

The Effect of Celebrity Endorsement on Brands

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Abstract: Celebrity endorsement is one of the leading marketing techniques today, celebrities' pictures are being printed on millions of products and advertisements. This printings are attracting a great amount of consumers to purchase or stop by to learn more information about the brand. This research will talk about the relationship between celebrities and brands and the effects of celebrity endorsement; it explains how brands can choose the most suitable celebrity to endorse their products. This research combines text analysis and data analysis. A survey faces the target crowds and gathers data that help to create a more direct and actual analysis. The result indicates that celebrities can have significant effects on products and brands. Brands should find the most ideal celebrity endorsing by considering their style and backgrounds. This research can help brands to target suitable endorser and compress companies' waste. Thus, it is meaningful for the development of marketing and economy.

Keywords: celebrities, endorsement, brands

1. Introduction

No matter on the street, on social media, or on television, almost all kinds of advertisement from different company has a celebrity printed on it, as a spokesman, to attract the public's attention. However, there are many examples of how a brand is affected negatively by the coming negative news of their artiste This is what is called a celebrity endorsement. Celebrity endorsement is a "marketing strategy that uses a celebrity's fan and image to promote a brand or product" [1]. According to research, about 25% of American companies choose to use celebrity endorsement as one of their marketing techniques [2]. The world market today treats celebrity endorsement as one of the most significant procedures leading the economic development. How are celebrities affecting the brands and making such a big difference? This research will talk about the relationship between celebrities and brands and the effects of celebrity endorsement; it explains how brands can choose the most suitable celebrity to endorse their products. Most of the research today informs that celebrities can increase the brands' popularity and affect the brand image among the public. It is a great chance for the brands to pay for a good reputation. But despite that, most of the articles do not accede or deeply analyze the factor of fandom and psychology phenomenon in it.

2. Preliminary Survey

To receive more intuitive and ideal data, a survey is created about the effect of idols on customers' purchase preferences. After removing the invalid questionnaires, the survey received 37 respondents in total.

According to Graph 1, 94.6% of the respondents indicate that when facing the same kind of product, having their favorite celebrities endorse makes the product be in their priority list. According to Question 2, 64.9% of the respondents chose that they buy celebrity-related products to show their support, and 70.3% also selected “Useful”. Celebrity becomes a reason for fandom to purchase. There is also 30% of them inclined to buy the products even though they do not need them. Fandoms are willing to pay for their interest. This shows that the audience that celebrity endorsement successfully affects is a great part of the public, and it is a useful marketing strategy.

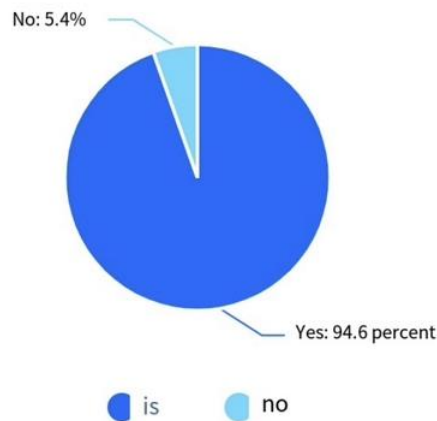


Figure 1: Favorite celebrities endorsement and purchase priority.

According to Figure 2, when people have limited capital, 70.3% will still insist on buying celebrity-related products and give up on other interesting items. Celebrity endorsement enables the products to have an extent of high attractiveness for fan customers. Using celebrities can ensure a level of sales volume.

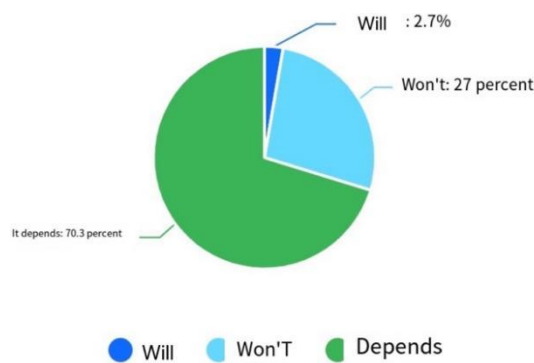


Figure 2: Purchase choice.

