Only four of the 40 respondents (10%) *strongly agreed (1)* that when *Two and a half men* dropped Charlie Sheen it had an impact on their perception of the brand. However, despite the low rate who agreed to have been influenced by the previously mentioned, 47.5% of the respondents continued by saying that their perception of the brand was positive. This shows that as with the Generation Y respondents, the Generation X*ers* do not condone abusiveness and drug and alcohol abuse.

Some of the responses to provide further explanation for the respondents' answers to D6 included:
- "If they would have continued using Charlie it would mean that it is okay with the sitcom that Charlie is doing what he is doing."
- "I don't want to watch his show if I don't agree with his behaviour."

- "It shows that values are important to them."
- "Brands cannot be blamed for people's stupidity."
- "Hollywood actors are supposed to be positive role models to the youth."

These statements were all from respondents who regarded the brand's actions as positive. The following statements are from respondents who viewed the brand's actions as negative:

- "Don't like the new actors, stopped watching the show, maybe brand could have tried to help Charlie with his problem, or maybe rethink the whole concept as it is not as good."
- "The sitcom was never the same after he was dropped from the show. He was the success of the whole sitcom."
- "He was a famous person and people associated with him."
- "I loved watching the sitcom when Charlie starred in it, but completely stopped watching it now. It simply is not the same without him."
- "*Two and a half men* is not the same without Charlie Sheen."

From the above statements it is clear that the majority of the respondents feel positive towards the brands for dropping Sheen on the basis that they do not condone his lack of moral behaviour. However, the respondents who were negative based their opinions on the sitcom itself, which according to them is merely not the same and not the messages or values which is portrayed.

The Baby Boomers (50 – 68 years) were also predominantly aware of Charlie Sheen's transgressions. Almost 70% of the respondents either agreed or strongly agreed to D1. Furthermore, 55.8% of these respondents continued to mention that Sheen's transgression had a negative impact on their perception of the TV sitcom. However, only 2 respondents *strongly agreed (1)* that their negative perception of the actor subsequently had a negative impact on their perception of the *Two and a half men* brand.

The majority of the respondents continued to watch the show, with 22 respondents strongly disagreeing to have stopped. Again, only 2 respondents *strongly agreed (1)* to have refrained from watching the show due to Charlie Sheen's transgressions.

Only 11.6% of the 43 respondents *strongly agreed (1)* that when Charlie Sheen was dropped it had an impact on their perception of the brand, whereas 51.2% of the respondents stated that their perception of the brand was positive after he was fired. Question D6 had a response rate of 81%.

Positive responses included:
- "It's the right thing to do to protect the image of the sitcom, although the sitcom characters have poor values most of the time anyway, but being in business myself, I would have done the same thing as people are influenced by bad publicity."
- "He should accept the fact that he was wrong and not blame it on others. Nobody is irreplaceable."
- "One person does not make a brand."

Respondents who felt negative towards the *Two and a half men* brand stated:
- "Sheen portrayed a character with bad behaviour regarding drugs, alcohol and sex. The company was willing to "sell" this lifestyle in their comedy but reflects double standards by firing him for living it in the real word."
- "Charlie Sheen already had a controversial history, so the incident did not come as a surprise. He was the show, so dropping him was not wise."
- "He is a good actor and his personal life has nothing to do with the show."
- "The sitcom was not the same without the actor."

Graph 3.9 (Generational perceptions of Charlie Sheen) summarises and compares the *strongly agreed (1)* responses in Section D5.

Graph 3.9 Generational perceptions of Charlie Sheen

■ Generation Y   ■ Generation X   ■ Baby boomers

	D5.1 Aware of the transgression	D5.2 Transgression had a negative impact on perception of BA	D5.3 Transgression did not have a negative impact on perception of brand	D5.4 Did not stop to support brands endorsed by BA	D5.5 Had an impact on perception of brand when brand dropped BA	D5.6 Impact was positive
Generation Y	35,2	24,1	51,9	57,4	11,1	51,9
Generation X	35,0	25,0	45,0	57,5	10,0	47,5
Baby boomers	32,6	16,3	44,2	51,2	11,6	51,2

Source: Own compilation

The above clearly shows that the Baby Boomers felt negatively towards the actor for his actions, but did not transfer that negativity towards their perception of the brand. As the majority of the respondents feel positive towards the *Two and a half men* brand for distancing themselves from Sheen, it is clear that as with the other age groups, these respondents do not condone abusiveness and drug and alcohol abuse. There are however, some respondents that regard the brand as prejudiced as they were willing to sell a lifestyle portrayed in the sitcom which coincided with Sheen's actual lifestyle and then condemned Sheen for his behaviour. The variation between the age groups' perceptions regarding Charlie Sheen is extremely low, with the F-test's result being 0.22. The null hypothesis of no or little variation between age groups can be accepted.

