Celebrity Endorsement

How does celebrity endorsement influence the attitude towards the brand and how does negative publicity affect this relationship?

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1. Introduction.

1.1 The problem background
Every day consumers are exposed to thousands of ads (Thornson, 1990) and this will hamper companies to create a unique position and receive attention from consumers. Using celebrities can help companies to create unique ads and engender a positive effect on the attitude and sales intention towards the brand (Ranjbarian, Shekarchizade & Momeni, 2010). Celebrity endorsement has been applied for many years. Already in 1979 one in every six commercials used a celebrity and in 2001 that percentage grew to 25% (Erdogan et al, 2001). The usage of celebrity endorsements has increased in the last decades and at the same time also the corresponding cash flows grew. In the year 1996 US companies paid more than 1 billion dollar to celebrity endorsers for endorsement deals and licensing rights (Lane, 1996). The usages of celebrities remain accruing and also the contracts and payments of the celebrity endorsers with sponsors keep rising over the years (McGill, 1989). Endorsement of celebrities is not likely to change because people and Western culture have been obsessed with celebrities. This is emanated from the fact that media overloads society with news and illustrations about celebrities and gives them an entertainment function (Choi & Rifon, 2007).

The strategy of celebrity endorsement has positive effects for both company and celebrity. Using a celebrity, the consumer receives a positive feeling of security and association. Since his or her idol is recommending the product; the assumption is being made that it is a qualitative product. Consumers would like to identify themselves with the celebrity and they buy the product because they would like to be as the celebrity. Advertisements with celebrities therefore create instant brand awareness and the celebrity induces personality of a brand. Unfortunately there can be some pitfalls. The celebrity’s image can change or the celebrity could lose the status of a celebrity. Moreover, a celebrity could be endorsing for multiple brands which would have a negative effect on their credibility. Furthermore, it might happen that celebrities receive negative publicity. How do companies deal with that? For example the issue with O.J. Simpson, where the company tried to avoid possible negative consequences by breaking all connections with the endorser (Till & Shimp, 1998). Or companies could keep their fingers crossed; hoping that their brand image will not be negatively influenced by the private actions of the endorser. For example Michael Jackson received negative media attention in 1984 (alleged child molestation and intimacy), but
remained a celebrity endorser for Pepsi. Regarding Pepsi; it acquired 8 million sales increase in 1984 due to Michael Jackson as a celebrity endorser (Gabor et al., 1987).

This thesis is written because celebrity endorsement is of major importance to companies. Every company has an image. By making a celebrity spokesman for the company, they put a significant part of the company’s image in the hands of a celebrity. When the celebrity subsequently creates a negative image for him or herself, the image of the company will be affected. Therefore it is crucial to select the most suitable celebrity as endorser for a product. Companies can outlay a mountainous amount of money on celebrities for promotional and image campaigns. With the help of celebrities consumer attitude can be changed, purchase intentions can be enlarged and profit can be extended. But the right celebrity has to be picked for the right company.

1.2 Problem definition and problem statement

1.2.1 Problem Definition:
Regarding celebrity endorsement some issues remain unclear. What is the effect of using celebrities and how can celebrities effectively change the attitude of the consumers towards the brand? What are positive effects of celebrity endorsement, and what are negative effects of celebrity endorsement. How can the use of celebrity endorsement influence the consumer attitude towards the brand and how does the level of involvement affects this? What role does the negative publicity of celebrity endorsers contain? Does negative publicity influence the consumer attitude negatively and/or positively?

1.2.2 Problem Statement:
How does celebrity endorsement influence the consumer attitude and how does negative publicity affect this relationship?
1.3 Theoretical framework

Explanation of variables:

**Independent variable:** Celebrity endorsement

**Determinants of independent variable:** Credibility, expertise, trustworthiness, attractiveness, similarity, liking, familiarity and match-up congruence

**Dependent variable:** Consumer attitude on brand

**Moderator:** Negative publicity of the celebrity endorser.

1.4 Research Questions:

To gain more insight into the research topic and to eventually provide an answer to the problem statement, the following questions have to be addressed:

1. What is celebrity endorsement and what are determinants of celebrity endorsement?
2. What is the effect of celebrity endorsement on consumer attitude?
3. How does negative publicity influence the relationship of celebrity endorsement on consumer attitude?
1.5 Relevance
A multitude of scientific research has been done on the subject celebrity endorsement (Amos, Holmes & Strutton, 2008; Erdogan, 1999; Mccracken, 1989). However, there is some dissension and discussion about the exact role that celebrity endorsement has on the attitude towards the brand. Some papers state that there is a weak relation between the celebrity and the consumer attitude towards the brand (Cabellero, 1989) and some indicate there is a strong relation between the two variables (Kahle & Homer, 1985). In addition, a lot of research has been conducted to the role of negative publicity of the celebrity endorser (Till & Shimp, 1998). This paper will summarize these papers to obtain a clear view on the topic.