3. Text Analysis

3.1. Celebrities Advertising

It is not hard to know that the purpose of this is to build up the awareness of the brand. This advertising strategy can be traced back centuries to the 1760s. According to research, Josiah Wedgewood created a tea set for Queen Charlotte, and then both the sales volume and the brand image among the public took a big step forward [3]. During that time, people started to be attracted by this brand because of the elegant and royal visualization of Queen Charlotte in their minds. They trusted the quality of this

tea set and started to purchase it. The public has the attitude that “If the product is good enough for her, it’s good enough for me” [4]. If people want to achieve some of the excesses in celebrities on their own, they will start searching and purchasing the related products that the celebrities are using. For example, if an idol has fine skin, fans or the public who want to improve their skin will research the skincare product he/she is using. Celebrities’ advertising helps the brand image to be more trustworthy, reaching a higher credibility. Their status and appearance become proof that the products are practical and neat.

“Celebrities that have a positive image among consumers will become more persuasive.” [5]. Not a limitation to popularity, celebrities’ public images have critical implications on consumers’ choices. After Kanye West’s antisemitism talk was published, Adidas immediately dropped its partnership with him even though their collaborative series “Yeezy” is one of the leading shoe brands in the world. [6] Adidas made this choice since their loss of missing the Jewish client market may be much bigger than what “Yeezy” brought them. Not buying the product under a certain celebrity’s endorsement becomes a way for crowds to boycott them. The audience does not have objections to the brand itself, but their bias toward the celebrities caused them to choose the same type of product.

Celebrities represent the brand traits, faced consumers, and styles. Nike has established a very strong brand personality over the years by collaborating with the top aesthetics in different programs [7]. For example, Tiger Woods, Michael Jordan. These all convey the public the perception of “dominance, authenticity, innovation, winning” [8], which is what Nike wants to reflect. Celebrities can affect and shape the brand image among the audience. Brands want to find the appropriate spokesman to represent their brand's image and style. For example, a clothing brand selling clothes for teenagers will not want to find a 30-year-old celebrity to endorse itself---he/she does not fit the place. A proper celebrity endorser reminds the public that this brand is suitable for them. The brand is designed for people like them, and they will have a great experience and success by using the products.

3.2. Fandoms

But also, companies put their attention and targets on the group of people supporting the stars---fandom, who are led by the celebrities. Fandoms’ power cannot be underestimated. In 2021, a Chinese fan club raised more than 1.5 million dollars for Korean idol Chanyeol to buy albums and magazines. [9] According to Bazaar.com, the top-selling Chinese magazine is the solo publication of Xiaozhan, an idol and an actor. The amount reaches 243907 magazines, and the total sale is 12195350 RMB. [10] According to Weibo.com, Xiaozhan has the most online followers among Chinese male idols. This indicates that the amount of consumers interested in famous people will directly affect the profit they bring to the brand. The Thai influencer with 2.1 million followers- Archen ‘Jong’ Aydin attended a pop-up event by Gucci [11]. To build popularity and enthusiasm for Aydin, his fandom created the hashtag “#GuccibeautyxJoong” and reached over 8800 tweets over the events. It reaches the goal of fans but also of Gucci to boost recognition. While fandoms reach their goal of helping out their idols, brands benefit from it. Celebrities are like leaders bringing fandoms to the brands, helping them reach a larger audience.

Celebrities’ influence can make the brands’ products to be more competitive among the whole world market. According to bizfluent.com, factors affecting consumer preferences include advertising, social institutions, cost, and consumer income.[12] Since members of fandoms are mainly people aged between 15–25-year-old, most of them do not have enough money to buy everything they want. When money becomes scarce, they may need to give up on something to buy idol-related products. Since entertainment companies usually set the price of idol products at a fair price that young people can accept, they may be swayed in their senses about giving up other more expensive goods. According to my survey, about 70 percent of the respondents imply that they will

decide to abandon other items of interest depending on the situation, however, almost none of them choose the extreme choice that they will not give up on their interest to buy idol products. This shows that idol products occupy a great part of an individual's shopping preferences and create a striking difference compared to before they joined a fandom. Fandoms are willing to save the cost they used to have on other kinds of goods for idol brands. So the competitive benefit is not only limited to the same kind of product but also all the others.