3.4.4.6 SUMMARY

Section D reported the detailed results obtained regarding five brand ambassadors, four from the sport industry and one from entertainment. The data was analysed according to three different cohorts.

Of the six questions for each ambassador, only the last two questions are considered crucial in gaining an understanding regarding brand ambassador transgression. Question D5 determined whether the transgression had an impact on the perception of the brand and question D6 determined whether the cancellation of the sponsorship was perceived positively or negatively.

The responses from question D5 is summarised in the table below:

Table 3.10: Did the transgression have an impact on your perception of the brand?

	Yes	Yes %	No	No %
Tiger Woods	32	23	103	75
Lance Armstrong	33	24	103	75
Oscar Pistorius	38	28	97	71
Wayne Rooney	24	18	106	77
Charlie Sheen	38	28	94	69

Source: Own compilation

The results from Table 3.10 above indicate consistent results. The majority of respondents indicated that their perception of the brand was not tarnished by the actions of the brand ambassador. The respondents who claimed that the transgressions did have an impact on their brand perception were mainly from the Generation Y cohort. However the results do not provide conclusive evidence.

The majority of the respondents felt positive about the cancellation of sponsorships after brand ambassador transgressions. This indicates that respondents are in favour of brands disassociating themselves from ambassadors receiving negative publicity.

The responses from question D6 is summarised in the table below:

Table 3.11: Cancellation of sponsorship perceived positively or negatively

	Positive	Positive %	Negative	Negative %
Tiger Woods	32	66	103	28
Lance Armstrong	33	62	103	27
Oscar Pistorius	38	69	97	21
Wayne Rooney	24	55	106	28
Charlie Sheen	38	50	94	32

Source: Own compilation

3.5 CONCLUSION

This chapter reported on the empirical research findings in order to comply with the research objectives stated under 3.2 above. With reference to the primary objective, the results indicated that respondents generally remained positive towards brands after brand ambassador transgressions. The secondary objective was to determine how consumers perceive organisations or a brand that drop brand ambassadors in the wake of a personal crisis. All the respondents viewed this action as a positive step. Different age groups, gender, religious affiliation and ethnicity had little effect on the results.

From the above analysis it is evident that the brand is stronger than the brand ambassador. It appears as if brand ambassadors could have an important role to play in making consumers aware of a specific brand, but are not regarded as synonymous with the brand. Brands and ambassadors are perceived to be different entities and brand loyalty is not dependent upon perceptions regarding the ambassador.

The respondents also did not seem to differentiate between the seriousness of the transgressions. Although the majority of the respondents' perceptions were negative

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towards the brand ambassador, the severity of the transgressions had little impact. Based on the personal and brand values which the respondents rated as important, it seems as if there is a definite understanding about what is right and what is wrong.

However, the Generation Y consumers (14 – 33 years) seem to be more lenient and forgiving towards brand ambassador transgressions. This generation's perceptions of brand ambassadors are also not as easily influenced to an extent that they would boycott the brands and the brand ambassador.

CHAPTER 4
CONCLUSION AND RECOMMENDATIONS

4.1 INTRODUCTION

Various marketing practices to promote a brand's attractiveness have been developed and employed over the past decade. However, the rise of the brand ambassador is, according to Kemp *et al.,* 2012:509), seen as an effective way to provide a credible testimony and subsequently increase the brand's credibility. However, the exact opposite could also be true, should the person who was employed to promote and enhance a brand cause the brand reputational and financial loss.

The previous chapters investigated the impact of brand ambassador transgressions on brand perceptions across different generational cohorts. The focus Baby Boomers (born between 1946 and 1964), Generation X*ers* (born between 1965 and 1980) as well as Generation Y consumers (born between 1982 and 2000) formed the basis against which the data were compared and analysed. Firstly the literature pertaining to this phenomenon was investigated. The empirical investigation which followed, focussed on the general perceptions regarding personal and brand values, brands and brand ambassadors and different cases. Mini case studies provided the background against which the research questions were addressed. Tiger Woods, Lance Armstrong, Oscar Pistorius, Wayne Rooney and Charlie Sheen formed the objects of discussion as these brand ambassadors all had different transgressions. The different transgressions ranged from adultery, drug and alcohol abuse, violence, murder and sex addictions in order to determine if consumers are more sensitive towards certain transgressions than others.

This chapter will provide an overview of the results of the study as well as draw conclusions based on the literature and empirical findings. The primary and

secondary research objectives (as outlined in chapter 1) will form the basis of this chapter.