1.5.1 Scientific relevance
The scientific relevance is to acquire better insight in the field of consumer attitude towards the brand and particularly the roles celebrity endorsement and negative publicity of the celebrity entail. This literature review will examine the effect of celebrity endorsement on the attitude of consumers towards the brand. In particular, the influence of negative publicity on the just alleged relationship will be explored. A lot of research with respect to celebrity endorsement has been done (Erdogan, 1999). To obtain a clear view on this subject a literature review has been constructed. Previous literature and research will be critically analyzed to identify the main issues and theories with respect to celebrity endorsement. This paper will construct a systematic review with respect to these relationships to provide marketing economists with a useful guide of celebrity endorsement. Also recommendations for future research will be provided.

1.5.2 Practical relevance
Because this paper can help to clarify the role of the celebrity endorser, also the societal and practical relevance will be served. For companies it is extremely important to identify the positive and negative effects of the celebrity endorser on the attitude of the consumer towards the brand, so purchase decision making and buying behaviour can be increased. To conclude, this literature review will critically assess and combine the articles which are currently available. A better understanding of applying celebrity endorsement, indisputably triggers managers to pursue a more effective policy by which a more adequate consumer attitude will be engendered. This will result in higher consumer purchase intentions, which will positively affect the company sales.
1.6 Thesis structure

This thesis is divided into 5 chapters. By now, the content of the first chapter is already presented and familiar. Consequently, only the content of the following chapters will be briefly discussed. The second chapter provides the reader with a literature review on celebrity endorsement. Amos, Holmes and Strutton (2008) presented a theoretical model which forms the foundation of this thesis. In this paper celebrity endorsement will be described on the basis of the determinants: credibility, trustworthiness, expertise, attractiveness, similarity, familiarity and liking. Also the match–up congruence with the product will be put forward. In chapter 3 the influence of celebrity endorsement on attitude will be explained in conformity with the theories discussed in chapter 2. Additionally, the level of involvement will be applied on these theories. In chapter 4, the moderating effect of negative publicity on the relationship between celebrity endorsement and consumer attitude will be described. In chapter 5 the conclusion, discussion and limitations are presented and recommendations for future research will be given.
2. **Celebrity endorsement**

A celebrity endorser is “an individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement” (McCracken, 1989, page 310). Friedman and Friedman state that “a celebrity endorser is an individual who is known to the public for his or her achievement in areas others than of the product class endorsed” (Friedman & Friedman, 1979, page 63).

In this chapter celebrity endorsement will be further explored with the use of several determinants. This section describes which factors a celebrity should have to be a solid endorser. To explain the determinants of celebrity endorsement, this thesis will look at the determinants illustrated in Amos et al. (2008). Moreover, the source credibility model and the source attractiveness model will be used as foundation for selecting the determinants (Erdogan, 1999). The determinants described in this paper are: credibility, expertise, trustworthiness, attractiveness, similarity, liking, familiarity and the match-up congruence with the product. Source credibility depends on expertise and trustworthiness. Source attractiveness depends on familiarity, liking and similarity. In the following chapter the cohesion between all these determinants will be further explained.

### 2.1 Credibility

Credibility is “the extent to which the recipient sees the source as having relevant knowledge, skills, or experience and trusts the source to give unbiased, objective information” (Belch & Belch, 1994, page 189). The two most important aspects of credibility are expertise and trust (Hovland et al., 1953). Celebrities are seen as credible sources of information (Goldsmith et al, 2000) and the credibility of a celebrity is described as the total amount of positive features that create and increase the acceptation of the message (Erdogan, 1999). Credibility is one of the most important determinants of celebrity endorsement. Credibility is particularly important when people have a negative attitude towards the brand and powerful arguments are needed to inhibit the counter arguing and positively influence the attitude towards the brand. Consequently, when celebrities are credible it affects the acceptance of the message and the persuasion (Belch & Belch, 2001).
2.2 Expertise

Expertise of celebrity endorsement is being defined as “the extent to which an endorser is perceived to be a source of valid assertions” (Erdogan, 1999, page 298). With regard to expertise, it isn’t important that the celebrity is really an expert in the field. It is important that consumers think and believe a celebrity has expertise (Ohanian, 1990). To illustrate, in a selling context an expert salesperson caused a significantly higher number of customers to purchase a product than the non-expert salesperson did (Woodside & Davenport, 1974). Expert sources also influence perceptions of the product’s quality. The source or celebrity that is a specialist has been found to be more persuasive (Aaker, 1997) and generates more purchase intentions (Ohanian, 1991). Furthermore Speck, Schumann and Thompson (1988) stated that celebrities, who are seen as an expert in a specific area, engender a higher brand recognition than celebrities who are seen as non-experts. The level of celebrity expertise will determine its effectiveness (Amos, Holmes & Strutton, 2008). The more expertise a celebrity has, the more effective it will be. The expertise of a celebrity will not be changed by negative publicity, but the believability and credibility will be negatively influenced.

2.3 Trustworthiness

Trustworthiness refers to “the honesty, integrity and believability of an endorser” (Erdogan et al. 2001, page 40). Companies try to find endorsers who are widely seen as trustful and who are seen as honest, believable and dependable (Shimp, 1997). Trustworthiness is the most important factor with regard to the source credibility and influences credibility. Moreover, likeability is mentioned as the most important attribute of trust (Friedman, 1978). Advertisers can create the highest effect by taking these two factors, liking and trustworthiness, into account. Because it is stated when consumers like a celebrity, they will automatically trust a celebrity (Friedman, Santeramo & Traina, 1979).

