The Psychological Effects of Celebrity Endorsement on The Consumer Purchasing Behavior

Bendegúz Richárd NYIKOS University of Sopron, Alexandre Lamfalussy Faculty of Economics, Sopron, Hungary, nyikos.bendeguz@uni-sopron.hu,

Fruzsina Magda PANKOTAY
University of Sopron, Alexandre Lamfalussy Faculty of Economics, Sopron, Hungary, pankotay.

<u>fruzsina.magda@uni-sopron.hu</u>

Abstract

Celebrity endorsement has a long history in the world of advertising. Today the celebrity endorsement strategies are frequently used by marketers in order to increase their sales and thereby extend the market share of the company. They also believe that using well-known characters in their campaigns can have a huge effect on the purchasing habits of their customers.

They can have a huge effect on the purchasing decision making, on the buying behaviour and on the cognitive functions. The signification of cognition and attitudes is crucial in the world of advertising: people realize that they want to look like, be like or act like a celebrity they see in the commercial. They want to pursue their dreams and become famous, good looking and successful: purchasing such products increases their self-confidence and makes them believe that they can achieve their goals.

Celebrities are extremely important and valuable to brands: there is no argument about it as they have considerable influence and can contribute to the making and breaking of brands. By discovering the true power of celebrity endorsement marketers can achieve incredible results. The question is whether there must be some kind of a relationship between the product and the endorser or it is enough to create cognitive dissonance by showing a favourable image to increase the sales.

Keywords: celebrity endorsement, cognitive dissonance, consumer behavior, decision making process

Introduction

Celebrity endorsement has a long history in the world of advertising. Today the celebrity endorsement strategies are frequently used by marketers in order to increase their sales and thereby extend the market share of the company. They also believe that using well-known characters in their campaigns can have a huge effect on the purchasing habits of their customers

According to Aristotle, "beauty is a greater recommendation than any letter of introduction". This sentence perfectly summarizes why products are endorsed by well-known characters, celebrities. They can have a huge effect on the purchasing decision making, on the buying behaviour and on the cognitive functions. By discovering the true power of celebrity endorsement marketers can achieve incredible results. The question is whether there must be some kind of a relationship between the product and the endorser or it is enough to show a beloved face to increase the sales.

Celebrities are extremely important and valuable to brands: there is no argument about it as they have considerable influence and can contribute to the making and breaking of brands. In 2000, 25% of all US ads employed celebrity endorsers (Shimp 2000, 84). In 2005, more than 20% of all ads featured a well-known face, image or voice (Dahl, 2005, 63). The percentage of all ads employing celebrity endorsers or including any aspect of celebrity endorsement is higher in other regions such as in the United Kingdom (over 25%), in South Korea (about 57%) and in Japan (85%). (Choi, Lee and Kim 2005, 85-98; Datamonitor 2006; License! 2007, 50; McCaughan 2007, 34)

There are several dimensions and factors involved in choosing the right celebrity. Erdogan (1999, 291-314) reviewed the effectiveness of celebrity endorsement, and both the advantages and disadvantages associated with celebrities. More recently, several researchers have produced different empirical studies addressing specific areas within the broader realm of the effective celebrity endorsement. However, advertising with a well-known character is not always enough: in some cases, the celebrity being endorsed must fit the product and/or the brand. The signification of cognition and attitudes is crucial in the world of advertising: people realize that they want to look like, be like or act like a celebrity they see in the commercial.

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They want to pursue their dreams and become famous, good looking and successful: purchasing such products increases their self-confidence and makes them believe that they can achieve their goals.

The focus is on the relationships among cognitions: elements of knowledge that people have about their behaviours, attitudes, beliefs, perceptions, feelings and environments (Telci, Maden & Kantur, 2011, 378-386). These elements can be highly affected by the advertisements: commercials tend to point out the differences between the current self-image of the customer and the image of the endorser. This is the point where dissonance rises. Consumers believe that they can decrease this dissonance by purchasing the products advertised by the celebrity and transform their self-image into the one they pursue: the image of the endorser.