4.2 OVERVIEW OF THE RESEARCH

- The *first* chapter outlined the nature and the scope of the study. The problem statement concluded that many organisations expect loyalty from their brand ambassadors, consumers and other stakeholders, but do not always extend the same courtesy when the morality of the brand ambassadors become apparent. Brand ambassadors who transgress and do not portray the brand values of the brand which he / she endorses are usually affected by sponsorships being revoked. The remainder of the first chapter focussed on the layout of the rest of the study, literature review and methodology of the study.

- The *second* chapter provided the body of knowledge and the theoretical framework against which the data was analysed. The extensive literature study focused on:
  - The new branding landscape

    Due to the technological advances seen in the global media industry, internet, mobile and other interactive social media platforms have become more prominent. Increased availability and volumes of information characterise this evolving media industry. The social media landscape has seen the elevation in a sense of camaraderie, the rise of amateur journalists, the power shift between companies and consumers as well as the age of parody where brands are often poked fun at. (Avery, as cited by Nobel, 2014; Klopper & North, 2011:191 & Laforet, 2010:90).

  - The brand and the brand ambassador

    Brands are everywhere and form part of consumers' daily lives. Brands are also of great value and have the possibility to drive long-term

competitive advantages. However, badly managed brands can be diminished very quickly and possibly take years to retrieve successfully which could have financial and market loss due to the new branding landscape.

Brand loyalty and brand perception are crucial factors for an organisation when managing brands. The consumers' emotional connection with the brand and perception of the brand leads to brand loyalty. Brand values are the values which an organisations portrays or the 'signals' which a brand sends out to stakeholders. Personal values and what consumers view as important brand values were discussed in depth in chapter three. The variances among customer perception of brands is measured against the different generational cohorts as the literature made it clear that different generations perceive brands and brand ambassadors differently. (Ivens & Valta, 2012:1063; Nicholas, 2009:47; Hollis, 2014; Laforet, 2010:89; Lazarevic, 2011:48).

- Brand management theories

The literature study briefly discussed three brand management theories. However, the study focuses on Keller's brand equity model. Keller's brand equity model maintains that strong brand images and reputation enhances differentiation and subsequently have a positive influence on buying behaviour. Powerful brands create meaningful images in customers' minds. Keller's brand equity model provide great insight into customer's brand equity perceptions.

Two main frameworks relating to brand equity is identified.
- Keller's customer-based brand equity (CBBE) focuses on two constructs, namely brand knowledge and brand response. Brand knowledge refers to the brand awareness and brand image, whereas brand response is defined in terms of consumer perceptions, preferences, and behaviour arising from

marketing activities (Tolba & Hassan, 2009:357; Davis *et al.,* 2009:203). Tolba and Hassan (2990:357) added to Keller's CBBE dimensions by breaking the model into three dimensions, namely knowledge equity; attitudinal equity and relationship equity. Knowledge equity evaluates consumers' brand awareness. Attitudinal equity evaluates consumers' attitudes towards a particular brand, whereas relationship equity measures the effectiveness of marketing activities in building relationships between a brand and its target consumers.

- Aaker's framework is based on five core brand equity dimensions. These dimensions include brand awareness, perceived brand quality, brand associations, brand loyalty and other proprietary assets (Tolba & Hassan, 2009:357; Wang *et al.,* 2008:306; Kuhn *et al.,* 2008:40).

- Brand ambassadors and celebrity endorsements

The literature study firstly distinguished between self-branding (personal branding) and celebrity branding (celebrity endorsement advertising). Celebrities play an important part in humanising the brand and also have the ability to influence interest among consumers. The influence leads to the personification of the brand (Kanner, 2013).

The literature identified Generation Y consumers as being obsessed with celebrities and their actions. Generation Y consumers view celebrity endorsers as attractive, likeable and real. Therefore, the right fit between the celebrity and the brand which is being endorsed is crucial. The performance, behaviour and reputation of the brand ambassador should be coordinated with the values which the brand portrays (Lazarevic, 2011:49; Klopper & North, 2011:411).   A brand ambassador's three most significant tasks are to build brand awareness; validate product features and boost brand equity.

Chapter two discussed the four different kinds of brand ambassadors in depth, namely the goodwill ambassador; promotional models; testimonials and brand

advocates. The criteria for choosing a brand ambassador is also outlined in section 2.5.4.

- Brand crisis

Section 2.6 distinguished between organisational, corporate brand crisis and brand ambassador crisis. Corporate brand crisis is regarded as when "Familiarity" grows and "Favourability" declines significantly and quickly. Brand ambassador crisis is when the brand ambassador reflect negatively on the brand. Therefore, brand ambassador screening is of great importance. A celebrity endorser should meet the following requirements: be trustworthy, have expertise, physical attractiveness, familiarity as well as to be likeable (Simmers *et al.*, 2009; Gregory, 2009).