Ohanian (1991) argued that trustworthiness of a celebrity endorser had no relationship with the purchase intentions of the related brand by the consumer. This conclusion had to do with the level of involvement, which will be described in the following chapter. The trustworthiness is of major importance for effective endorsers. If consumers believe what the endorser is telling and they trust him or her, the believability of the ad is higher and attitude of the consumers will increase. When a celebrity comes negatively into the news, this can affect the believability and the trustworthiness of the endorser. Also it will negatively influence the brand image and sales of the related product.
2.4 Attractiveness

The concept of attractiveness does not only entail the physical attractiveness. Attractiveness also entails concepts such as intellectual skills, personality properties, way of living, athletic performances and skills of endorsers (Erdogan, 1999). Celebrities can be attractive because they established for example great sport performances and people have great respect for their achievement and therefore are attracted to them. Physical attractiveness suggests that a celebrity determines the effectiveness of persuasion as a result of that consumers wanting to be like the endorser and wanting to identify themselves with that endorser (Cohen & Golden, 1972). On the other hand, there are examples of celebrities who are considered less attractive, but do represent the image the company wants to create and have. When the match-up between brand and celebrity is present, attractiveness becomes less important and therefore the company might choose a less attractive celebrity. There are huge numbers of physical attractive celebrities who endorse a product. An example is David Beckham for the Armani brand. The majority of people is attracted by David Beckham. Men want to be associated with the soccer player and fashion man David Beckham, while woman are physically attracted by his appearance because David Beckham always looks fashionable and has great athletic performances. He is extremely credible and attractive and has a high degree of similarity; people want to be like him.

2.5 Similarity

Similarity is described as “a supposed resemblance between the source and the receiver of the message” (McGuire, 1985). In other words: if a consumer can identify him/herself with the endorser. People can be influenced more easily by an endorser who is similar to them. If the celebrity and the consumer have common factors like common interests or lifestyles, a better cohesiveness is created (Erdogan, 1999). That is why celebrities are selected upon their characteristics that match well with consumers. Companies also try to create empathy using celebrities (Belch & Belch, 2001). Using empathy, companies try to create a bond between the celebrity and the consumer. Also the level of persuasiveness is increased by using similarity. Companies might choose to pick a regular-looking person who is not a celebrity, because consumers can identify themselves more easily.
2.6 Liking

Likeability is the “affection for the source as a result of the source’s physical appearance and behaviour” (McGuire, 1985, 239). In addition, McGuire (1985) states that when people like the celebrity they will also like the accompanying brand and therefore celebrities are used in commercials and advertisements. Celebrity endorsement will influence the consumer behaviour and attitude (Belch & Belch, 2001) and advertisers believe that a celebrity can influence the consumer’s vision of the company’s image. In Kahle and Homer (1985) the process of the disliked celebrity is explained in an experiment that contained a total of 200 men and women participating in the study. The experiment contains the example of celebrity endorsement used with disposable razors by means of John McEnroe; he has been the celebrity endorser for this particular brand. John McEnroe is a tennis player who can annoy people; his extreme rough language on the tennis court is widely known. It can be stated that he isn’t the ideal endorser of a brand, and that John McEnroe can be assigned to the disliked celebrity group. The company retains him because his image implies concern for protection of self-interest; two factors the company wants consumers to be associated with regarding the consumption of disposable razors. Despite McEnroe is a disliked celebrity, the company uses him as an endorser.

2.7 Familiarity

Familiarity is the supposed resemblance as knowledge that a celebrity endorser possesses through exposure (Erdogan, 1999; Belch & Belch, 2001). When companies choose a celebrity, it is important to what extent consumers are familiar with the celebrity. The more familiar the consumer is with the celebrity, the more positive the effect will be. It is also well-known that consumers, who are more familiar with a celebrity and are more exposed to a celebrity, will automatically like a celebrity more; this is called the mere exposure effect (Zajonc, 1968). The effect of familiarity on attitude increases when there are brief exposures of the celebrity and when there are longer delays between the exposures. The effect decreases when there are long exposures of the celebrity and when there are shorter delays between the exposures (Bornstein, 1989).
2.8 The match-up congruence with the product

Several studies (Cooper, 1984; Forkan, 1980) show that the match-up congruence between celebrity endorser and the product or company is of major importance. This correspondence results in a better recall of the commercial and brand information and will positively affect the transfer influence with regard to the personification of the brand (Rockney & Green, 1979). Advertising a product via a celebrity who has a relatively high product congruent image, leads to greater advertiser and celebrity believability if you would compare it with a less congruent product/celebrity image (Kotler, 1997). The match-up consists of two central terms: the perceived fit and the image of the celebrity (Misra, 1990). When a celebrity has a good image and fit to the product and company, this will lead to greater believability and so effectiveness. By uniting those aspects you create two advantages, working together for the product (Erdogan, 1999). What is of great importance for an endorser, is the match up of the celebrity with the image and message a company wants to propagate. Regarding the Nespresso commercials, George Clooney has been used as a celebrity endorser. Nespresso wants to be associated with terms as style, refinement, charm and a first-class quality brand. Therefore, Nespresso states that George Clooney is the perfect match for their brand, because Clooney’s profile illustrates the characteristics the brand wants to identify itself with.
3. **The effects of celebrity endorsement on consumer attitude**

In this chapter the relation between celebrity endorsement and consumer attitude is described. This will be described on the basis of three theories, namely: the source credibility model, the source attractiveness model and the meaning transfer model. Additionally, the elaboration likelihood model is described and will explain in what way involvement influences these models. The source credibility model focuses on the determinants expertise and trustworthiness. The source attractiveness model focuses on the determinants similarity, liking and familiarity. The meaning transfer model will be described and also the correlation of the meaning transfer is put forward with the match-up principle and the effect of multiple product endorsers.