As social media is becoming more advanced today, and more varied kinds of celebrities appear, people relate to others all around the world with the same interests easier. Online fandoms are created, and fans communicate and interact with one another about the latest movement of their idols. This is where their social institutions change. According to bizfluent.com, "Social institutions include parents, friends, schools, religion, and Internet. [12]" "For example, when you see everyone else in your school wearing Nike sneakers, you will have a strong desire to buy one too. Supporting idols is their same goal, but during the purchase process, they feel a sense of belonging in this online community. Thus, individuals will start following other fan community members and purchase the goods.

In psychology, this is called herd mentality. "Herd mentality occurs when individuals adopt the beliefs, behaviors, or attitudes of the majority in a group, often at the expense of their judgment or individuality." [13]. When members in the fandoms see everyone else purchasing the products under their favorite celebrity's endorsement, they will naturally follow so they are "normal". This psychological phenomenon as anticipated lifts the brand's sales.

According to my survey, about half of the respondents choose "supporting the idol's career" as one of the reasons they buy the products. Also, over 90 percent of them chose yes to the question: when you are faced with the same product, is the endorsement of an idol a reason for you to choose it first? Fans want to express their admiration online in this way; they are willing to spend money on products with celebrity advertising. Most of the members in fandoms have a stable idea that buying the products under the brands their idols are endorsing can benefit them and show their support. They will not pay much attention to the brand itself and if the product is useful for them.

3.3. Discussion

Celebrities and the brands they endorse are complements, they represent the brand's style, quality, and trustworthiness. Brands rely on celebrities to build up a positive image, boost popularity, and expand the face of consumers. However, the high cost of using celebrities is undeniable and if the companies are not correctly using them, there may be a big loss for the brands.

"Always remember that your brand is the star, and your celebrity is the spotlight" [1]. Advertisement track may want to make sure the glare of celebrity is not outstripping the product itself. Or else the audience will put most of their attention on the endorser only but neglect the brand. When they remember the ads they viewed, only celebrity posters appear in their mind instead of the brands they endorsed. Which derails the goal of brands.

Secondly, the choice on selecting celebrities is significant. Studies have shown that celebrity overexposure results in bad brand recall [14]. Will the audience be tired of the same faces appearing again and again? If yes, the celebrity endorsement is becoming useless. The brands not only need to make sure that person has a clear and convincing background but he/she cannot have many cooperative relationships with other companies, especially the competitive ones. In this case, the celebrity and brand have a conflict of interest. Brands need to pay higher salaries to attract celebrities' collaboration but have the risk of overexposure at the same time.

Third, the celebrity brand's choice should not be someone letting the audience be excessively surprised. "Consumer can smell disingenuity from a mile away" [14]. If the celebrity does not have a clear connection with the product they endorse, it will be hard to build trust with the consumers.

Also, if the celebrity is someone who never endorses a brand, it will cause consumers to feel suspicious that he/she only comes for the high pay but cannot be responsible for the expectations of the consumers.

In this research, the most significant shortcoming is the survey did not receive a big sample. Even though after the overdiagnosis all respondents reach the requirement of having their favorite idol, a larger population may enable the result to be more direct and verified. It can use more theories from different categories for example psychology, entertainment & media industries, and marketing to enrich the analysis and make the article more credible. More comparison examples can be used to show the extent of the effect

4. Conclusions

In summation, this research indicates how celebrities can affect brands by doing document analysis and creating survey data analysis. Celebrities and brands have a close relationship with each other. Celebrities influence companies on their popularity, sales, and trustworthiness through their mass appeal and leading the fandoms behind them. They can represent an overlooked style of the brand and demonstrate the facing customers to the public.

Using celebrity endorsement is a double-edged technique, it could greatly help business development but also can drag a brand down. Companies should choose a celebrity spokesman prudently. It is their responsibility to make sure the celebrity's appearance is presenting what they want the public to perceive about their products. Brands can target a certain group of the same type of celebrities first and select the one that reaches their ideal cost and mass appeal the most.,

In the future, hope the researchers can refine the ways for companies to choose the right celebrity spokesman. The theory of celebrity endorsement can be dug into and examined more deeply. More factors can be considered to make the result more accurate.

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