- Transgressions of brand ambassadors

A brand ambassador transgression is regarded as the negative public behaviour of the brand ambassador which negatively affects the relationship between the brand and the brand ambassador as the cooperation, trust, mutual understanding and joint benefits will be affected (Westberg *et al.*, 2010:605). Organisations are at risk to be seen as 'fair weather friends' if they abandon ambassadors who have transgressed. The literature stated that by abandoning the brand ambassador the organisation is at risk to do even more damage to the brand.

A poll of 18 000 consumers were conducted by US based market research firm Ipsos MORI (Ipsos MORI, 2011) (in chapter 2, section 2.7) on the purchase opinions and perceptions of consumers once a celebrity has been removed as a brand ambassador due to bad behaviour. Of the respondents, 27% stated that they will stop buying the product or patronising service completely. However, half of those who stopped buying the product admitted that it was only a temporary measure as they resumed buying the product once the scandal died down (Ipsos MORI, 2011).

When brand ambassadors misbehave it is important to determine firstly if the transgression is a moral dilemma or legal matter. If the crisis was illegal than it is crucial that the brand let go of the ambassador especially since increased focus is placed on social responsibility (Tylee, 2010:19).

- Case studies of brand ambassador transgressions

Brand ambassadors who have transgressed and subsequently lost sponsorships were the objects of the mini-case studies in section 2.8. Tiger Woods, Lance Armstrong, Oscar Pistorius, Wayne Rooney and Charlie Sheen were the focal points of the mini-case studies.

With the second chapter focusing on brands and brand ambassador transgressions in the new marketing landscape, sufficient literature was collected to provide a clear overview of the research environment and context. An overview of the third chapter will now be outlined.

- *Chapter 3* was the empirical investigation. The research methodology and data analysis was conducted in this chapter. This chapter focussed on the following:
  - The primary and secondary objectives of the empirical study (as per chapter 1)
  - The quantitative research approach was employed in this study as it allows the collection of information which is focused on describing a phenomenon across a large number of participants. This approach also allows for comparisons to be drawn and generalisation to a broader population. Quantitative research also lends itself to statistical techniques that enables the researcher to determine the relation between variables (Ben-Eliyahu, 2014)
  - A questionnaire, consisting of four sections (demographical profile; ethics and values; brands and brand ambassadors and brand ambassador cases)

was developed in order to determine the impact of brand ambassador transgressions on brand perceptions.

- The generational cohort theory was discussed in depth, as this theory maintains that persons born the same time period share similar behaviours, life experiences and values, which cause them to develop similar attitudes and beliefs Baby Boomers (50 – 68 years old), Generation X (34 – 49 years old) and Generation Y (14 – 33 years old) were the generational cohorts against which the data was measured. (Rahulan *et al.*, 2013:163; Lazarevic, 2011:45; Brosdahl & Carpenter, 2011:549).

- The data analysis were done by means of descriptive statistics. Inferential statistics refers mainly to the testing of hypothesis, correlations, regression, differences (F-test) and factor analysis were employed (Welman *et al.*, 2012:236).

- The data was analysed in general (across all generational cohorts) and per generational cohort to determine to what extent the cohorts' responses differed from another and also how the cohorts compare to greater sample. Each section provided a graph to clearly set the difference between the constructs apart.

4.3 MAIN FINDINGS OF THE STUDY

The inferential statistics provided in Chapter 3 is of great significance. The ANOVA and Cronbach Alpha supported and strengthened the main findings.

4.3.1 BRAND AND PERSONAL VALUES, BRANDS AND BRAND AMBASSADORS

- There is no clear differentiation between the different generations' perception on personal values. All of the generations attach value to honesty, respect, integrity, trustworthiness, accountability, commitment and responsibility. There was, however, a significant difference between Generation Y respondents and the other generations' perception

regarding achievement and persistence. The Y generation place greater emphasis on the values of achievement and persistence than the other two generations. Community is the personal value with the least importance. The Cronbach's Alpha for this section was 0.82 proving the results to be reliable.

- There was a greater amount of variance between the generations regarding their perceptions on brand values. Honesty received the highest importance as a brand value. The difference between the Generation Y respondents (42.6%) and the Baby Boomers (16.3%) was significant with regards to fun as brand value. Other important brand values are transparency, excellence and credibility. The Cronbach's Alpha for this section was 0.82 proving the results to be reliable.