3.1 **Background of attitude**

The term attitude is extensively used. An attitude is a permanent, general assessment of people’s objects, advertisements or issues. Attitudes are permanent because they tend to last over time (Solomon, 2006). It’s universal because attitude is applicable to more than a single evanescent event. Like hearing an ear-splitting noise, which in a while you might create a negative attitude to all ear-splitting sounds (Solomon, 2006). Celebrities are being used as endorsers, artists or spokesman for companies. With the use of characteristics like credibility, expertise, trust, attractiveness, similarity, likeability and familiarity, the consumers will see celebrities as a source of persuasive information and this creates a high degree of certainty for consumers (Surana, 2008). Research has shown that the use of celebrities affects consumer attitude (Ranjarbian et al., 2010). An attitude will show us if we are attracted to something and will consequently influence our purchase intentions towards a product (Lafferty & Goldsmith, 1998).

3.2 **The level of involvement: The Elaboration Likelihood Model**

The Elaboration Likelihood Model (ELM) describes how existing attitudes can be changed and assumes that once a customer receives a message, he or she begins to process it. There are two routes that can be taken: the central route to persuasion which has high involvement of consumers, or the peripheral route to persuasion which has low involvement of consumers. The elaboration likelihood model is a two-process model of response to advertising stimuli. It explains how attitudes are formed and change on the basis of the level of involvement.
The elaboration likelihood model explains the process of the advertisement and promotions leading to the persuasion by indoctrinating attitudes. The forming of the attitude depends on the amount of elaboration, the processing and the relevant information. The model consists of high and low involvement. High involvement indicates that the consumer thinks carefully about the decisions and evaluation and takes into consideration the qualitative level of arguments. Low involvement indicates that the consumers do not think thoroughly about the decision making and evaluate their decision by looking at simple positive or negative indications. The elaboration likelihood model is a function of two main fundamentals, namely the motivation and the ability to process the message. Motivation is the willingness, involvement and the needs of the consumer. The ability is having the knowledge, being capable and having the possibility to process the message.

![Diagram of the Elaboration Likelihood Model]

Figure 2: The Elaboration Likelihood Model  
**Process of the elaboration likelihood model**

Once a consumer receives a message, he or she begins to process it. When a person has the motivation and ability to process the communication, the route via high elaboration will be followed. Subsequently, when favourable thoughts predominate, the central route is followed and there will occur an enduring positive attitude change. When unfavourable thoughts predominate, also the central route is followed and an enduring negative attitude change will be the result. When neutral thoughts predominate, the persuasion cue present will be the consequence. Also when there is no motivation and ability to process the communication, the persuasion cue present will be the result. When there is no persuasion cue present, the original attitude is retained. When there are persuasion cues present, the peripheral route is followed and a temporary attitude change will be the result (Petty & Cacioppo, 1983).

**Central route**

When motivation and / or ability is high, consumers will be persuaded through the central route and an enduring attitude change will be the result. That is, they will be influenced by arguments that are relevant for the message. Credible sources and strong arguments will be influential (Petty & Cacioppo, 1983)

**Peripheral route**

When ability and / or motivation is low, consumers will be persuaded through the peripheral route and an temporary attitude change will be the result. That is, they will be influenced by cues that are not immediately relevant for the message, for example their mood. Consumers will use heuristics, or rules of thumb, when to form attitudes (many arguments provided, so the product must be good; or I feel good so the product must be good). Physical attractiveness of the source may be very influential (Petty & Cacioppo, 1983).

### 3.3 Source credibility model

According to the source credibility model “the effectiveness of a message depends on the perceived level of expertise and trustworthiness of an endorser” (Hovland & Weiss, 1953, page 20). Consumers assume that celebrities are credible with regard to the information they give about the products or brand they endorse (Goldsmith et al., 2000). Attitude towards advertisements is being defined as “a learned tendency to respond in a consistently desirable or undesirable approach towards advertising in general” (Haghirian, 2004). In general can be stated that celebrity endorsement has a positive influence on attitude (Seno & Lukas, 2005).
When an endorser is successful he or she is able to positively influence the attitudes or purchase intentions. An endorser who scores high on expertise and trustworthiness is able to change the consumer’s attitude and purchase intentions (Liu & Teo, 2007). Because consumers believe an endorser is credible, they suppose that the info this celebrity tells is true. Furthermore, when an endorser is an expert in the field, consumers will have a favourable attitude towards the brand or advertisement. A credible source can be particularly persuasive when the consumer has not yet learned much about a product or formed an opinion on it. If the source is highly credible, there will be more positive attitude changes and stronger behavioural changes towards the advertisement (Amos, Holmes, & Strutton, 2008). Consumers can be swayed by a credible, expert source (Solomon, 2006). The source credibility model is very useful when consumers have a high involvement. When consumers have a high involvement, they tend to be influenced by arguments that are relevant for the message. Credible sources and strong arguments will be influential. When attitudes are changing at high involvement of consumers, they will be held with more confidence, will be more persuasive, and resistant to change than when they are formed with low involvement.