Even though celebrity appearance, in general, can have a significant effect on the purchasing behaviour, there is an underlying psychological factor which can also influence the outcome of the decision making process and could help companies to achieve success while choosing a well-known character who has no relationship with or connection to the brand or product.

Celebrity Appearance

There are two forms of celebrity appearance in advertising. Although they are very similar and are usually not recognized, it is important to understand the main differences between celebrity license and celebrity endorsement (Mistry, 2006, 33-34).

Celebrity license

Celebrity license is not a frequently used practice: a long-term commitment must be established between the celebrity and company. The celebrity agrees on lending his or her name directly to the given product. The outcome of the established relationship can be highly volatile since both the celebrity and the brand are closely connected to each other. (Mistry, 2006, 33-34).

Therefore, in case of a celebrity license, it is easier to succeed if the celebrity and the brand are closely connected. However, a partnership can also be established in case of having any connection between the two parties. Even though companies tend to believe that there must be a relationship, in order to maximize the credibility of the celebrity (Agrawal and Kamakura, 1995, 56-62), there are several examples where celebrities successfully promoted a given brand or product while having generally nothing to do with them: Rawtani stated that creating a unique situation or story that links the celebrity to the product can also result in a successful marketing (Rawtani, 2011).

David Beckham, the famous football athlete had promoted a wide range of brands and products before establishing his own brand called *Homme by David Beckham*. Traditionally, athletes were only chosen to promote sports brands or equipment, Beckham decided to create his own fragrance. Despite having a general connection with the industry, the brand succeeded and consistently generates profits (Donelly, 2011).

Celebrity license is frequently used by celebrities from Bollywood: lending their names to companies and brands has become commonplace in India. Hrithik Roshan is a great example: he lends his name to a casualwear line and created the brand Hrx. Myntra has obtained the manufacturing rights to the exclusive brand and will sell the products through its online webshop. "Initially the brand got a huge push due to Salman Khan endorsing it. But now we have been working on our product line and distribution network to increase sales," says Mitesh Shah, the vice-president of Myntra (D'souza, 2013).

The example of Jamie Oliver in the world of gastronomy shows that success does not depend on the "fit": three of his four classic British-styled restaurants have closed down recently. However, Jamie has over 35 Italian restaurants in the UK and plans to establish a franchise overseas (The Telegraph, Keith Perry, 2014).

Celebrity Endorsement

Celebrity endorsement is more widely used by marketers. Celebrities are "only" promotional tools in the campaigns: they give opinions and can be directly associated with a specific product (McCracken, 1989, 310-321; Seno and Lukas, 2007, 121-134).

The attractive and likeable qualities of the endorsers are transferred to products. The image of the celebrity is matched together with the image and features of the product. Due to their fame, celebrities not only create awareness but they also provide an instant recognition of the brand associated with the endorser (Agrawal and Kamakura 1995, 56-62; Armbruster 2006, 12).

Credibility of the endorsers can be categorized (Ohanian, 1990):

1. Attractiveness: this category focuses on the differentials of attractive or unattractive, handsome/beautiful or bad-looking, elegant or plain, etc.

Most of the actors fall into this category. George Clooney, the attractive and elegant actor, has been the spokesperson and face of the vermouth company Martini since 2004. As well as being classy, some of the advertisements had funny components or even an amusing ending. According to Martini spokesperson Antonella Lanfranco, he was paid \$ 1.89 million for his most famous commercial "No Martini, no Party". He also appeared as the face of Police sunglasses and in commercials for fashion brand Emidio Tucci and Lancelot Whisky. (DailyMail, 2009)

2. Trustworthiness: it is measured through honest or dishonest, reliable or unreliable, trustworthy or untrustworthy, etc.

In creating the list of the most trustworthy celebrities, Forbes uses E-Poll Market Research to rank more than 6,600 celebrities using their 46 different characteristics and attributes. Gary Philpott, president of E-Poll says that "trustworthy, like influential, can be very subjective description based on the nature of their celebrity. For the most part, it reflects how genuine people perceive that person to be. [...] It positively impacts a celebrity's 'brand' in getting top roles and endorsements if consumers see them as credible and believable" (Pomerantz, 2014).