- The data indicated that there is a definite difference regarding perceptions on brand ambassadors between the different generational cohorts. The results are clear that the Generation Y respondents are more brand oriented than the other generations (with 22.2% strongly agreeing to be brand orientated as opposed to 10% (Generation X) and (4.7% Baby Boomers)). However, this generation do not place high importance on the brand values which the brand portrays. The generation Y respondents are also more likely to follow their brands on social media (22.2% of the respondents strongly agreeing). None of the Baby Boomers felt strongly about following brands on social media; purchasing celebrity endorsed products; or perceives brands to be of better quality when a celebrity is linked to it. The Cronbach's Alpha for this section was 0.89 proving the results to be reliable.

4.3.2 MINI-CASE STUDIES

- The mini-case studies led to the following conclusions with an average Cronbach's Alpha of 0.68 which is still acceptable.

  o The Tiger Woods-case:

  There is no definite distinction between the different generations' perception regarding Tiger Woods. Eighty six percent of the respondents were aware of Woods' transgressions. The golfers' transgressions (adultery and sex addiction) did not spill over to the respondents' perception of the brands and also did not cause the majority of the respondents to stop purchasing brands endorsed by Tiger Woods. However, there was a definite positive impact, across all generations, when the brands which he endorsed terminated their sponsorship agreements.

  o The Lance Armstrong-case:

  Lance Armstrong's transgression (cheating and doping) had no clear differentiation between the generational cohorts. Eighty four percent of the respondents were aware of Armstrong's transgressions. It is evident that there were more respondents who stopped supporting the brands which Lance Armstrong endorsed than with Tiger Woods' case. The majority of the respondents also were of opinion that the cyclist's behaviour did not have an impact on the way in which they viewed the brand. All of the generations also agreed that the impact on their perception of the brands was positive when the brands dropped him as a sponsor.

  o The Oscar Pistorius-case:

  The amount of respondents who were aware Oscar Pistorius' transgression (murdering his girlfriend and a history of violence) were significantly more than that of the other cases. Ninety eight percent of the respondents were aware of Oscar Pistorius' transgression. The

increased awareness of this case could be attributed to the fact that all of the respondents were South African and that this case was highly publicised in the South African media. The Generation Y respondents took the strongest standpoint when agreeing that Oscar Pistorius' actions had a negative impact on their perception of the brand. The respondents also generally felt that the brand ambassadors' actions did not have an impact on their perception of the brand and they did not stop to support brands which Oscar Pistorius endorsed. However, when the brands dropped the athlete the respondents' perception of the brands was positive.

o The Wayne Rooney-case:

The response rate to Wayne Rooney's transgression (infidelity and cheating on his pregnant wife) was relatively low with only forty five percent of the respondents being aware of Rooney's transgressions. There was no definite differentiation on the basis of generations pertaining to the responses. Generally the respondents felt that Rooney's transgressions did not have a negative impact on their perception of the brands which he endorsed and that they did not refrain from supporting these brands. However, as with the previous cases the impact when certain brands dropped Wayne Rooney as brand ambassador was positive.

o The Charlie Sheen-case:

The actor, Charlie Sheen's transgressions (drug abuse & violence) did not have a negative impact on the majority of the respondents' perception of the actor. Seventy one percent of the respondents were aware of Sheen's transgressions. Charlie Sheen's case is the only case where the Generation Y respondents were more passionate than the Generation X respondents regarding the negative perceptions on the brands and the brand ambassador. The majority of the Generation Y

respondents stated that the transgression did not have a negative impact on their perception of the brand ambassador or the brands which he endorsed. In general, the majority of the respondents felt that the impact was positive when the sitcom terminated their contract with the actor.

In general, the Generation Y respondents, who are also more social media active than the other generations (section 3.4.1) were more forgiving and were not as easily negatively influenced by the brand ambassadors' transgression. However, the Generation X respondents were not easily negatively influenced by the brand ambassadors' transgression and the impact thereof on their perception of the brand. In general the majority of the brand ambassadors' transgression did not cause the respondents to stop purchasing products which the ambassadors endorsed. The Generation X respondents were most passionate about this. It can be derived that brands are stronger than the brand ambassador and that the reluctance to switch brands (on account of a brand ambassadors' transgression) could also be attributed to availability and the switching cost associated with it.

It is therefore concluded that there is little difference between different generational cohorts' perception regarding brand ambassador transgressions and that consumers are more brand-orientated than brand ambassador-orientated. The different transgressions and severity thereof also have little effect on the respondents and their perceptions.

4.4 EVALUATION AND CONTRIBUTION OF THE STUDY

The primary and secondary research objective as per section 1.3 was met. This study was able to determine that the impact of brand ambassador transgressions on consumer brand perception was minimal and that consumers are more brand orientated than brand ambassador orientated.

The secondary objectives included:

- To determine the extent to which a company's reaction to the crisis of a brand ambassador influences brand perception. All of the results pertaining to the case studies were predominantly positive towards brands which dropped brand ambassadors who transgressed (as per section 3.4.4).