3.4 The source attractiveness model
The meaning of the source attractiveness model is quoted by the famous philosopher Aristotle: “Beauty is a greater recommendation than any letter of introduction”. Aristotle wanted to emphasize that the most important thing is beauty and so attractiveness. Lots of convincing stories can be told, but it is known that consumers are eye centred. That is why an important factor is attractiveness. Aristotle accentuates that a best recommendation of a brand is established by using an attractive commercial and an attractive celebrity endorser; the effectiveness will be much higher. Companies want to use celebrities because they combine two important things: they have the celebrity status and consumers are attracted to them. Consumers like looking to advertisements where an attractive person or celebrity is in it. The beliefs and purchase intentions of consumers can best be changed with the use of physically attractive celebrity endorsers (Baker & Churchill, 1977). Furthermore this behaviour can best be explained by the halo effect, where a person who performs well on a particular dimension, for example physical attractiveness, automatically scores high on other dimensions (Solomon, 2006). Several papers told us that attractiveness of endorsers create an attitude change (Cabalero & Price, 1989; Chaiken, 1979; Petty & Cacioppo, 1983).
In Kahle and Homer (1985), a study analysis has been done with a total of 200 men and women to grade celebrities on physical attractiveness, involvement and likeability. The participants got a couple of brochures to read with advertisements of celebrities they received and got a questionnaire regarding to the attractiveness, likeability and involvement of the celebrities. The results of this study were that participants who saw an attractive endorser liked the product more than participants who saw an unattractive source. Also looking to the likeability, Kahle and Homer (1985) stated that participants had a more positive attitude to the liked celebrity than the disliked celebrity. The brand recall was also higher with attractive celebrities, the same was described for the liked celebrity. The recall of the product was higher when participants had a high involvement. When participants had a low involvement, also their recall of the product was lower (Kahle & Homer, 1985). In general can be stated that when consumers are low involved, they will be more influenced by the source attractiveness model. When consumers are low involved they use heuristics, inertia and impulse behaviour; so they use simple decision-making behaviour to form attitudes (many arguments are provided, so the product must be good; or the endorser in the ad looks well, so the product must be good). Physical attractiveness of the source may be very influential.

3.5 Meaning Transfer

The meaning transfer model is based upon meanings and it proposes that the effect of the celebrity endorser is depended on the meaning the celebrity brings into the endorsement process and the product (McCracken, 1989). The model is created to illustrate the process of the celebrity endorser. All the celebrity endorsers have different connotations and they differ in demographics, personalities and lifestyles. Thinking of the celebrity, multiple meanings are in the association set. Celebrities can be very valuable in marketing campaigns of the product or brand because they provide the customer quite a few characteristics when they think of the product or brand. Celebrities have more effect than non-known endorsers, because a celebrity offers meaning of deepness and power from their character and lifestyle into the endorsement (Schlecht, 2003). When companies can create the suitable meaning transfer between the celebrity endorser and the product, this will positively influence the attitude of consumers towards the brand.
The meaning transfer model is divided in three stages. In the first stage the cultural meanings of the society are taken into account. Celebrities contain their own symbolic associations into their endorsement of a brand. In stage 1 is evaluated whether objects, persons and context fit to the celebrity. In the second stage the meaning associated with the celebrity moves from the endorser to the product or brand. The meanings of the endorser become linked with the product. Then is determined if the symbolic characteristics of the celebrity are the ones sought for the product and has to be chosen if a celebrity represents those symbolic properties. After the celebrity is picked, the consumption process of the celebrity will start, and via the use of a promotional campaign the celebrity will be linked to the product. In the last stage the consumers link the celebrity with the product, and the product with themselves. Celebrities play a role in the last phase of this model while they have generated the self. Meaning transfer is especially useful when there is a good match-up between celebrity and brand. That is why it is important for companies to have the exclusive rights of a celebrity endorser. Because when a celebrity endorser is endorsing for more products and brands, the strength of the match-up and meaning transfer decreases. Furthermore, the meaning transfer is specifically valuable for low-involved consumers, since when they like the celebrity, they will automatically like the brand; and this will positively influence the attitude towards the brand and product.
3.6 The effect of multiple product endorsement of celebrities on attitude