Tom Hanks was named the Most Trustworthy Celebrity in the study done by Forbes in 2014. Carol Burnett landed the second place on the list while Morgan Freeman was ranked as the third most trustworthy person (Pomerantz, 2014).

FedEx has always been known as a reliable company: to highlight this to the audience its service was promoted by Tom Hanks. On returning from the island on which he had to live following his plane crashing, he finally delivered the package to the recipient (Pomerantz, 2014).

MasterCard and Visa, the credit card provider companies know that they have to convince the audience and make the customers believe that the companies are honest and trustworthy: that is why they contracted Carol Burnett and Morgan Freeman. When people hear a well-known voice and see a beloved face, they are more likely to choose the brand they promote (Pomerantz, 2014).

3. Expertise: the third category includes expert or not expert, skilled or unskilled, qualified or unqualified, etc.

The contribution of a superstar in a marketing campaign can make the audience believe that he/she actually uses the product. NASCAR superstar Tony Stewart endorses the oil producing company Mobile One: consumers may believe that oil produced by the company contributes to the performance and success of the star (Bruce, 2014).

It is clearly seen that credibility has a high importance: higher credibility always results in higher effectiveness (Sternthal, Dholakia and Leavitt, 1978, 252-260).

Although credibility and believability are often created by the relationship mentioned above, a celebrity who simply likes and/or uses the product can also influence the audience. In this case, marketers must make sure that the endorsers cannot "overshadow" the product: it is not sufficient to simply ensure that the people recall the advertisement and the celebrity; they must also remember the brand and the product (Belch & Belch, 2001, 177-179).

Credibility, in general, is considered as a highly valuable asset. In addition, in a research carried out by Miciak and Shanklin among 43 companies, most experts believed that credibility is the most important factor, especially the trustworthiness and expertise dimensions (Miciak and Shanklin, 1994, 50-59).

Even though matching one of the dimensions can generally lead a successful partnership, there is an additional significant psychological factor which should be mentioned.

Celebrity Endorsement

Advantages of Celebrity Endorsement

In the examination of the phenomenon of celebrity endorsement, it is important to understand how celebrities can offer a huge benefit in the advertising of a product.

There are several reasons why companies are keen to use celebrities in their marketing campaigns:

- To enhance brand equity (Till, 1998, 400-409)
- To have a positive effect on the attitude of the costumers toward the brand (Till, 1998, 400-409)
- To add a new dimension for the brand by the contribution of the endorser (Till, 1998, 400-409)
- To gain worldwide reputation by advertising with a globally well-known character (Kaikati, 1987, 39)
- To build independent brand credibility (Mullikin and Petty, 2006, 23-36)
- According to Atkin and Block, "celebrities may help advertisements stand out from surrounding clutter, thus
 improving their communicative ability" (Atkin and Block, 1983, 39)
- Consumers are more likely to buy products associated with celebrities or people they respect or admire (Wright, 2000, 64)
- Celebrity endorsement can underpin competitive differential advantage among other companies (Wright, 2000, 64)

- Celebrities make advertisements believable (Kamins et. al., 1989, 4-10)
- Celebrities can help in the recognition of the brand (Petty, Cacioppo, Schermann, 1983, 134-148)
- To enhance recall of product or message (Friedman and Friedman, 1979, 63-71)
- To influence the purchase intentions and habits of customers (Tripp, Jensen, Carlson, 1994, 535-547)
- To create a distinct character to the brand being endorsed (McCracken, 1989, 310-321)

According to Pringle, the role of celebrities is very effective in influencing the consumer: people empathize with some certain types of celebrities, therefore it is important for the companies to use celebrity endorsement effectively (Pringle, 2004, 88).

Disadvantages of Using Celebrities

It is clearly seen, that celebrities can help in the process of brand building and/or in the promotion of certain products. However, there are several problems relating to the use of celebrity endorsers that must be identified and examined in order to completely understand the phenomenon.

Celebrity endorsement may have negative results: overshadowing or overexposing can affect the perception of the consumer (Belch & Belch, 2001, 177-179).

Due to the fact that sometimes the celebrity is overexposed by his/her constant appearance in the mass media and there may be no distinction between the fame of the endorser and the brand, celebrity endorsement can be very risky: the overshadowing the brand is a typical issue marketers can experience in a poorly designed campaign. In such case, the consumer gives attention to the celebrity but fails to recognize the brand. In addition, consumers might remember neither the celebrity nor the message given in the advertisement (Belch & Belch, 2001, 177-179).

From 2005 to 2008 Angelina Jolie endorsed the brand St. John: at the beginning she was perceived as the ambassador for the luxury apparel brand. However, due to her romance with Brad Pitt, the 6 children they adopted and her charity work, she had become overexposed in the mass media and the effectiveness of the campaign diminished due to her image overshadowing the brand. Glenn McMahon chief executive of St. John said: "She overshadowed the brand. We wanted to make a clean break from actresses and steer away from blondes and cleanse the palette" (Messina, 2013).

In addition to this there are some other potential problems associated with using celebrities (Fill, 2005, 234-277).

Since there is a relationship established between the celebrity and the brand, if the image of the celebrity changes, some problems can occur regarding the perception of consumers of the brand (Fill, 2005, 234-277). The sales can decline because of the new, negative image of the endorser the brand (Shimp, 2003, 293-301).

The career of Kate Moss suffered several blows in 2005 mainly due to the picture of her taking cocaine that emerged on Internet and in newspapers. Burberry, Chanel Mademoiselle perfume and H&M dropped the contracts due to the scandals: none of them wanted to risk the image of the company they had built (Messina, 2013).

Lily Allen, the face of Chanel Coco Cocoon handbag range also suffered back in 2010 because of her attitude: Karl Lagerfeld terminated her contract and replaced her with Vanessa Paradis following a party where Lily embarrassed herself as a result of heavy drinking (Messina, 2013).

Cognitive Dissonance

The signification of cognition and attitudes is crucial in the world of advertising. According to Festinger, knowledge, beliefs and opinion are derived by cognition: either about the individual himself, about his or her environment or about someone else's behaviour (Festinger, 1970). According to Leon Festinger (1970), one's attitudes are consistent with each other, such as social or political opinions, since everyone wants to achieve a certain consistency within himself/herself. Copper describes this phenomenon as the following: "If a person holds cognition A and B such that A follows for them opposite of B, then A and B are dissonant" (Cooper 2007, 8).

Another theory by Telci, Maden and Kantur says, that "the theory of cognitive dissonance focuses on the relationships among cognitions that consist of elements of knowledge that people have about their behaviours, attitudes, perceptions, beliefs, feelings or environments" (Telci–Maden–Kantur, 2011, 378-386). Therefore cognitive dissonance is usually used by marketers to understand and analyse consumer behaviour. How can it affect the world of advertising?

Advertising through mass media channels – radio, TV, newspapers, magazines, Internet etc. – can point out the differences between the image a person could have after purchasing a certain product and his/her current self image. Marketers can make customers believe that they are not satisfied with their current image: they believe that by owning or using the product promoted by a celebrity they can also have the image they pursue (Telci–Maden–Kantur, 2011, 378-386). This is how it could result in the customers having cognitive dissonance: they feel incomplete and when they evaluate the available alternatives identified in the decision making process, they might give higher priority to such products.

According to McKay, this is how cognitive dissonance works: "Most advertising delivers images of what people say they want. Most advertising emotionally connects with the images of things the advertisers sell. Cognitive dissonance adds the elements of guilt, regret, anxiety, or dereliction" (McKay, 2008). Although this tool might not work on every customer, it need only work on a few to generate sales. Advertisements do no necessarily have to aim at the people who use the product: it is more important to influence the purchasers of a certain product and create a sense of incompleteness. The case of Old Spice is a very special one: although it produces products for men, it realized that women buy 60% of the products (Edwards, 2010, 18-20). That is why women must be the main targets and in order to make them feel that their men are "incomplete".

The successful commercial called "The Man your Man Could Smell Like" by Old Spice uses self-deprecation by creating an overly masculine character and starts with the following quote spoken by the famous, good-looking actor Isaiah Mustafa: "Hello, ladies. Look at your man, now back to me, now back at your man, now back to me. Sadly, he isn't me. But if he stopped using ladies' scented body wash and switched to Old Spice, he could smell like he's me." The commercial was enjoyable on several levels and made positive statements regarding the portrayal of masculinity and how it relates to women's preferences. It highlighted what makes a man manly and identified the differences between the manly character and the men associated with the female viewers: this is how it created dissonance, incompleteness (Fernandez, 2011).

Festinger (1970, 16-54) states two hypotheses:

- 1. When inconsistency i.e dissonance exists, it can cause psychological discomfort. The person tries to reduce it and reach consistency consonance.
- 2. Therefore when inconsistency exists, the person does not simply try to reduce it: avoiding information and situations which could possibly increase the dissonance is also key in such situations. It can be clearly seen that the "existence of non-fitting relations among cognitions" (Festinger, 1970, 16-54) is a key motivating factor due to the fact that people wants to reduce it. In other words, when inconsistency between a piece of knowledge or a belief and a behaviour occurs, "cognitive dissonance can be seen as an antecedent condition which leads to an activity oriented toward dissonance reduction" (Festinger, 1970, 16-54) and makes a person take actions in order to reduce the inconsistency, therefore it can be classed as a kind of motivation. Dissonance can occur when a person gets to know new information, which can cause a dissonance with the existing belief, or knowledge he/she currently has. Due to the fact that no one has full control over the information that can reach him/her, this inconsistency can easily happen (Festinger, 1970, 16-54).

Therefore it can be deducted that the characteristics of the person who endorses the product can be as important as being able to be put into one of the 3 dimensions, as long as he or she is capable of causing psychological discomfort (cognitive dissonance).

Summary of Findings

To give an overview of the findings from the secondary research, the following facts can be derived: the psychological process called cognitive dissonance occurs when a person has two conflicting ideas or opinions at the same time and this conflict causes pressure (Festinger, 1970, 16-54). Celebrities can have a huge effect on the purchasing behaviour and buying decision of the consumers: when people see well-known, idolized characters, their self-confidence decreases and cognitive dissonance rises. They compare their self-image with the image of the person they see and feel incomplete, imperfect: this psychological factor has the strongest influence on the consumer. (McKay, 2008).

During the decision making process, when consumers weigh up the alternatives, they think of this dissonance: they might think that the use of the product can help them to feel better. This is one reason why they attach higher value to the product endorsed by a celebrity. Establishing a good "fit" between celebrity and product is an excellent way to succeed: a professional with expertise is more likely to influence the consumers. However, this is not the only way to influence consumers. It had been discovered that the 3 dimensions of credibility (attractiveness, trustworthiness and expertise) are more important than a strong connection. In general, using a celebrity who matches either one or more dimension is more crucial and can have greater influence on the purchasing decision of the customers. (Miciak and Shanklin, 1994, 50-59).

Credibility and believability are produced by the 3 elements mentioned above: in this case, a celebrity who simply likes and/or uses the product can also influence the audience. It proves that Sternthal, Dholakia and Leavitt were right: higher credibility results in higher effectiveness (Sternthal, Dholakia and Leavitt, 1978, 252-260).

This is when cognitive dissonance may arise: the current self-image of the customer and the image of the endorser are completely different, therefore he/she feels uncomfortable. Purchasing and using the products endorsed by a perfect looking character can reduce the dissonance and make him/her more comfortable. Simply stated, according to the secondary research chapter, since celebrity endorsed advertising is able to create cognitive dissonance when endorsers possess either one or more elements of credibility and no "fit" with the product, celebrity endorsement in advertisements is able to influence the consumers and have an effect on the purchasing behaviour and buying decision.

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Innovation Management and information Technology impact on Global Economy in the Era of Pandemic

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Khalid S. Soliman

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