- To determine the extent to which a brand ambassador affects consumers', of different generations, brand perception during times of crisis. The majority of the consumers felt that the brand ambassadors' transgressions negatively influenced their perception of the brand ambassador. However, this negativity did not spill over to the respondents' perception of the brand (as per section 3.4.4).

- To determine to what extent consumers, from different generations, judge a brand ambassador's actions in order to justify the organisation's actions. In general, the consumers felt that the brand ambassadors who transgressed should be punished and there was no definite indication that the respondents wanted to justify the brand ambassadors' actions (as per section 3.4.4).

The contribution of this study is that it assists organisations to better plan communication messages to different generations. Furthermore, as the literature indicated, the use of celebrity endorsers assists in humanising a brand and creating awareness as celebrity endorses have extended influence. Careful consideration should be given when choosing a brand ambassador to endorse certain brands. However this study came to the conclusion that consumers are more loyal to the brand than the brand ambassador. When planning marketing campaigns, organisations should take the above findings in consideration when a brand ambassador is considered. There is also no clear differentiation between the different generations and their religious affiliations and the values which they regard as important.

The null hypothesis, stating that there is no difference between the mean perceptions of different age groups can be rejected with regards to the following sections:

- Section 3.4.2.2.2 relating to organisational brand values;
- Section 3.4.3.2 with regards to brands and brand ambassadors;
- Section 3.4.4.1 pertaining to Tiger Woods;
- Section 3.4.4.3 with regards to Oscar Pistorius.

The null hypothesis can be accepted with regards to the following sections:

- Section 3.4.2.1.2 relating to personal values which consumers hold;
- Section 3.4.4.2 with regards to Lance Armstrong;
- Section 3.4.4.4 pertaining to Wayne Rooney.
- Section 3.4.4.5 pertaining to Charlie Sheen

4.5 RECOMMENDATIONS FOR FURTHER RESEARCH

The following recommendations can be made with regards to further research:

- The lack of using South African brand ambassadors in marketing campaigns.
- The impact of employees as corporate brand ambassadors in the retail industry.
- The impact of brand ambassadors' performance on brand perception.
- The differentiation between moral and legal transgressions with regards to brand ambassadors and brand perception.

4.6 SUMMARY

This study has proven that in the South African context, the impact of brand ambassador transgression on brand perception is minimal. There is little differentiation between generational cohorts' perception pertaining to important personal values. The respondents are also of opinion that transgressions should be punished and are positive towards brands that terminate agreements with brand ambassadors who have transgressed. Although a brand ambassador personifies a

brand and creates awareness of the brand, consumers are ultimately loyal to a brand and not necessarily the brand ambassador.

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APPENDIX A: Questionnaire

TO WHOM IT MAY CONCERN

Research into the impact of brand ambassador transgressions on brand perceptions

The purpose of the questionnaire is to obtain information with regards to the impact of brand ambassador transgression on consumers' brand perceptions. This study serves as a requirement for completing a MBA-study.

The survey you have received is interested in studying brand perception across different generational cohorts. You have been selected because you fit the description of the population of the survey. The researcher(s) undertake to keep the individual information provided herein confidential. The information gathered from this questionnaire will be utilised to gain a better understanding of the impact of brand ambassadors and their action on a brand and is completely anonymous.

Your kind assistance is requested in completing this questionnaire.

The Researcher

SECTION A

Please answer the following questions by placing a cross (X) in the appropriate block.

1.	Age Group	14 - 33	
		34 - 49	
		50 - 68	
2.	Gender	Male	
		Female	
3.	Ethnicity	Asian	
		Black	
		Coloured	
		White	
		Other	
4.	Are you an active member of a religious institution?	Yes	
		No	
5.	Religious affiliation	Christian	
		Muslim	
		Hindu	
		Buddhist	
		Atheist	
		Other	
6.	Do you make use of social media such as Twitter, Facebook & YouTube?	Yes	
		No	
7.	How often do you make use of social media such as Twitter, Facebook & YouTube?	Daily	
		More than three times a week	
		Weekly	
		Monthly	
		Never	

SECTION B: ETHICS & VALUES

1. Please rate the following personal values on the basis of **importance** where "1" is very important and "4" is not important at all. Place a cross (X) in the appropriate block.