Normally, a company uses only one celebrity as endorser for their product. However, celebrities can endorse multiple products for several brands. Because millions of dollars are spent on a yearly base on celebrities as endorsers, the impact of multiple product endorsers is important to illuminate. An example of a multiple product endorser is David Beckham who promotes products for Armani, Pepsi and Adidas. McCracken (1989, page 311) states that “the celebrity endorser takes on meanings that carry from ad to ad, does endorsing multiple product affect those assigned meanings such that the consumer perceive the celebrity to be less credible and less likable”. With respect to the meaning transfer, the matchup congruence and the credibility model, it is very essential that the celebrity believes in his product and has affinity with it. When a celebrity endorses for multiple products, the endorsement effect loses its strength because the attitude of the consumer will decrease (McCracken, 1989). Consumers might think that the celebrity is just endorsing for the money, without the behind reason if the celebrity endorser really likes the endorsed product or brand (Belch & Belch, 2001). When an endorser is endorsing for only one brand, the match-up congruence with the product and the meaning transfer will be first-class, so that is a positive effect when endorsing exclusively for only one brand. Research of Redenbach (2005) concluded that when a celebrity is endorsing for four different type of products or brands, the credibility, trustworthiness, expertise and likeability of the celebrity is influenced negatively, and so the attitude. When endorsing for multiple brands the celebrity will eventually reap a lack of incentives.

A positive effect of multiple product endorsers of a celebrity is the transfer of several different positive characteristics of product images of different brands which influence accompanying brands that have the same celebrity endorser (Redenbach, 2005). When the celebrity has a successful campaign for a specific brand, the other brand where the celebrity is endorsing for can hitchhike on the success of the other campaign. Other positive effects of multiple product endorsers are that celebrities stand for a different mix of characteristics, like lifestyle and demographics; their association set increases. Using multiple celebrities in collaboration, it becomes easier to successfully represent a specific brand. For example, the company L’oreal matches their extensive and divers product lines in conformity with the meanings and characteristics that consumers identify with the celebrity (Redenbach, 2005).
4. The moderating effect of negative publicity on the relationship between celebrity endorsement and consumer attitude

“They’re humans. When you sign on to a celebrity, you sign on to the whole package: the good, the bad, and the ugly.” (Conrad, 1995)

4.1 Negative publicity

Conrad (1995) describes here in one sentence the potential problem of celebrity endorsement. There are lots of positive effects regarding celebrity endorsement: a higher recall of the product, a better image, a positive influence on the attitude of consumers towards the brand, increased sales and higher net profit. However, celebrities remain humans and humans are not perfect. It might happen that a celebrity gets involved in negative publicity. Consumers might link the negative publicity to the brand the celebrity is representing. Previous chapters have described that celebrity endorsement has in general a positive effect on the consumer’s attitude. This chapter will describe the possible effects of negative publicity on the relationship between celebrity endorsement and the attitude of consumers. When negative publicity moderates the relation between celebrity endorsement and the consumer attitude, this relation can be altered in a negative way. Usually the celebrity has a positive effect on the attitude, the negative publicity can change this effect negatively. If a celebrity is strongly associated with the brand, than the occurrence of the negative publicity about the celebrity can influence the attitude and purchase intentions of consumers towards the brand (Till & Shimp, 1998).

There can occur three possible effects of negative publicity of the endorser. First, negative publicity can result in negative effects. If an endorser is interrelated with assault several times, like for example O.J. Simpson, this could negatively influence the related brand he was endorsing (Till & Shimp, 1998). Secondly, negative publicity can have a positive effect on the attitude of consumers towards the brand. When something negative happens to the endorser, like for example being disqualified after a false switch on the skating rink, this can have a positive effect regarding the attitude of the consumers. Consumers feel empathy for the endorser, and consequently for the brand they endorse (Berger et al, 2007). The third effect of negative publicity is that the endorser is fired from his or her endorsing activities for the brand. The company will decide to fire the celebrity to show to the consumers that they
disapprove the behaviour of the endorser. By doing so the company tries to avoid the spill-over effect.

### 4.2 Negative effects of negative publicity on attitude

Firms make use of celebrities because of the fact that they have celebrity equity. Celebrity equity is the awareness and associations of celebrities that they transfer into the product (Louie, Kulik & Jacobson, 2001). That is why a celebrity generates more recall than a non-celebrity (Agrawal & Kamakura, 1995). Nevertheless, when a celebrity endorses for a brand it might happen that the endorser gets drawn into a so-called non-desirable incident. McCracken (1989) states that the effectiveness of the celebrity depends upon the meanings that this endorser bring to the endorsement process; also seen as meaning transfer. Large incidents like Tiger Woods, with his alleged affairs, or Michael Jackson, alleged child molestation and intimacy, had discredited the accompanying brands Nike and Pepsi (Till & Shimp, 1998; Amos et al., 2008; Louie & Obermiller, 2002). When a non-desirable incident takes place, the effectiveness of the endorser can decrease because his credibility is affected (Louie & Obermiller, 2002). Consequently, this can sway the attitude consumers have towards the brand. Subsequently, the purchase decision making of the consumer will be affected, as well the sales of the product. According to Till and Shimp (1998), negative information about a celebrity resulted in a decline of attitude towards the brand and the change of attitude will be influenced by the association set size, the timing of the negative information, and the strength of the link between brand and celebrity.

