Celebrity Endorsement in Social Media

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INTRODUCTION

Social media have not only become an important part in the everyday-life of consumers, but also of brands and celebrities, who utilize Facebook and Twitter to communicate with their fans and stakeholders. These channels opened companies the possibility to engage with customers, because the interactive nature of social media enables the establishment of conversations among individuals and firms. Moreover, they can provide pre-economical advantages, e.g. increased ad awareness or purchase intentions (Neff, 2010).

Compared to traditional media, online social networking sites (SNS) offer relatively cheap ways to place advertisement. With a budget of $1 million, a Facebook ad could reach 125 million views, whereas for the same budget, two 30 seconds TV ads at prime time reach only 19.5 million views (Nair, 2012). Additionally to purchasing ad space, businesses can create posts with advertising content on their Facebook page which is for free. Unfortunately, the organic reach, meaning the amount of people one can reach with these free posts, has dropped drastically from about 16% in April 2012 (Facebook for Business, 2012) to approximately 6% in 2015 (Facebook, 2015). To broaden that distribution, companies can also sponsor these posts, but moreover, they have to pay attention to the users' engagement on their page. On Facebook, the algorithm 'Edgerank' ranks the content based upon the interest of the users that 'liked' the brand's page resulting in an expanded organic reach. This is not limited to Facebook, since success in advertisement in all media is closely related to its ability to be in line with the users' interests (Deane and Pathak, 2009).

Using celebrities in order to promote a company's product or brand is a very established advertising technique. With the rising of Web 2.0, celebrity endorsement did not completely change but it adapted. According to a Visibli (2011) study, the pages of brands and celebrities have one crucial difference. Whilst on brand pages the customer engagement decreases with an increasing number of fans, the average fan engagement increases on celebrity pages. Moreover, the reaction on their posts in terms of likes and comments is nearly twice as high compared to brand posts (Kilian, 2012). Using the concept of celebrity endorsement in social media, brands have the opportunity not only to increase the engagement on their own page, but also to advertise on the celebrity's page, with higher organic reach and additionally approaching new potential customers.

In practice, multiple brands already involve their celebrity endorsers in social media campaigns, like L'Oréal (e.g. Eva Longoria), Adidas NEO (Justin Bieber, Selena Gomez), Keds (Taylor Swift), or Nike (e.g. Cristiano Ronaldo). In theory, only few attempts have been made to investigate the effects, opportunities, and limitations of celebrity endorsement in social media like Twitter, Facebook, or Tumblr. But social media changed brand management significantly. Though traditional media are also omnipresent, the dynamics and interactivity of social media present new challenges. And as markets change, the marketing theories must also be altered to adapt the new situations (Kozinets, Valck, Wojnicki, & Wilner, 2010).

This chapter represents a literature review on the field of celebrity endorsement in social media, starting with a look on research findings in traditional media and then considering the social media en-

vironment. The structure of social media, social networks, and the role of brands, fans, and celebrities will be presented, leading to the current state of celebrity endorsement research within social networking sites. The chapter is concluded by recommendations for future research.

CELEBRITY ENDORSEMENT RESEARCH FROM TRADITIONAL MEDIA

A celebrity endorser is broadly defined as *any 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, p. 310), including movie and television stars, athletes, politicians, artists, and individuals from businesses and the military, excluding typical consumer endorsers (McCracken, 1989). This definition is constricted by Pringle and Binet (2005, p. 202), suggesting that a celebrity is *known to be extremely good at something beyond appearing in advertising, and it is their outstanding skill in their chosen field of endeavor.*

    Researchers have studied the effectiveness of celebrity endorsers for decades using various theories, models, and constructs. Reasons for people to be affected by celebrities can be explained by the identification process of social influence (Kelman, 1961), the social learning theory (Bandura, 1971), or the social identity theory (Tajfel & Turner, 1986), concluding that people are more likely to adopt an attitude or behavior of another person if they identify with him or her. A model trying to explain the impacts of celebrity endorsers is the elaboration likelihood model (Petty & Cacioppo, 1980), where a celebrity endorsing a product acts as a stimulus that influences the manner in which a consumer processes the given advertising message through to the point of the decision to purchase the product (Petty, Cacioppo, & Schumann, 1983). Moreover, the meaning transfer model by McCracken (1986, 1989) can be applied. One aim of celebrity endorsement is to transfer the celebrity's features, as portrayed by the media and enforced by the roles he or she plays in society, to the endorsed product or brand, and then from the product into the life of the consumer (Erdogan & Baker, 2000). Two other models that are commonly used are the source credibility and source attractiveness models (Erdogan, 1999). The source credibility model analyses the factors leading to the perceived credibility of the communicator (Hovland, Janis, & Kelley, 1953), whose positive characteristics in terms of expertise and trustworthiness raise the level of the receiver's acceptance of a message (Kim & Na, 2007; Ohanian, 1990). Celebrities are perceived as credible spokespersons or opinion experts for the endorsed brands, providing a positive impact on attitude change and behavioral compliance (Erdogan, 1999). With regard to the shift in marketing from a sales orientation towards a customer orientation in the past years, trustworthiness becomes a more important construct (Amos, Holmes, & Strutton, 2008). Nevertheless, a high level of expertise can apparently overcome certain celebrity character weaknesses, like the lack of trustworthiness and likeability (Premeaux, 2009). Next to expertise and trustworthiness, Ohanian (1990) included a third component to measure source credibility, the attractiveness. The source attractiveness model relies with regard to the celebrity on the likable, attractive, and meaning-embedded aspects, making them 'aspirational figures' to their fans (Lafferty & Goldsmith, 2004; McGuire, 1985) with a positive influence on attitude towards an advertisement (Bhatt, Jayswal, & Patel, 2008; Petty, Cacioppo, & Schumann, 1983), and advertising effectiveness (Till & Busler, 2000). However, others found that attractiveness was not effective in producing stronger purchase intentions (Baker & Churchill, 1977; Petty, Cacioppo, & Schumann, 1983; Till & Busler, 2000). Kim and Na (2007) discovered that attractiveness proved to be more important than credibility when the fit between an athlete endorser and the endorsed product was incongruent. When customers do not understand the link between the product and the celebrity, the advertising campaign

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