No	Value	Very important	Important	Not important	Not important at all
1	Honesty	(1)	(2)	(3)	(4)
2	Respect	(1)	(2)	(3)	(4)
3	Integrity	(1)	(2)	(3)	(4)
4	Trustworthiness	(1)	(2)	(3)	(4)
5	Accountability	(1)	(2)	(3)	(4)
6	Commitment	(1)	(2)	(3)	(4)
7	Achievement	(1)	(2)	(3)	(4)
8	Persistence	(1)	(2)	(3)	(4)
9	Community	(1)	(2)	(3)	(4)
10	Responsibility	(1)	(2)	(3)	(4)

2. Please rate the following values in terms of importance for an **organisation's brand** where "1" is very important and "4" is not important at all. Place a cross (X) in the appropriate block.

No	Value	Very important	Important	Not important	Not important at all
11	Transparency	(1)	(2)	(3)	(4)
12	Honesty	(1)	(2)	(3)	(4)
13	Inspiration	(1)	(2)	(3)	(4)
14	Authenticity	(1)	(2)	(3)	(4)
15	Excellence	(1)	(2)	(3)	(4)
16	Fun	(1)	(2)	(3)	(4)
17	Exceptionality, Superiority / Uniqueness	(1)	(2)	(3)	(4)
18	Optimism	(1)	(2)	(3)	(4)
19	Generosity	(1)	(2)	(3)	(4)
20	Credibility	(1)	(2)	(3)	(4)

SECTION C: BRANDS AND BRAND AMBASSADORS

Please rate the following statements where "1" is strongly agree and "4" is strongly disagree. Place a cross (X) in the appropriate block.

No	Question	Strongly Agree	Agree	Disagree	Strongly Disagree
1	I consider myself as brand orientated.	(1)	(2)	(3)	(4)
2	I identify with the brands I support because of the values which it portrays.	(1)	(2)	(3)	(4)
3	I am loyal to certain brands	(1)	(2)	(3)	(4)
4	I am always aware of new developments & products of my brand of choice.	(1)	(2)	(3)	(4)
5	I follow my favourite brands on social media (such as Facebook, Twitter & YouTube)	(1)	(2)	(3)	(4)
6	I will not purchase another brand if my brand of choice is not available.	(1)	(2)	(3)	(4)
7	I have supported brands endorsed by a celebrity brand ambassador.	(1)	(2)	(3)	(4)
8	I support brands which are endorsed by a specific brand ambassador.	(1)	(2)	(3)	(4)
9	I have purchased a product only because I admired the brand ambassador.	(1)	(2)	(3)	(4)
10	I perceive a product to be of a better quality when the name of a celebrity is attached to it.	(1)	(2)	(3)	(4)

SECTION D: BRAND AMBASSADOR CASES

Please answer the following questions by placing a cross (X) in the appropriate block.

D1. Tiger Woods

In 2009, it came to light that professional golfer, Tiger Woods (who was married at the time) had a series of infidelities with Las Vegas waitresses and celebrity groupies. Companies like Accenture, Gatorade, Gillette, Golf Digest & TagHeuer dropped Tiger Woods as their brand ambassador resulting in a loss of $ 22 million for the golfer.

No	Question	Strongly agree	Agree	Disagree somewhat	Strongly disagree
1	I am aware of Tiger Woods' transgressions.	(1)	(2)	(3)	(4)
2	Tiger Woods' transgression had a negative impact on my perception of the golfer.	(1)	(2)	(3)	(4)
3	Tiger Woods' transgression had a negative impact on my perception of the brands which he endorsed.	(1)	(2)	(3)	(4)
4	I stopped supporting brands which Tiger Woods endorsed due to his transgressions.	(1)	(2)	(3)	(4)
5	When certain brands dropped Tiger Woods it had an impact on my perception of the specific brand.	(1)	(2)	(3)	(4)
6	Was the impact of your perception of the brand positive or negative after the sponsorship was cancelled?	(1) Positive		(2) Negative	
7	Please provide a short explanation for your answer for question 6. _____ _____				

D2. Lance Armstrong

In 2013 Lance Armstrong (professional cyclist and winner of seven consecutive Tour de France titles) admitted to doping and taking other banned substances. Brands which terminated their sponsorship agreements with him included Nike, AB-InBev, Trek 24 Hour Fitness, Radioshack, Giro, SRAM & Oakley.

No	Question	Strongly agree	Agree	Disagree somewhat	Strongly disagree
1	I am aware of Lance Armstrong's transgressions.	(1)	(2)	(3)	(4)
2	Lance Armstrong's transgression had a negative impact on my perception of the cyclist.	(1)	(2)	(3)	(4)
3	Lance Armstrong's transgression had a negative impact on my perception of the brands which he endorsed.	(1)	(2)	(3)	(4)
4	I stopped supporting brands which Lance Armstrong endorsed due to his transgressions.	(1)	(2)	(3)	(4)
5	When certain brands dropped Lance Armstrong it had an impact on my perception of the specific brand.	(1)	(2)	(3)	(4)
6	Was the impact of your perception of the brand positive or negative after the sponsorship was cancelled?	(1) Positive		(2) Negative	
7	Please provide a short explanation for your answer for question 6. _____ _____				

D3. Oscar Pistorius

Valentine's Day of 2013 announced that Oscar Pistorius was arrested for shooting and killing his girlfriend, Reeva Steenkamp. Brands which terminated their sponsorship agreements with him included Nike, Thierry Mugler, Oakley, Ossur, British telecoms firm BT & M-Net.

No	Question	Strongly agree	Agree	Disagree somewhat	Strongly disagree
1	I am aware of Oscar Pistorius' transgressions.	(1)	(2)	(3)	(4)
2	Oscar Pistorius' transgression had a negative impact on my perception of the athlete.	(1)	(2)	(3)	(4)
3	Oscar Pistorius' transgression had a negative impact on my perception of the brands which he endorsed.	(1)	(2)	(3)	(4)

4	I stopped supporting brands which Oscar Pistorius endorsed due to his transgressions.	(1)	(2)	(3)	(4)
5	When certain brands dropped Oscar Pistorius it had an impact on my perception of the specific brand.	(1)	(2)	(3)	(4)
6	Was the impact of your perception of the brand positive or negative after the sponsorship was cancelled?	(1) Positive		(2) Negative	
7	Please provide a short explanation for your answer for question 6. _____ _____				

D4. Wayne Rooney

News broke in 2010 that European footballer, Wayne Rooney cheated on his then-pregnant wife, Coleen. At that time Rooney earned £600 000 a year for a sponsorship deal with Coca-Cola. Coca-Cola ended their agreement with Rooney in 2011.

No	Question	Strongly agree	Agree	Disagree somewhat	Strongly disagree
1	I am aware of Wayne Rooney's transgressions.	(1)	(2)	(3)	(4)
2	Wayne Rooney's transgression had a negative impact on my perception of the footballer.	(1)	(2)	(3)	(4)
3	Wayne Rooney's transgression had a negative impact on my perception of the brands which he endorsed.	(1)	(2)	(3)	(4)
4	I stopped supporting brands which Wayne Rooney endorsed due to his transgressions.	(1)	(2)	(3)	(4)
5	When certain brands dropped Wayne Rooney it had an impact on my perception of the specific brand.	(1)	(2)	(3)	(4)
6	Was the impact of your perception of the brand positive or negative after the sponsorship was cancelled?	(1) Positive		(2) Negative	

7	Please provide a short explanation for your answer for question 6.
	_____
	_____

D5. Charlie Sheen

In 2011 Charlie Sheen went on a rant about *Two and a half men* creator and executive producer, Chuck Lorre. Charlie Sheen's career has been characterised by bad behaviour which included domestic violence, drugs, alcohol, porn stars and strippers.

No	Question	Strongly agree	Agree	Disagree somewhat	Strongly disagree
1	I am aware of Charlie Sheen's transgressions.	(1)	(2)	(3)	(4)
2	Charlie Sheen's transgression had a negative impact on my perception of the actor.	(1)	(2)	(3)	(4)
3	Charlie Sheen's transgression had a negative impact on my perception of the TV sitcom, *Two and a half men*.	(1)	(2)	(3)	(4)
4	I stopped watching *Two and a half men*, which Charlie Sheen starred in due to his transgressions.	(1)	(2)	(3)	(4)
5	When TV sitcom, *Two and a half men*, dropped Charlie Sheen it had an impact on my perception of the specific brand.	(1)	(2)	(3)	(4)
6	Was the impact of your perception of the brand positive or negative after the sponsorship was cancelled?	(1) Positive		(2) Negative	
7	Please provide a short explanation for your answer for question 6. _____ _____				

APPENDIX B: Letter from Proof Reader

<div align="right">

Abraham Krielstraat 15

SW 2

Vanderbijlpark

1911

10 November 2014

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Noordwes Universiteit

Potchefstroom

2520

Geagte Mnr/ Me

VERSLAG VAN TAALVERSORGING: MBA-SKRIPSIE: LEANA LUCOUW

Ek verklaar hiermee dat ek die taalversorging van die MBA-skripsie getiteld *The impact of brand ambassador transgression on brand perception* gedoen het.

Ek het die taak aanvaar op grond van my opleiding en kundigheid, waarvan onder andere as Magister Artium-graduantus aan die PU vir CHO (1999) en die suksesvolle hantering van talle Magister en PhD-grade oor die afgelope 25 jaar.

Dit is vir my aangenaam om te verklaar dat die taalversorging van die skripsie voltooi is en beantwoord aan algemeen aanvaarde norme.

Die uwe

C.S. Lucouw