When the celebrity is for example a professional soccer player and gets injured just before a world championship, he will receive less media attention during the tournament and the link between the brand and the celebrity will be affected. When the soccer player gets injured and can’t contribute to the biggest sporting contests, the celebrity status can decrease; and so the effect as a celebrity endorser and the attitude towards the brand will decrease. Some companies found a solution to avoid negative publicity by picking cartoon figures or avatars for marketing and promotional endorsing campaigns, which are immune for negative publicity. Negative information about the celebrity can occur before, during or after the campaign. Negative impact on the attitude has the biggest impact when negative publicity occurs before a strong match-up is originated. Taking the reputation of a brand into account, it is not good to start an endorsing campaign with a celebrity who is already reaching the news negatively and generates negative publicity (Till & Shimp, 1998).
4.3 Positive effects of negative publicity on attitude

Negative publicity can also have a positive effect on consumer attitude towards the brand (Berger et al., 2007; Langmeyer & Shank, 1993). When something happens to the endorser which is negative for him or her, such as being disqualified after a false switch on the skating rink, it can have a positive effect regarding the attitude of the consumers. Consumers feel empathy for the endorser, and so for the brand they endorse. For example, towards the Dutch skater Sven Kramer, who was being left out of consideration and disqualified after a false switch on the skating rink. Kramer took part of the Olympics and was disqualified because his coach sent him into the wrong strip. Firms seemed to recognize and remember his favourable appeal and correct media appearances after the dramatic race. Subsequently, he received numerous post-incident endorsement offers. Berger, Sorensen and Rasmussen (2007) state that negative publicity of an endorser can increase product awareness and accessibility. Consequently, also the attitude to the endorser and the brand will also increase. Berger, Sorensen and Rasmussen (2007) also state that negative publicity can also increase sales when the former awareness of the product is low. While having a deleterious component from the standpoint of the celebrity, some types of undesirable events may increase the likeability and empathy of the endorser and, as such, enhance the attitude.

4.4 Disposal of celebrities after negative publicity

The elimination effect of negative publicity entails that the endorser is fired from his endorsing activities for the brand. The brand will make this action to show the consumers that they disapprove the behaviour of the endorser, so consumers will hopefully not link the negative publicity of the endorser with the brand or product and their attitude will not be influenced negatively (Louie et al., 2001). When firing a celebrity, a new promotion and marketing campaign has to be started and a new endorser has to be picked who also has a high match-up with the brand and whose meaning can be transferred to the company. By firing a celebrity, companies believe the loss in promotional and marketing activities by the celebrity has less influence as the upcoming negative publicity which will appear by the actions of the celebrity (Berger et al., 2007). Till and Shimp (1998) concluded that a strong link between celebrity endorser and brand must be there, before negative publicity will influence the evaluation and attitude of the brand. Hence, highest potential risks when negative publicity occurs at new, unknown brands when there is not a strong link established yet. Also brands which are not that well-known are vulnerable. Consequently, when the endorser of a new
brand gets involved with negative publicity, the image of the brand will be affected, and it will be difficult after the negative publicity of the brand to change their brand image.

To conclude, it can be stated that negative effects of negative publicity prevail. Occasionally, negative publicity can have positive effects, but only in restrained situations. Negative effects of negative publicity prevail because of the fact that when a celebrity is drawn into a so called non-desirable event, the effectiveness of the celebrity depends upon the meaning that the endorser brings to the endorsement process; which is the meaning transfer. When a celebrity endorser is drawn into a non-desirable incident, for example alleged child molestation or alleged murdering, the strength of the match-up and meaning transfer decreases. Consequently, this will have a negative influence on the attitude that consumers have towards the brand.
5.1 Conclusion

The main objective of this study is to present a literature review that examines the effect of celebrity endorsement on the attitude of consumers towards the brand. In particular, the influence of negative publicity on this alleged relationship is explored. Better insights in the field of negative publicity have been provided and literature has been critically analyzed to identify the main issues and theories with respect to celebrity endorsement. Using this thesis, marketing managers are indisputably triggered to pursue a more effective celebrity endorsement policy by which the consumer attitude towards the brand will be positively influenced.

The independent variable is divided into eight determinants, which all appear to have a positive effect on the attitude of consumers towards the brand. According to existing literature celebrity endorsement helps companies to create a unique personification of the brand and engender a positive effect on the attitude and sales intention towards the brand (Liu, 2007; Ranjbarian et al, 2010). This ensues from the fact that celebrity endorsers induce higher brand recognition. Furthermore when a celebrity is positively perceived by the consumer, a feeling of trust will be automatically developed towards the celebrity and the attitude of consumers will increase (Friedman et al, 1979).

According to the literature, the determinants have a positive effect on the attitude of the consumers. This is illustrated by three main theories, which address the effect of celebrity endorsement. First the source credibility model is of major importance. This model delineates that the consumer attitude is positively influenced by the credibility of the particular celebrity. Practically, this implies that a celebrity with a high credibility provokes a positive attitude towards the brand (Seno & Lukas, 2005). The source credibility model is useful when consumers experience a high involvement, since they think carefully about purchasing decisions and evaluations are take into consideration the qualitative level of arguments. Furthermore, when attitudes are changed at high involvement, they will be held with more confidence and will be more persuasive and resistant to change (Solomon, 2006).

Secondly, the source attractiveness model is essential. According to the literature, when consumers find that a celebrity has a high degree of attractiveness, the brand recall and likeability will be higher. Subsequently, attractiveness creates an attitude change (Petty & Cacioppo, 1983). The source attractiveness model is most useful when consumers are low
involved, as they will apply simple decision-making behaviour. When the endorser is seen as attractive, so the product will be. Physical attractiveness of the source will be very influential.

Thirdly, the process of a celebrity endorser is illustrated by the meaning transfer model. Celebrities are effective because they offer their meaning, power from their public-known character and lifestyle into the endorsement which increases attitude. Meaning transfer is especially useful when there is a good match-up between celebrity and brand. When celebrities endorse for multiple brands, their credibility will decrease and their match-up congruence and meaning transfer is made turbid. Furthermore, the meaning transfer is most effective for low-involved consumers. Since when they like the celebrity they will automatically like the brand, which will positively influence their attitude (McCracken, 1989).

Above mentioned theories and determinants have illustrated that celebrity endorsement has a positive effect on consumer’s attitude. However, when negative publicity moderates this relation, this relation can change into a negative one (Till & Shimp, 1998). When a celebrity is involved in a so called non-desirable event, the effectiveness of the endorser decreases. Subsequently, this will negatively influence the consumer’s attitude towards the brand. Nevertheless also positive effects can occur. After negative publicity, people may feel empathy for the celebrity endorser and they seem more interested in the celebrity. Therefore, attitude will be positively influenced and consumers purchase their accompanying products the celebrity is endorsing (Berger et al, 2007).

5.2 Discussion

This paper aimed to obliterate the indistinctness and to unite competing ideas about the relationship between celebrity endorsement on consumer’s attitude towards the brand and in what way negative publicity influences this relation. A multitude of scientific research has been done on celebrity endorsement (Amos, Holmes & Strutton, 2008; Erdogan, 1999; McCracken, 1989). According to the literature, mixed and contradictory information is found concerning the selection of the “right” celebrity. Some papers indicate that celebrity endorsers should be selected on the basis of their credibility (Belch & Belch, 1994), some papers indicate celebrities should be chosen on basis of their attractiveness (Cohen & Golden, 1972) and some papers indicate celebrities should be selected on basis of their match-up congruence with the product (Cooper, 1984).
It is impossible to state, without any analysis of the particular endorsement situation, which determinant is most effective. However, celebrity endorsement generally has a positive effect on consumer’s attitude, which can be inferred from the results of this paper. Subsequently, celebrities have a positive effect on the consumers’ attitude, but negative publicity can change this effect. If a celebrity is strongly associated with the brand, than the occurrence of the negative publicity about the celebrity can influence the attitude and purchase intentions of consumers towards the brand (Till & Shimp, 1998).

Thus, the contribution of this paper to the existing literature is that an integrative literature review is created, from which can be derived whether celebrity endorsement affects the consumer’s attitude and in what way negative publicity influences this relationship. In general, a positive influence can be discerned of celebrity endorsement on consumer’s attitude. Secondly, a literature review is created in which the functioning of celebrity endorsement is exclusively discussed. In a practical way, this paper can be valuable for various institutions. The paper provides, for instance, a conveniently-arranged overview with respect to the functioning of celebrities as endorsers. A better understanding of applying celebrity endorsement, indisputably triggers managers to pursue a more effective policy by which a more adequate consumer attitude will be engendered. This will result in higher consumer sales intention, which will positively affect the company sales.

In sum, the use of celebrities to endorse a brand can be an effective and valuable strategy and will hamper companies to create a unique position and receive attention from consumers. Using celebrities can help companies to create exclusive advertisements and engender a positive effect on the attitude of consumers towards the brand (Ranjbarian et al., 2001).
5.3 Limitations

Generally, this thesis is written from a marketing perspective. Consequently all conclusions are applicable in a marketing context. Therefore, this research is not focused on for example the sociological or experimental research. There are some limitations with respect to the dependent variable of this thesis. The objective is to examine how celebrity endorsement and negative publicity influenced the dependent variable consumer’s attitude. However, consumer attitude is not only influenced by these two variables, but many more variables affect the attitude of consumers (McGuire, 1985). Since this research is limited in its scope, these factors will be left out of consideration. This research is also limited in the way that the potential negative influence of celebrity endorsement on consumer attitude is not further subdivided, only the negative publicity was taken into account. Due to the limited scope of this study issues like: celebrity overshadowing, overexposure, overuse and extinction are omitted.

5.4 Recommendations for future research

Taking these limitations as a point of departure, some recommendations for future research can be indicated. During the process of analyzing the data it appeared that a lot of literature confines itself to concluding that a relationship is present, but a detailed explanation is often omitted. Future researchers are thus suggested to conduct more in-depth studies, in which the mechanism of negative publicity is being researched. Furthermore, this research examined celebrity endorsement on the basis of eight determinants. It could be interesting to elaborate more on one of these indirect determinants, in order to obtain a broader foundation of knowledge with respect to the celebrity endorsement. Additionally, incorporating the above mentioned distinctions could provide other insights in this field of knowledge. It could, for example, be the case that specific determinants of celebrity endorsement trigger consumer’s attitude more than others. Finally, this research only examined the moderating effect of negative publicity. Future research could also taken into account issues like: celebrity overshadowing, overexposure, overuse and extinction of the celebrity endorser.
Reference List:


