CELEBRITY ENDORSEMENTS IN NATIVE ADVERTISING ON TWITTER AND

THEIR IMPACT ON CONSUMER ATTITUDES

by

Derrick Holland, B.A.

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Committee Members:

Sandhya Rao, Chair

Alexander Muk

Ray Niekamp

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**DEDICATION**


I dedicate this thesis to my grandparents, Wayne Edgar Brown and Clarkie Mae Brown, who raised me when no one else would.  They showed me how to love and did everything they could to instill moral and positive values in my character.  Without their love, I would not be the man I am today.

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# CHAPTER I

# INTRODUCTION

Online advertising continues to be an evolving market. With millions of people logging on to the Internet, advertisers are constantly searching for ways to gain effective exposure. This study examined the phenomenon of native advertising, and more specifically how celebrity and spokesperson endorsements are used in congruency with native advertising. This research will define native advertising, explain the process of endorsement advertising, and finally examine the impact endorsements in native advertising have on the consumer.

Native advertising is synonymous with the term 'advertorial' (Goodlad et al. 1997). An 'advertorial' is an advertisement where the execution is in the editorial style of the host publication (Goodlad et al. 1997). Advertorials have sometimes been categorized as a deceptive means of advertising (Kim, Pasadeos, Barban 2001). Advertorials are mixed in with editorial content which makes it hard on the consumer to recognize the content as an advertisement (Kim, Pasadeos, Barban 2001). Some ads are labeled, but most are not (Kim, Pasadeos, Barban 2001). Advertorials that are labeled are usually placed inconspicuously (Kim, Pasadeos, Barban 2001). A study in 1991 found that advertorials that are not labeled are trusted more by consumers because they blend in with the editorial content (Hausknecht, Wilkinson, Prough 1991). An unlabeled advertorial is more believable to the consumer because of the perceived credibility of the publication (Hausknecht, Wilkinson, Prough 1991). A study in 2001 found that the advertorial format generated greater recall among research participants than the standard advertising format (Kim, Pasadeos, Barban 2001). Although advertorials in print media

are different than native advertising, the concept is the same. The advertiser wants the

advertisement to blend in with the online environment. Some of the data from research

on print media advertorials can be connected to how online native advertising could

potentially impact the consumer. A native advertisement on a news outlet's website that

is not labeled would theoretically be perceived as editorial content. Depending on the

credibility of the news outlet, the native advertisement would be perceived as believable

and recalled easier than an advertisement in a traditional format. Online native

advertising is a new phenomenon. Some believe that native advertising is the new

money-maker in media economics (Bell 2014). For the purposes of this study, the

definition of native advertising will be much like the definition of an advertorial: an

advertisement disguised as editorial material or meant to blend in to a platform's

environment. In this case, celebrity endorsements on Twitter will be the native

advertisements examined.

<u>Endorsers</u>

In order to understand the connection between online native advertising and

endorsements, the process of endorsement advertising must be outlined. One of the most

important aspects of an endorsement is the endorser. There are two main types of

endorser: a celebrity and a non-celebrity (Marshall et al. 2008). This study will focus on

the celebrity endorser and the created endorser, because most native advertising on

Twitter is done by celebrities. A celebrity is a person who has achieved public

recognition and is recognizable by a large number of people (McCracken 1989). The

more popular a person is, the more likely that person will have a large number of

followers on a social media site. In order to maximize exposure for a product, companies

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choose high profile celebrities to talk about their products on social media sites. Celebrities are often chosen to endorse a product because of their popularity and level of attractiveness and likeability (Flek et al. 2012). An example of a celebrity would be Khloe Kardashian. She stars in a reality television show which has exponentially elevated her exposure. Kardashian has over nine million followers on Twitter. A non-celebrity is often referred to as a 'created spokesperson' (Marshall et al. 2008). These endorsers are created by the company and are used primarily to promote the product or service. Some non-celebrity endorsers become celebrities merely from repeated exposure, and these endorsers create a higher link between the product and the spokesperson (Marshall et al. 2008). An example of a created spokesperson would be Allstate Insurance's advertisements that focus on a character named 'Mayhem'. This character was created by Allstate to promote their product. Although some companies do create their own endorsers, most companies chose to use celebrity endorsements because there is a much higher chance that the consumer will relate or like someone they recognize. A study in 1999 showed that 1 in 4 companies use celebrity endorsements in their advertising campaigns (Erdogan 1999).

One of, if not the most influential endorsement theories is the *Meaning Transfer Process*. This process does not discount the source theories, but it defines the fundamental steps in the endorsement process (McCracken 1989). The process contains three steps (McCracken 1989):

1. The first step consists of the celebrity (McCracken 1989). The image and perception of the endorser lies within the endorser, and is subjective in the mind of the consumer.

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2.  The endorser then transfers this meaning into the product he/she is endorsing in Step 2 (McCracken 1989).  Some of the meanings of the celebrity are now part of the image of the product (McCracken 1989).

3.  In the final step, the meaning moves from the product to the consumer (McCracken 1989).

This theory is highly applicable to endorsements in native advertising.  For example, when a celebrity tweets about a product, that celebrity transfers meaning into that product.    The more popular the endorser, the more depth the message has for the consumer.  The consumer receives that meaning from the tweet and in turn associates that meaning with the promoted product.  This is what makes this process so important in celebrity endorsements.  Although created spokespersons can be effective, it is extremely difficult for created endorsers to develop the context that celebrity endorsers create.

The transfer of meaning from the celebrity to the product and then to the consumer is essential to this study.  Meaning is not merely lifted from the product to the consumer in a tangible manner; instead everything that the celebrity has accomplished and stands for is transferred to the consumer in a material fashion (McCracken 1989).  The consumers feel as though they can align with the product if they align with the endorser (McCracken 1989).  In a way, the consumer is able to create a new 'self' (McCracken 1989).

 This thesis is organization into chapters, starting with an introduction that outlined the evolution of endorsements on social media sites, and how native advertising is continuing to emerge in advertising formats.  Chapter 2 will outline different

endorsement theories, ending with McCracken's 1989 *Meaning Transfer Process*.

Chapter 3 will describe in detail the process of the experimental method that was used in order to support or not support the hypotheses. Chapter 3 will also give a detailed description of each experimental group. Chapter 4 will give the overall demographics for each experimental group, as well as individual statistics for demographics for each specific experimental group. Chapter 4 will also describe the results of the Independent T-Tests and Cronbach Alpha statistics that were used to support or not support the hypotheses. Chapter 5 will be a discussion and conclusion section, which will examine the results from the findings section in Chapter 4. Chapter 5 will also include recommendations based on the findings from this study, and any limitations that this study encountered.

# CHAPTER II

# LITERATURE REVIEW

## Historical Perspective

Endorsements are not a new advertising strategy.  Endorsements can be traced back to Queen Victoria's association with Cadbury's Cocoa in the nineteenth century (Erdogan 1999).  The explosion of radio in the 1930's and television in the 1950's allowed companies to use endorsements that reached a large audience (Erdogan 1999).  William Paley, founder of CBS, is one of the major innovators of radio endorsements.  He deployed a strategy that included endorsement advertising within a program, and this plan turned out to be very effective (Hovland, Janis, Kelley 1953).  Communication channels have changed since Paley's time, and endorsements in advertising continue to grow.

## Types of Endorsers

One of the most important aspects of an endorsement is the endorser.  There are two main types of endorser: a celebrity and a non-celebrity (Marshall etc. 2008).  A celebrity is a person who has achieved public recognition and is recognizable by a large number of the population (McCracken 1989).  Celebrities are often chosen to endorse a product because of their popularity and level of attractiveness and likeability (Flek etc. 2012).  A non-celebrity is often referred to as a 'created spokesperson' (Marshall etc. 2008).  These endorsers are created by the company and are used primarily to promote the product or service.  Progressive Insurance is a company that often creates its own endorsers.  "Flo" is a character that was inserted for the mere fact of endorsing the company's product.  Geico Insurance also creates their own endorser, the most popular

being a computer generated lizard that promotes the product through humor. Some non-celebrity endorsers become celebrities merely from repeated exposure, and these endorsers create a higher link between the product and the spokesperson (Marshall etc. 2008). Although some companies do create their own endorsers, most companies chose to use celebrity endorsements because there is a much higher chance that the consumer will relate or like someone they recognize.

<div align="center">Why Endorsements Work</div>

There are certain factors that determine whether or not a celebrity endorsement is effectively received by the consumer. *Source Attractiveness Theory* (SAO) states that the more attractive or likeable a celebrity is, the more likely that the message will be received positively (Eisend, Langner 2010). An endorser that the consumer finds attractive is more likely to create a buying behavior (Eisend, Langner 2010). For example, take the celebrity athlete Michael Jordan into consideration. As a basketball star, he is highly revered as the most talented player of all time. Not only does his athletic prowess add to his ability to endorse a product, but his perceived attractiveness also creates an immediate bond with the consumer (Eisend, Landner 2010). SAO also applies to female and male models. When a female consumer sees a female endorser that she perceives to be attractive, that female consumer will be more likely to purchase the endorsed product (Goldsmith etc. 2000). Most perfume and make-up commercials are endorsed by beautiful women as established by society. SAO is one of the main reasons why there are no visually average or below average endorsers of personal maintenance products. The more attractive an endorser is, the more likely the consumer will to buy the product (Eisend, Landner 2010).

Image is also a determining factor in the reception of an endorsement by a consumer. Specifically, if the consumer views the celebrity's image as one that is similar to their own self-image, the consumer is more likely to look favorably toward the advertisement (Choi, Rifen 2012). This also applies to product image (Choi, Rifen 2012). When a consumer believes that an endorser's image aligns with their own, not only do they look favorably toward the advertisement, but they also look favorably toward the product (Choi, Rifen 2012). This congruence makes companies choose celebrity and non-celebrity endorsers that align with the average consumer's self-image. *The Congruence Model* refers to the effect of a consumer agreeing with an endorser (Choi, Rifen 2012). When an endorser feels in congruence with an endorser, they are more likely to trust and act on the advertisement (Choi, Rifen 2012).

Another important factor in why endorsements work is source likeableness. If the receiver has a positive disposition toward the endorser, they are more likely to have a positive disposition toward the product being endorsed (Flek etc. 2012). The same can be said if the endorser is viewed in a negative light (Carrillat etc. 2013). If the endorser is not liked by the message receiver, then the consumer will create parallel association with the endorser and the product (Carrillat etc. 2013). Source likability has been found to be a short-term evaluation by the consumer (Flek etc. 2012). A celebrity may be involved in a scandal and not liked by a number of people, but that does not mean that they can't endorse products ever again (Flek 2012). Tiger Woods was involved in a major scandal in 2009 that sidelined him from golf and put a huge damper on his reputation. As a result, many of his endorsers dropped him. Nike was one of the few companies that remained with Tiger Woods. They altered their strategy by not using Tiger Woods'

endorsements for a period of time during the scandal.  Although he was not likeable during that time, he gained back parts of his reputation over time.  Most companies do not have Nike's revenue, so they could not risk Tiger Woods continuing to endorse their products.  This strategy shows that celebrity likableness can change from good to bad and then back to good over a certain period of time (Flek etc. 2012).

One theory that proposes why endorsements work is *Source Credibility Theory* (SCT).  SCT states that the more credible a consumer views the endorser in an advertisement, the more likely the consumer is to trust the message and exhibit a buying behavior (Hovland etc. 1953).  SCT asserts that a messages' effectiveness depends on the endorsers 'trustworthiness' or 'expertness' (Hovland etc 1953; McCracken 1989).  A study in 2000 showed that consumers perceived credibility of an endorser and a corporation plays a very important role in a consumer's reaction to an advertisement (Goldsmith etc. 2000).  Tiger Woods is a great example of SCT at work.  Although he was in the middle of a scandal, Nike did not drop him from advertised endorsements.  His likableness was down during the scandal, but he continued to have high credibility in the area of golf.  Because he is perceived as one of the greatest golfers of all time, his endorsements of Nike golf equipment remained very credible.  SCT has also been attributed to political advertising (Goldsmith etc. 2000).  Some celebrities are likeable, but they are not very credible (Tellis 2003).  The more credible an endorser is, the more likely the consumer will attribute a positive attitude toward the candidate or brand (Goldsmith etc. 2000).  Source credibility is especially important in athletic advertisements in magazines (Belch, Belch 2013).  In a 2013 study, twenty percent of celebrity endorsed advertisements were sports athletes (Belch, Belch 2013).  Source

credibility aligns with the athlete's performance in a particular sport.  The more an athlete wins, the more credibility that athlete has.

One of, if not the, most influential endorsement theories is the *Meaning Transfer Process*.  This process does not discount the source theories, but it defines the fundamental steps in the endorsement process (McCracken 1989).  The process contains three steps (McCracken 1989).  The first step consists of the celebrity (McCracken 1989).  The image and perception of the endorser lies within the endorser, and is subjective in the mind of the consumer.  The endorser then transfers this meaning into the product he/she is endorsing in Step 2 (McCracken 1989).  Some of the meanings of the celebrity are now part of the image of the product (McCracken 1989).  In the final step, the meaning moves from the product to the consumer (McCracken 1989).  The more popular the endorser, the more depth the message has for the consumer.  This is what makes this process so important in celebrity endorsements.  Although created spokespersons can be effective, it is extremely difficult for created endorses to develop the context that celebrity endorsers create.  The transfer of meaning from the celebrity to the product and then to the consumer is very interesting.  Meaning is not merely lifted from the product to the consumer in a tangible manner (McCracken 1989).  Everything that the celebrity has accomplished and stands for is stored in a material fashion (McCracken 1989).  The consumer feels as though they can align with the endorser if they align with the brand (McCracken 1989).  In a way, the consumer is able to create a new 'self' (McCracken 1989).

The reason the *Meaning Transfer Process* is so efficient is because it amply explains each step in the endorsement process. For an endorsement ad to work on an

individual consumer, it must flow smoothly from Step 1 to Step 3. By the time the

consumer connects with the product, a strong buying behavior is created. This process

does an excellent job of chronicling the effect of endorsements in advertising on the

consumer and also the role the endorser plays.

<u>When To Use Endorsements</u>

When implementing an endorsement advertising strategy, a company must be in

tuned with where, when, and how to use endorsements. Endorsements should be

positioned where the meaning transfer process has a high chance of working (Keel,

Nataraajan 2012). Proactiv's positioning of advertisements on YouTube featuring Justin

Bieber is a great example. Any videos that align with popular culture and Justin Bieber

fans were highlighted to contain advertisements (Keel, Nataraajan 2012). Endorsement

ads should be used when there is a high chance that the ad will make a big impact on the

consumer (Halonon-Knight, Hurmerinta 2010). In a perfect world, an endorsement ad

would be disseminated to consumers who trust the endorser, are attracted to the endorser,

like the endorser, and have the ability to transfer meaning from the endorser to the

product. In recent years, celebrities have started endorsing their own products rather than

merely being a spokesperson for a company (Keel, Nataraajan 2012). In these situations,

endorser image is highly important. Endorsement advertising should contain high

endorser and product image, because this allows the consumer to easily relate to the ad

and exhibit a buying behavior (Dean 1999). Endorsement ads can't be blindly placed, but

instead must be carefully placed where consumers can easily relate to the message.

<u>Endorsements and Social Media</u>

One goal of this study was to examine how endorsements and native advertising

impact the consumer, specifically on social media sites.   There are many reasons

consumers follow celebrities and spokespersons on social media sites (Wood and

Burkhalter 2014).  Consumers are attracted to celebrities because of image alignment,

likability, interest, attractiveness, and many other factors (Hovland, Janis, and Kelley

1953, McCracken 1989).  In regard to endorsements on Twitter, the mere fact that a

person follows a celebrity may not mean that a celebrity can create positive exposure for

any product he/she tweets about (Wood and Burkhalter 2014).  Endorsements on Twitter

can create exposure for a product, but the endorsement may not be strong enough to

change brand opinions or alliances (Wood and Burkhalter 2014).  The 'Promoted'

endorser 'tweet' may have negative implications if the consumer has a neutral opinion of

the product (Wood and Burkhalter 2014).  Research shows that companies should

encourage consumers to follow them on Twitter so the brand can interact directly with

them instead of solely relying on 'Promoted' tweets (Wood and Burkhalter 2014).

Although 'Promoted' tweets are utilized by the advertising industry, many companies are

finding new ways to truly blend an advertisement in with the platform's environment.

One way is by paying a celebrity to tweet about a product.  This is just one example of an

endorsement through native advertising.  The tweet is not labeled in any way as an

advertisement.  It merely shows up on a consumer's social media site like any other tweet

would, granted that consumer is following the celebrity or someone that the consumer is

following 'retweets' the tweet.

     Online native advertising is a booming new trend.  The print 'advertorial' set the

precedent for attempting to blend an advertisement in with editorial content.  However,

online endorsements in native advertising is a new phenomenon.  Endorsers now have the

ability to promote a product or service from their personal Twitter account, most of the time without the label of a promotion or an advertisement. This blurred line between an advertisement and a personal tweet has the potential to create a stronger meaning transfer from the endorser to the product to the consumer.

## Significance

There is a large amount of research on endorsement advertising, but not much on the impact of endorsements in online native advertising. Research exists in regard to consumer perception on 'Promoted' tweets, but no significant research on the impact of an endorser (whom the consumer follows because of a variety of personal reasons, not product interest) talking about a product on a social media site. This study will examine the impact of endorsements in online native advertising on the consumer. This study will also look at how endorsers use Twitter to promote a product or service. A consumer who follows a celebrity does so for a variety of different reasons, but for those who do so for positive reasons, the transfer process could potentially be shorter and stronger. For example: If Consumer A follows Celebrity A because of attractiveness, then a native endorsement tweet will potentially have a more meaningful transfer process than an endorsement in a traditional advertising format. This research contends it will be a stronger transfer because the native advertisement does not appear as an advertisement, while an endorsement in a traditional advertising format is more obvious to the consumer. Potentially a new *Native Advertising Meaning Transfer* model will be constructed; one with a noted shorter and more meaningful transfer of meaning from the endorser to the product to the consumer.

## Hypotheses

- H1: A celebrity endorsement on Twitter would generate more positive consumer attitudes than a celebrity endorsement in a broadcast format.

  o H1A: A celebrity endorsement on Twitter would generate more positive consumer attitudes toward the endorser than a celebrity endorsement in a broadcast format.

  o H1B: A celebrity endorsement on Twitter would generate more positive consumer attitudes toward the brand than a celebrity endorsement in a broadcast format.

  o H1C: A celebrity endorsement on Twitter would generate more positive consumer attitudes toward the product than a celebrity endorsement in a broadcast format.

  o H1D: A celebrity endorsement on Twitter would generate more positive consumer purchase intentions than a celebrity endorsement in a broadcast format.

- H2: A celebrity endorsement on Twitter would generate more positive consumer attitudes than a created spokesperson endorsement on Twitter.

  o H2A: A celebrity endorsement on Twitter would generate more positive consumer attitudes toward the endorser than a created spokesperson endorsement on Twitter.

  o H2B: A celebrity endorsement on Twitter would generate more positive consumer attitudes toward the brand than a created spokesperson endorsement on Twitter.

  o H2C: A celebrity endorsement on Twitter would generate more positive

consumer attitudes toward the product than a created spokesperson endorsement on Twitter.

- o H2D:  A celebrity endorsement on Twitter would generate more positive consumer purchase intentions than a created spokesperson endorsement on Twitter.

- H3:  A celebrity endorsement on Twitter would generate more positive consumer attitudes than an endorsement by the brand on Twitter.

    - o H3A:  A celebrity endorsement on Twitter would generate more positive consumer attitudes toward the endorser than an endorsement by the brand on Twitter.

    - o H3B:  A celebrity endorsement on Twitter would generate more positive consumer attitudes toward the brand than an endorsement by the brand on Twitter.

    - o H3C:  A celebrity endorsement on Twitter would generate more positive consumer attitudes toward the product than an endorsement by the brand on Twitter.

H3D:  A celebrity endorsement on Twitter would generate more positive consumer purchase intentions than an endorsement by the brand on Twitter.

# CHAPTER III

# METHODOLOGY

## Introduction

In order to test the impact that celebrity endorsements on Twitter have on consumer attitudes, this study chose the experimental method. By using the experimental method, this study was able to not only measure this impact, but also compare it to three other experimental groups: created endorsers on Twitter, brand endorsements on Twitter, and celebrity endorsements in a broadcast format. Each experimental group represents an attempt to prove one of the four hypotheses.

All background literature was collected from Alkek Library. This study used the Alkek Library Research Database to review literature that is pertinent to advertising and celebrity endorsements. This background literature was used to create a foundation for the study. The experiment was conducted in the fall of 2014, and the research was completed and submitted in the spring of 2015.

The independent variables in this study are the endorsement itself, the two formats that the endorsements were shown on (Twitter and Broadcast), and the types of endorsers (created endorsers, celebrity endorsers, and brand endorsements). The dependent variables tested in this study are consumer attitudes: attitudes toward the celebrity, attitudes toward the brand, attitudes toward the product, and purchase intentions.

There are two types of endorsers (Marshall etc. 2008): a celebrity and a 'created' endorser. Based on this definition, this study used brand endorsements as the control

group. These endorsements are purely tweets by the brand, not an endorser according to the definition of endorser this study used. In order to find out if McCracken's *Meaning Transfer Process* applies to endorsements on Twitter, four groups were exposed to different endorsements on two different mediums. By exposing each group to a different set of endorsements and administering a consistent questionnaire, this study compared the results in an attempt to prove each hypothesis.

<div align="center">Sample</div>

The participants were recruited from a large mass communication core class required of all mass communication majors one week before the experiment took place. This was a convenience sample from a population of mass communication students at a large Central Texas university. The lead researcher went to the large core class and asked for volunteers to participate in an experiment over Twitter. The only requirement was that each student have a Twitter account. The participants were promised a $10 incentive once the experiment was over, and an in-class extra credit opportunity for those that attended the experiment. The lead researcher received grant funding in the amount of $1,800. The grant funding was used for materials for the experiment, payment for the graduate assistants, payment for the room reservations for the experiment, and also incentives for each participant. The incentive was provided in the way of $10 gift cards. Each student signed up by providing their name and school email address. The email addresses were then randomized using Microsoft Excel into the four different groups. Each student was notified by email what room number to be in for the experiment, and a graduate student directed the students from their mass communication classroom to the conference rooms.

Four graduate students were chosen by the lead researcher to assist in administering the experimental groups. The lead researcher conducted the experiment for Group 2, and three graduate assistants conducted the other three experimental groups. One other graduate assistant coordinated students and directed them toward the right room to be in. Each graduate student was trained on how to administer each specific experimental group. A script was also provided to each graduate student, which they read from verbatim during the entire course of the experiment (script attached at Appendix A). After the conclusion of the experiment, the graduate students placed each questionnaire in a manila folder and brought them to the lead researcher.

Each group in the experiment was conducted at the same time in order to eliminate communication between groups. Four conference rooms were reserved on campus and the endorsements were shown to the participants on a projector using a laptop provided by the university. The questionnaire was administer on paper, and each participant was given a pencil. Each participant filled out a demographic questionnaire before the experiment began that asked basic demographic questions, as well as questions about the amount of time the participant used Twitter and why they used Twitter (demographic questionnaire attached at Appendix B). After the demographic page was filled out, each group was shown five endorsements. The endorsements were shown through Microsoft PowerPoint. After viewing one endorsement, the participants were asked to fill out one page of the research questionnaire (research questionnaire attached at Appendix C). This continued until the last endorsement was shown, and the last page of the questionnaire was filled out by all participants. Each group lasted approximately 30 minutes. The total number of participants was 87 over the four groups.

Trained graduate students conducted experimental groups so each group could be conducted at the same time, and in the same exact manner. This was done in order to ensure that there was no communication between groups. The questionnaire used in each group was identical except for the different endorser names and product names. For example, if the tweet or broadcast advertisement involved Kim Kardashian as the endorser, the questionnaire used her name and the name of the specific product she was endorsing. Each page directly corresponded to each message shown to the participants. Each participant filled out five questionnaires and each questionnaire contained 14 questions. The questionnaire consisted off of a five-point Likert Scale, with 1 meaning Strongly Agree, 2 meaning Agree, 3 meaning Neutral, 4 meaning Disagree, and 5 meaning Strongly Disagree. Questions for attitude toward the celebrity were adapted from previous studies, with the names of the endorsers and products changed to fit this study (Feick and Higie 1992, Martin, Wentzel, Tomczak 2008). Questions for attitude toward the brand were adapted from previous studies, with the names of the endorsers and products changed to fit this study (Schlinger 1979). Questions for attitude toward the product were adapted from previous studies, with the names of the endorsers and products changed to fit this study (Lee and Mason 1999). Questions for purchase intention were adapted from previous studies, with the names of the endorsers and products changed to fit this study (Till and Busler 2001, Dodds, Monroe, and Grewal 1991).

## Experimental Groups

Group 1 was shown five celebrity endorsement tweets. There were a total of 22

participants in this group.  Each tweet consisted of a different celebrity and a different

product (all tweets attached at Appendix D):

1.   Tweet One: Michael Black, a comedian and actor with 1.95 million followers on
     Twitter, endorsing the alcoholic beverage DosEquis.

2.  Tweet Two: Justin Bieber, a musician with 61.3 million followers on Twitter,
    endorsing the product 1-800-Flowers.

3.  Tweet Three: Kim Kardashian, a reality television personality with 29.9 million
    followers on Twitter, endorsing the Evolution of Smooth (EOS) lip balm.

4.  Tweet Four: Ryan Seacrest, a reality television personality with 13.3 million
    followers on Twitter, endorsing the department store Macy's.

5.  Tweet Five: Oprah Winfrey, a television host and entrepreneur with 26.9 million
    followers on Twitter, endorsing the Microsoft Surface (a tablet much like the
    iPad).

After the first celebrity endorsement tweet was shown to the participants, they were

asked to fill out the first page of the questionnaire.  Each page of the questionnaire was

carefully constructed to complement each endorsement tweet.  The tweets were gathered

by the lead researcher after months of following celebrities on Twitter.  Each tweet was

selected based on popularity and number of retweets the message gathered.  These factors

were included based on the assumption from the researcher that a more popular celebrity

would garner more innate subjectivity from each participant, and more retweets would

mean the message was disseminated to a large population.  Popularity was measured by

the number of followers the celebrity has.  For example, Kim Kardashian was a celebrity

used in the experiment, because she currently has 29 million followers.

Group 2 was shown five broadcast celebrity endorsements (all YouTube URL links attached at Appendix E):

1. Broadcast Endorsement One: Kim Kardashian, a reality television personality, endorsing the restaurant Carl's Jr.

2. Broadcast Endorsement Two: Miley Cyrus, an actor and musician, endorsing the department store Wal-Mart.

3. Broadcast Endorsement Three: Justin Bieber, a musician, endorsing the department store Macy's.

4. Broadcast Endorsement Four: Ryan Seacrest, a reality television personality, endorsing the oral product Scope.

5. Broadcast Endorsement Five: LeBron James, a professional basketball player, endorsing the automotive company Kia Motors.

The researcher used commercials from the video social media website www.youtube.com and embedded each of them into a PowerPoint presentation. There was a total of 26 participants in this group. After watching each broadcast endorsement, the participants were asked to fill out one page of the questionnaire that was constructed specifically for each commercial. Three out of the five celebrities used in this group were also used in Group 1.

Group 3 was shown five tweets by different brands. There was a total of 20 participants in this group. This group acted as the control group, because there is no celebrity or created endorser (all tweets attached at Appendix F):

1. Brand Tweet One: A tweet from the restaurant company Carl's Jr. endorsing a new item on the menu.

2.  Brand Tweet Two: A tweet from the automotive company KIA Motors endorsing a new line of cars.

3.  Brand Tweet Three: A tweet from the company FIJI Water endorsing a new type of drink.

4.  Brand Tweet Four: A tweet from the department store Macy's endorsing a new purse.

5.  Brand Tweet Five: A tweet from the electronics company Samsung endorsing the Microsoft Surface, an iPad type device.

Based on the literature, an endorser is either a celebrity or an entity created by a company (Marshall etc. 2008).  These tweets were directly from the brand.  For example, the restaurant chain Carl's Jr. tweets promotional offers and other messages about different foods that are available at each restaurant.   The message comes straight from the company.  After each brand tweet, participants were asked to fill out the corresponding page of the questionnaire.

Group 4 was shown five tweets from different created endorsers.  There was a total of 19 participants in this group.  For example, Progressive Insurance created an endorsement character named 'Flo'.  Flo is a personality that is often shown on broadcast advertisements, and she also is used to disseminate messages on Twitter.  The following created endorsement tweets were used (all tweets attached at Appendix G):

1.   Created Endorsement Tweet One: 'Flo', a personality with 32.7 thousand followers on Twitter created by Progressive Insurance, endorsing Progressive Insurance.

2.  Created Endorsement Tweet Two: 'Geico Gecko', a personality with 21.8

thousand followers on Twitter created by Geico Insurance, endorsing Geico Insurance.

3. Created Endorsement Tweet Three: 'Chester Cheetah', a personality with 54 thousand followers on Twitter created by the food manufacturer Frito-Lay, endorsing Cheetos brand chips.

4. Created Endorsement Tweet Four: 'Aflac Duck', a personality with 68.7 thousand followers on Twitter created by Aflac Insurance, endorsing Aflac Insurance.

5. Created Endorsement Tweet Five: 'Mayhem', a personality with 80.8 thousand followers on Twitter created by Allstate Insurance, endorsing Allstate Insurance.

After each created endorsement tweet was shown, the participants filled out the corresponding page of the questionnaire. After the experiment was completed, the questionnaires were coded into SPSS. Each question was answer based on a five-point Likert Scale, and each number was entered into SPSS and labelled with the corresponding meaning. For example, if a student circled 1 for question 3, the number 1 one was entered into SPSS for that participant for question 3. Labels were created for all five scale items to correspond with the questionnaire. For example, when the lead researcher put a number in for a participant response, that number was predetermined to correspond to that meaning on the Likert Scale.The data was then entered into SPSS for further evaluation for the results and discussion section of the study. Each individual group was entered into a separate SPSS file, then after all four groups were entered, another data file was created and all four groups were inserted. This was done so each group could be analyzed separately, and then analyzed collectively with a combination data file. The lead researcher hand-entered each page of the questionnaire into SPSS.

**CHAPTER IV**

**FINDINGS**

After all the data was entered into the Statistical Package for Social Sciences

(SPSS) by the lead researcher, certain statistical tests were conducted using SPSS in order

to uncover the impact that celebrity endorsements on Twitter have on consumer attitudes.

This study used the experimental method that consisted of four groups. A reliability test

called Cronbach's Alpha was run on all the responses from each group. This test was

chosen in order to establish whether or not the data is reliable and the groups have a high

level of internal consistency.

<u>Cronbach's Alpha</u>

In order to test the reliability of the results, a statistical test called Cronbach's

Alpha was applied to all the responses from all four groups. This study registered an

alpha value of **.686**.

**Table 1: Reliability Statistics**

| Cronbach's Alpha | N of Items |
|---|---|
| **.686** | 70 |

A scale has a limited reliability, and the amount of reliability a scale has

determines the scale's construct validity (Peterson 1994). There are a few different

sources of literature that offer what specific level of reliability constitutes reliable results

(Peterson 1994). In a1994 meta-analysis study of Cronbach's Alpha, Robert Peterson constructed a table of different recommendations for minimally accepted Cronbach Alpha values. The most widely accepted recommendation comes from Nunnally, with a recommendation for preliminary research of .5 to .6, basic research at .8, and applied research from .9 to .95 (Nunnally 1967). The results for this study measure above the expected value for preliminary research, and below that of basic research. There is a very limited amount of research on celebrity endorsements on social media, and even fewer studies about endorsements on Twitter. Based on those assumptions, this study falls into the category of preliminary research. Based on Nunnally's recommendation, this study registered reliable results from the participants in the experiment.

After the results from each group were entered into SPSS, another statistical test called an Independent Sample T-Test was used. This test was used in order to compare the means of each group, and was essential in proving the hypotheses. An Independent Sample T-Test allows this study to compare each group based on the dependent variables, which are the four different consumer attitudes, and also the different independent variables, which is the type of endorser and also the platform in which the endorsement took place. For example, the Independent Sample T-Test allowed this study to compare the group that saw celebrity tweets with the group that saw celebrity endorsements in a broadcast format. The test allowed this study to see if there was a significant difference between consumer attitudes across the two independent variables of Twitter and broadcast.

<u>Demographics</u>

Demographics are an important part of an experiment. Each group filled out a

demographics page before the experiment began, and this allowed for a better understanding of each group. There were a total of 87 participants. 63 participants were female, and 14 participants were males. Only two of the participants were between the ages of 25 and 34, while the other 85 participants were between the ages of 18 and 24. Only one participant used Twitter on a laptop, while 86 participants used Twitter on a smart phone.
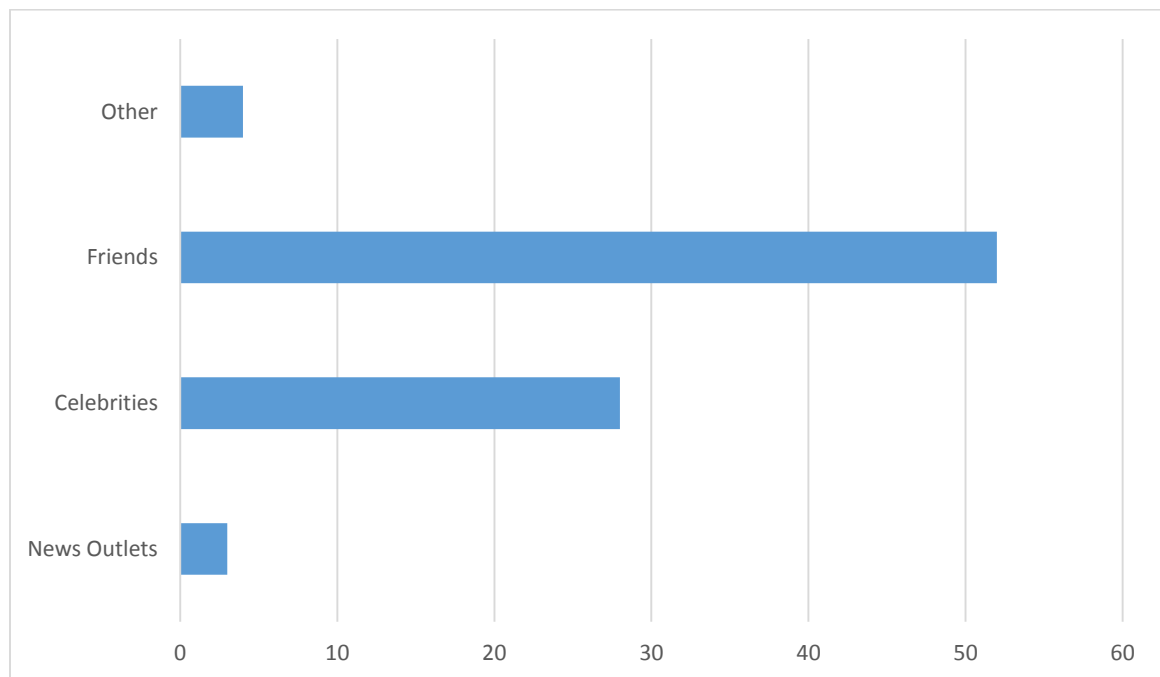


**Figure 1: Overall Participant Responses on Who They Follow on Twitter**

Group 1 (See Figures 1 and 2) saw celebrity endorsements on Twitter, and this group was composed of all 18-24 year olds. Of the 22 participants in Group 1, 18 were female and 4 were male. Twenty of these participants use Twitter at least once a week, with 15 of those specific 20 users saying they use Twitter more than three times a day. All 22 participants use Twitter with smart phone.
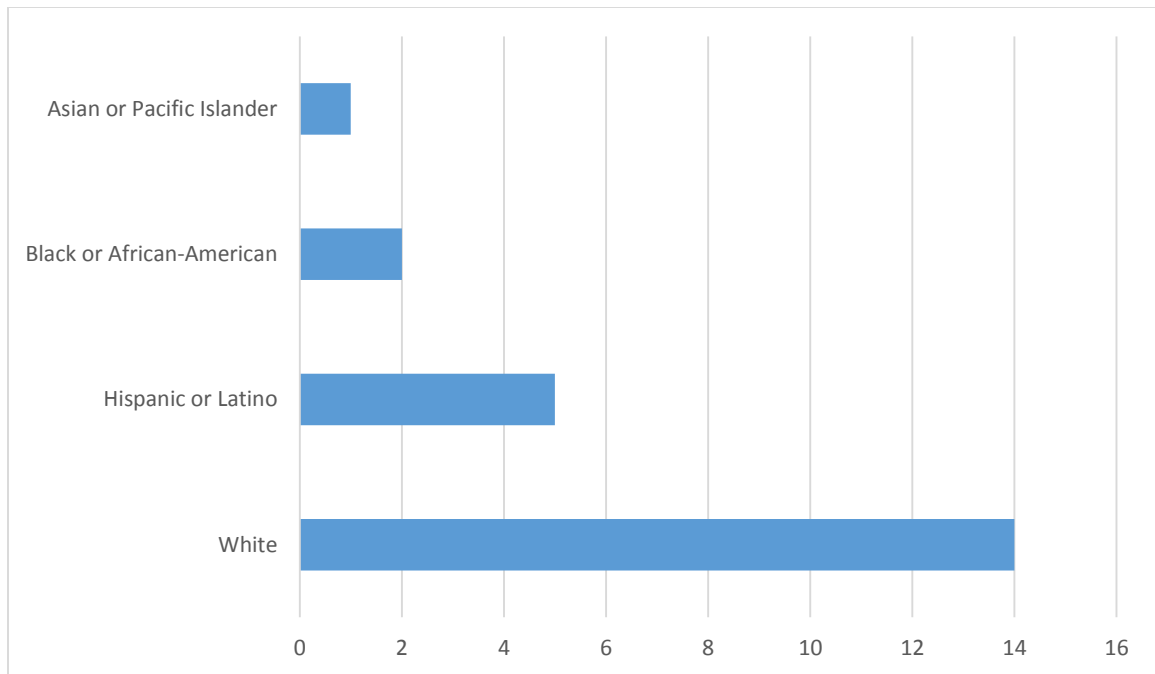
**Figure 2: Ethnicity for Group 1**

Group 2 (See Figure 3) saw celebrity endorsements in a broadcast format, the group consisted of 26 participants, 24 of those being in the age group of 18 to 24. Two of the 26 participants were in the age group of 25 to 34. 18 of the participants were females, and 8 were males. Eighteen of the participants used Twitter more than three times a day, and all but one participant in Group 2 used Twitter on a smart phone.
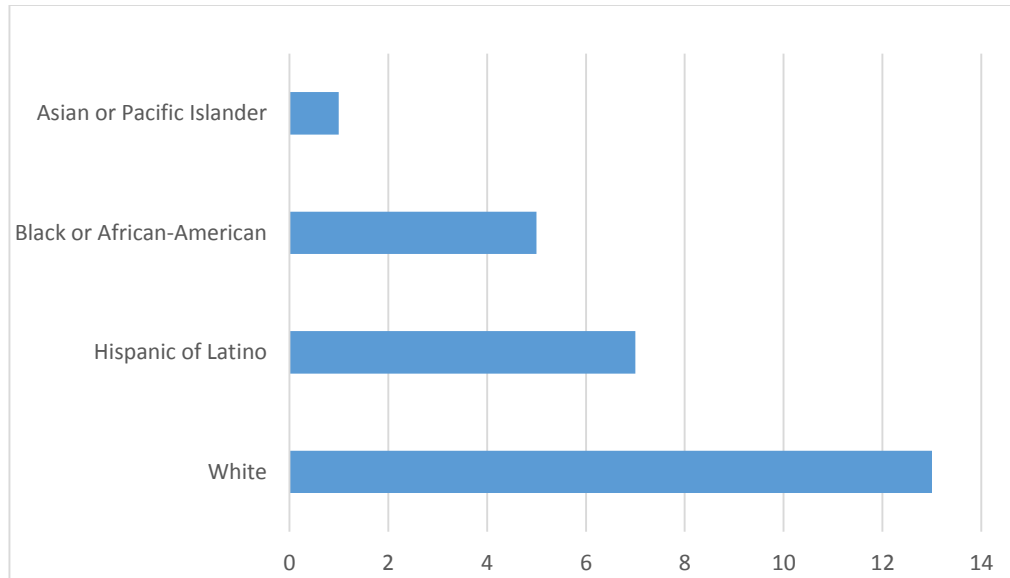
**Figure 3: Ethnicity for Group 2**

Group 3 (See Figure 4) saw tweets from different brands, and since there was no created or celebrity endorser this group acted as the control group. Of the 20 participants in Group 3, 15 were female and 5 were male. All participants in Group 3 were in the age group of 18 to 24. Nineteen participants used Twitter on their smart phone, and 16 of the 20 participants used Twitter at least once a day. Nineteen of the participants created a Twitter account a year before the experiment, and only one participant in Group 3 used Twitter to follow news outlets. Twelve participants follow friends on Twitter, while 5 participants follow celebrities.
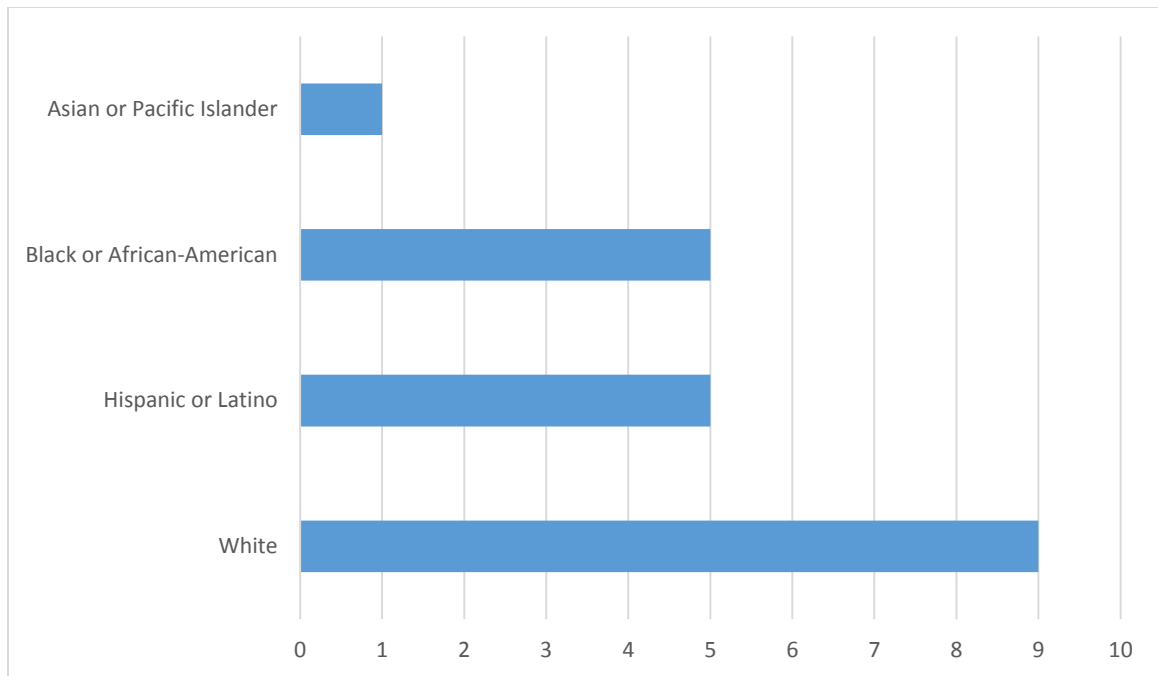
**Figure 4: Ethnicity for Group 3**

Group 4 (See Figure 5) was shown tweets from created endorsers, and this group consisted of 19 participants. Thirteen of the participants were White, 3 were Hispanic or Latino, 2 were Black or African-American, and 1 was Asian or Pacific Islander. All 19 participants were in the age group of 18 to 24. All participants used Twitter at least once a week, with 12 of the participants using Twitter more than 3 times a day. All but one participant used Twitter with a smart phone. Eleven participants use Twitter to follow their friends, 7 to follow celebrities, and 1 to follow news outlets.

**Figure 5: Ethnicity for Group 4**

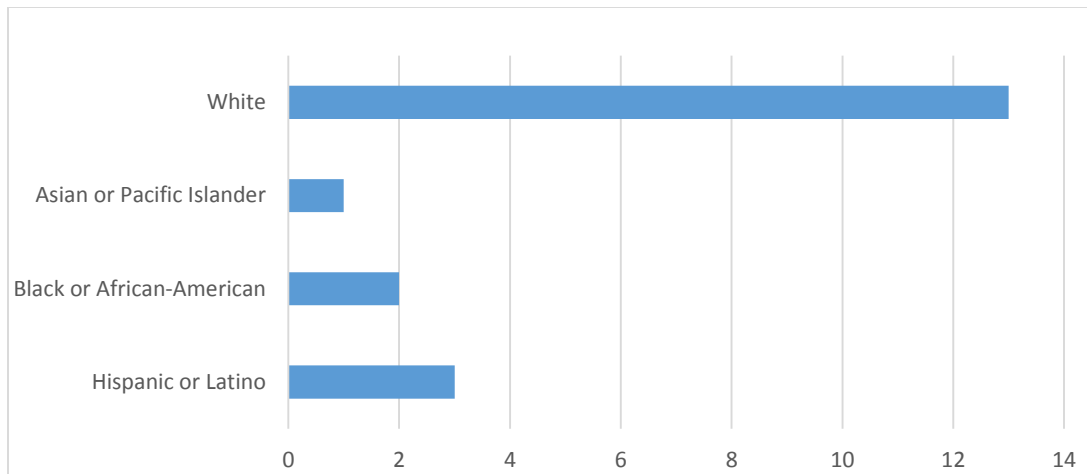<u>Hypothesis Testing</u>

In order to measure the hypotheses, this study used Independent Sample T-Tests to test if there were any significant differences between the experimental groups.

- H1: A celebrity endorsement on Twitter would generate more positive consumer attitudes than a celebrity endorsement in a broadcast format.

  - o H1A: A celebrity endorsement on Twitter would generate more positive consumer attitudes toward the endorser than a celebrity endorsement in a broadcast format.

  - o H1B: A celebrity endorsement on Twitter would generate more positive consumer attitudes toward the brand than a celebrity endorsement in a broadcast format.

  - o H1C: A celebrity endorsement on Twitter would generate more positive consumer attitudes toward the product than a celebrity endorsement in a broadcast format.

- o H1D: A celebrity endorsement on Twitter would generate more positive consumer purchase intentions than a celebrity endorsement in a broadcast format.

The means of participants who viewed a celebrity endorsement on Twitter and on a broadcast format were compared using an Independent Sample T-Test. For the questions that pertained to attitude toward the endorser, there was no significant difference found (t (1, 46) = .515, p > .05). Therefore, hypothesis 1-A is not supported. There is no significant difference in attitudes toward the endorser between groups who saw celebrity endorsements on Twitter and in a broadcast format.

For questions that pertained to attitude toward the product, there was no significant difference found (t (1, 46) = .272, p > .05). Therefore, hypotheses 1-B is not supported. There is no significant difference in attitudes toward the product between groups who saw celebrity endorsements on Twitter and in a broadcast format.

For questions that pertained to attitude toward the brand, there was a significant difference found (t (1, 46) = .032, p < .05). Therefore, hypothesis 1-C is supported. There is a real difference in attitudes toward the brand between groups who saw celebrity endorsements on Twitter and in a broadcast format. Participants who viewed celebrity endorsements on Twitter recorded more agreeable responses toward the brand (m= 62.3636, sd= 3.81158) than participants who viewed a celebrity endorsements in a broadcast format (m= 64.7308, sd= 3.60619).

For questions that pertained to purchase intentions, a significant difference was found among the participants (t (1, 46) = .037, p < .05). Therefore, hypothesis 1-D is supported. There is a real difference between the participants' purchase intentions

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between groups who saw celebrity endorsements on Twitter and in a broadcast format. The mean's for questions pertaining to purchase intention for participants that saw celebrity endorsements on Twitter leaned significantly more toward agreement (m = 45.7727, sd = 4.35269) than those who saw a celebrity endorsement in a broadcast format (m = 48.5, sd = 4.39318).

- H2:  A celebrity endorsement on Twitter would generate more positive consumer attitudes than a created spokesperson endorsement on Twitter.

    o H2A:  A celebrity endorsement on Twitter would generate more positive consumer attitudes toward the endorser than a created spokesperson endorsement on Twitter.

    o H2B:  A celebrity endorsement on Twitter would generate more positive consumer attitudes toward the brand than a created spokesperson endorsement on Twitter.

    o H2C:  A celebrity endorsement on Twitter would generate more positive consumer attitudes toward the product than a created spokesperson endorsement on Twitter.

    o H2D:  A celebrity endorsement on Twitter would generate more positive consumer purchase intentions than a created spokesperson endorsement on Twitter.

The means of participants who viewed a celebrity endorsement on Twitter and participants who viewed endorsements by created spokespersons on Twitter were compared using an Independent Sample T-Test.  For questions pertaining to attitudes toward the endorser, there was a significant difference found between the two groups (t

(1, 39) = .004, p < .05). However, the participants who viewed the celebrity endorsements on Twitter recorded more disagreeable responses (m = 59.5455, sd = 4.76822) than participants who viewed endorsements by created spokesperson on Twitter (m = 54.8947, sd = 5.05409). Therefore, hypothesis 2-A is not supported. There is a significant difference between the two groups, but celebrity endorsements on Twitter did not create more positive attitudes toward the endorser than endorsements by created spokespersons on Twitter.

For questions pertaining to attitudes toward the product, there was no significant difference found between the groups (t (1, 39) = .695, p > .05). Therefore, hypothesis 2-B is not supported. There was no significant difference in attitudes toward the product between participants who saw celebrity endorsements on Twitter and participants who saw endorsements by created spokespersons on Twitter.

For questions pertaining to attitudes toward the brand, there was a significant difference found between the groups (t (1, 39) = .011, p < .05). Participants who viewed celebrity endorsements on Twitter recorded more agreeable responses toward the brand (m = 62.3636, sd = 3.81158) than those that viewed endorsements by created spokespersons on Twitter (m = 66.3158, sd= 5.62783). Therefore, hypothesis 2-C is supported. Celebrity endorsements on Twitter generated more positive attitudes toward the brand than endorsement tweets by created spokespersons.

For questions pertaining to purchase intentions, there was no significant difference found between the groups (t (1, 39) = .073, p > .05). Therefore, hypothesis 2-D is not supported. There is no significant difference in purchase intentions between participants who saw celebrity endorsements on Twitter and participants who saw

endorsements on Twitter by created spokespersons.

- H3:  A celebrity endorsement on Twitter would generate more positive consumer attitudes than an endorsement by the brand on Twitter.

    - H3A:  A celebrity endorsement on Twitter would generate more positive consumer attitudes toward the endorser than an endorsement by the brand on Twitter.

    - H3B:  A celebrity endorsement on Twitter would generate more positive consumer attitudes toward the brand than an endorsement by the brand on Twitter.

    - H3C:  A celebrity endorsement on Twitter would generate more positive consumer attitudes toward the product than an endorsement by the brand on Twitter.

    - H3D:  A celebrity endorsement on Twitter would generate more positive consumer purchase intentions than an endorsement by the brand on Twitter.

The means of participants who viewed a celebrity endorsement on Twitter and participants who viewed endorsements by different brands on Twitter were compared using an Independent Sample T-Test.  For questions pertaining to attitude toward the endorser, there was no significant difference found between the groups (t (1, 40) = .128, p > .05).  Therefore, hypothesis 3-A is not supported.  There was no significant difference in attitude toward the endorser between participants that saw celebrity endorsements on Twitter and participants that saw endorsements by brands on Twitter.

For questions pertaining to attitude toward the product, there was no significant

difference found between the groups (t (1, 40) = .955, p > .05).  Therefore, hypothesis 3-B is not supported.  There was no significant difference in attitude toward the product between participants that saw celebrity endorsements on Twitter and participants that saw endorsements by brands on Twitter.

For questions pertaining to attitude toward the brand, there was no significant difference found between the groups (t (1, 40) = .339, p > .05).  Therefore, hypothesis 3-C is not supported.  There is no significant difference in attitude toward the brand between participants that saw celebrity endorsements on Twitter and participants that saw endorsements by brands on Twitter.

For questions pertaining to purchase intention, there was no significant difference found between the groups (t (1, 40) = .509, p > .05).  Therefore, hypothesis 3-D is not supported.  There is no difference in purchase intentions between participants that saw celebrity endorsements on Twitter and participants that saw endorsements by brands on Twitter.

# CHAPTER V

# DISCUSSION AND CONCLUSION

The main goal of this study was to see what impact celebrity endorsements on Twitter have on consumer attitudes, and also to determine if McCracken's 1989 *Meaning Transfer Process* applies to celebrity endorsements on Twitter. In order to quantify impact on consumer attitudes, this study formulated three hypotheses, each with four subset hypotheses, and conducted an experiment based on participant responses to questionnaires. The experiment consisted of four groups, with participants in each group viewing a different advertisement. These advertisements included celebrity endorsements on Twitter, celebrity endorsements in a broadcast format, created spokesperson endorsements on Twitter, and endorsements on Twitter by the brand. Cronbach's Alpha and Independent T-Tests were then applied to tell if there was a difference between the groups. Based on the findings, three specific hypotheses were supported:

- o H1C: A celebrity endorsement on Twitter would generate more positive consumer attitudes toward the product than a celebrity endorsement in a broadcast format.

- o H1D: A celebrity endorsement on Twitter would generate more positive consumer purchase intentions than a celebrity endorsement in a broadcast format.

- o H2C: A celebrity endorsement on Twitter would generate more positive consumer attitudes toward the product than a created spokesperson endorsement on Twitter.

Hypothesis H1-C was supported. Participants that viewed celebrity endorsements on Twitter expressed more positive attitudes toward the product than those who saw celebrity endorsements in a broadcast format. This finding possibly relates to the topic of native advertising. Consumers who view tweets by celebrities view those tweets as a personal endorsement which blends in with the rest of the Twitter environment. An endorsement by a celebrity in a broadcast format is obviously an advertisement in the eyes of a consumer; therefore, based on the results of this study, consumers may have more positive attitudes toward products that are endorsements on Twitter because they are not blatant advertisements like endorsements in a broadcast format. Instead, participants looked at these endorsements on Twitter as a sincere statement that the celebrity actually likes the product, and those participants were more likely to have a positive attitude toward the product.

Hypothesis H1-D was supported. Participants that viewed celebrity endorsements on Twitter expressed a more agreeable desire to purchase the products than those who viewed celebrity endorsements in a broadcast format. As stated in the literature review, a celebrity endorsement on Twitter is synonymous with the term 'native advertising', which is the digital version of the traditional 'advertorial'. A celebrity with a Twitter account can tweet anything he or she want. Many celebrities use Twitter to express opinions or beliefs, and some celebrities use Twitter to promote products. These promotions, or advertisements, are not labeled and in turn blend in with other tweets. An 'advertorial' is an advertisement where the execution is in the editorial style of the host publication (Goodlad et al. 1997). Native advertising is synonymous with the term 'advertorial' (Goodlad et al. 1997). A study in 1991 found that advertorials that are not

labeled are trusted more by consumers because they blend in with the editorial content (Hausknecht, Wilkinson, Prough 1991). The results of this study contend that consumers will be more likely to purchase a product endorsed by a celebrity on Twitter than an endorsed product in a broadcast format. The consumer sees a broadcast endorsement and judges it for what it is: an advertisement. Therefore, the endorsement loses some impact because the consumer knows the sole purpose of the image is to sell a product. The same can't be said for celebrity endorsements on Twitter. Consumers view an endorsement on Twitter by a celebrity as editorial content, not as an advertisement. Because of this, consumers are more likely to trust the endorsement and purchase the product.

Hypothesis H2-C was supported. Participants who viewed a celebrity endorsement on Twitter had more positive attitudes toward the product than participants who viewed endorsements by created spokespersons on Twitter. There are two main types of endorsers: a celebrity and a non-celebrity endorser (Marshall etc. 2008). A celebrity is a person who has achieved public recognition and is recognizable by a large number of the population (McCracken 1989). A non-celebrity is often referred to as a 'created spokesperson' (Marshall etc. 2008). Many companies create characters and personalities for the sole purpose of promoting a product and brand. Many insurance companies, Allstate, Progressive, and Aflac are just a few, deploy created spokespersons to promote their brand in broadcast, print, and online formats. Many companies use these personalities on social media sites, including Facebook and Twitter. According to the findings in this study, consumers are more likely to feel positively toward products endorsed by celebrities on Twitter than products endorsed by created spokespersons on Twitter. There are a few possibilities for this finding. Created spokespersons are merely

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characters who exist for the sole purpose of promoting a product. Celebrities have much more context in the mind of consumers, therefore they have more impact on how a consumer feels toward a product. According to the findings in this study, there is no significant difference in consumer attitudes toward the endorser, the brand, or purchase intentions between consumers who see an endorsement on Twitter by a celebrity or a created spokesperson, but there is a significant difference in how consumers feel toward the product. Therefore, a more effective advertising campaign on Twitter would include a celebrity because it would increase positivity toward the product.

<p style="text-align:center">Significance of Findings</p>

One important goal of recruiting celebrities to endorse products is to enhance the ability to sell the product. McCracken's *Meaning Transfer Process* says that each consumer has a subjective attitude toward each celebrity endorser (McCracken 1989). That subjectivity is then transferred to the product that is being endorsed, and then finally transferred to the consumer (McCracken 1989). Consumers who purchase these products do so in an attempt to align themselves with the celebrity endorser, and in turn create a new 'self' that is, in the mind of the consumer, like the celebrity (McCracken 1989). The data in this study suggests that celebrity endorsements on Twitter are more likely to register a buying behavior than endorsements by celebrities in a broadcast format. Therefore, the desire to create a new 'self', as explained by McCracken, is stronger when a celebrity endorsement is seen on Twitter rather than on television. This is significant because of the costs that companies dedicate to broadcast advertising, and more specifically celebrity broadcast advertising. In the 2015 Super Bowl (the American championship football game that happens at the beginning of every year), NBC charged

upwards of $4.5 million for a 30-second broadcast advertisement (BBC News, 2015).

Couple this with the cost of paying for production costs, as well as the high cost of

recruiting a popular celebrity, and many firms are paying nearly $7 million dollars for

these primetime advertisement (BBC News 2015).  Compare this with the cost of

dispersing celebrity endorsements on Twitter.  The only cost is the recruitment of the

celebrity.  According to Business Insider, some celebrities like actor George Clooney can

cost up to $1 million (Business Insider, 2014).  While other celebrities like actor Jim

Carrey can cost up to $350 thousand (Business Insider, 2014).  There is no cost for

opening a Twitter account, or tweeting during a certain time.  Not only is the cost lower

for celebrity endorsements on Twitter, but according to this study, it achieves a higher

probability of creating a buying behavior than a celebrity endorsement in a broadcast

format.

Attitude toward the product is another important aspect of the consumer-endorser

relationship.  With the emergence of created spokespersons, especially in the insurance

(car, automotive, life, etc.) market, this study probed at the difference between celebrity

endorsements on Twitter and created spokesperson endorsements on Twitter.  Although

created spokespersons don't have as many followers on Twitter as popular celebrities do,

an account with over 80 thousand followers has significant influence.  Also, people who

follow celebrities do so for a variety of reasons.  An endorsement tweet by a celebrity is

native advertising, but an endorsement by a created spokesperson is not because the only

reason that character exists is to promote the product and brand.  An individual who

follows a created spokesperson does so with the knowledge that they are there to endorse

a product.  This difference can be seen in the finding related to attitude toward the

product between the groups that saw celebrity endorsements on Twitter and created spokesperson endorsements on Twitter. Participants were more favorable toward the product when a celebrity was endorsing as opposed to when a spokesperson made the endorsement. This is significant because one of the main goals of endorsement campaigning is to sell a product, and improving consumer attitudes toward products is vital in that campaign.

Twitter also has exponential reach. Unlike broadcast advertisements, a tweet has an exponential shelf life compared to the typical 30-second shelf life of a commercial. When Kim Kardashian, who has over 29 million followers, tweets about a cosmetic product, and then that tweet is then retweeted over 15 thousand times, the reach becomes paramount. A user who doesn't follow Kardashian may see the tweet simply because someone who they do follow retweeted it. This is added significance to the findings, because the more reach an endorsement has, the more likely the endorsement will work.

<u>Recommendations</u>

Based on the results of this study, Twitter can possibly be used to endorse products effectively and for a lower cost. In addition to using celebrity endorsements in a broadcast format, which consists of paying for the placement of the celebrity endorsement, production costs for the broadcast format, and recruit of the celebrity, companies should consider placing celebrity endorsements on Twitter as well. The cost is far cheaper, the reach is exponentially greater, and according to this experiment the impact on purchase intentions is significantly bigger. By using broadcast celebrity endorsements and also celebrity endorsements on Twitter, a brand can reach a wide variety of demographics. The endorsement is also disguised as editorial content, making

consumers trust the endorsement more.  By paying for only the recruitment of the celebrity, the company can allow for the consumer to have more of a desire to create McCracken's new 'self'.  Companies should be careful to select celebrities that align with brand and product identity.  The ability for these tweets to go viral is far more likely than in the case of broadcast advertisements, and this can be a good and bad thing.  If a tweet is obviously an advertisement for a product rather than a personal recommendation, consumers may be less likely to purchase the product and trust the brand.

Although this study began under the premise that celebrity endorsements on Twitter would generate more positive consumer attitudes than the other three groups tested, a significant difference was found between the celebrity endorsement group and the created spokesperson endorsement group.  Participants were actually more favorable toward the created endorser than they were the celebrity endorser.  Based on these results, companies should continue to promote brands and products with created spokespersons, but this venture should continue to extend beyond the insurance market.  The cost of creating a character and pushing out endorsements on Twitter is extremely low compared to other forms of endorsements, although the reach of a created spokesperson on Twitter is far less than a popular celebrity on Twitter.  In order to improve reach on Twitter, created spokesperson broadcast advertisements should include ways for consumers to get involved with the characters on Twitter.  This will improve reach, and allow for companies to capitalize on a more positive consumer attitude toward created spokespersons.

<u>Limitations</u>

As with all research, this study has some important limitations and weaknesses.

The demographics, specifically gender, were not equal.  This was a convenience sample, and more women volunteered and showed up than men.  This may in some way skew the results, because some of the endorsements shown were aimed at women and some at men.

In important limitation to this study is in reference to the research questionnaire. There was no pretest for the questionnaire, and this study relied purely on past studies that used the questions used in this study.  This study used different questions to measure different consumer attitudes, and these questions were selected from various studies.  The fact that this questionnaire has never been tested as a whole is another limitation.

Although the experimental method has many advantages, the group sizes are normally not very large.  In addition to this being a convenience sample from one specific class, the results cannot be generalized.

## Conclusion

Social media is growing exponentially.  Since this is exploratory research and an emerging field, much of the literature dives deep into print and broadcast endorsements instead of online endorsements.  There is not much research on the impact that digital advertising has on consumers, and nearly none on the impact that endorsements on social media sites have on consumers.  This lack of research creates vast possibilities for future research.  Companies are beginning to realize the potential of advertising on social media sites, and more specifically using endorsements on social media to improve consumer attitudes and sell products.  This study's findings suggest that companies should use Twitter as a platform for celebrity endorsements, because of the reach, low cost, and

ability to blend an advertisement in as editorial content. This study suggests that consumers are more likely to purchase a product when they see a celebrity endorse the product on Twitter, rather than when they see a celebrity endorse a product in a broadcast format. This study also suggests that celebrity endorsements on Twitter have a more positive impact on attitudes toward the product than do created spokesperson endorsements on Twitter. These findings are important, but this study is the first of its kind, and much more research must be done in order to fully understand what impact celebrity endorsements on Twitter have on consumer attitudes.

# APPENDIX SECTION

## Appendix A: Script for Graduate Students

## <u>SCRIPT</u>

<u>Leader:</u>    "Hello everyone, and thank you for coming.  In front you is a packet and a pencil.  Please put all other things away.  Please pick up your pencils and fill out the first page.  Once you are done, please put your pencils down. "

**Give them a couple minutes to fill out the first page.  Once everyone is done, then follow the rest of the script.  It shouldn't take them more than 2 minutes.**

<u>Leader:</u>   "Everyone may now pick up their pencils, and turn to the next page, which is yellow.  I will show you a tweet, and you will read each sentence on the page and circle which number best suits your attitude.  If you strongly agree, then clearly circle the number 1.  If you agree, then clearly circle the number 2.  If you are neutral, then clearly circle the number 3.  If you disagree, then clearly circle the number 4.  If you strongly disagree, then clearly circle the number 5.  The legend for the numbers is at the top of every page.  After viewing each tweet, you will complete a page of questions.  Do not move ahead or go back.  Every person should be on the same page.  You will have 3 minutes to answer the questions, and then I will tell you to turn the page."

**Go to the first slide with the first tweet from Michael Black.**

Leader:  "Please read this tweet and fill out the yellow page.  Once you are done, put your pencils down."

**Once the three minutes is up and all pencils are down, go to the next slide with the tweet from Justin Bieber, blue page.**

Leader:  "Please turn the page to the blue page.  Read this tweet, and fill out the questions on the blue page.  After you are done, put your pencils down."

**Once the three minutes is up and all pencils are down, go to the next slide with the tweet from Kim Kardashian, green page.**

Leader:  "Please turn the page to the green page.  Read this tweet, and fill out the questions on the green page.  After you are done, put your pencils down."

**Once the three minutes is up and all pencils are down, go to the next slide with the tweet from Ryan Seacrest, red page.**

Leader:  "Please turn the page to the red page.  Read this tweet, and fill out the questions on the red page.  After you are done, put your pencils down."

**Once the three minutes is up and all pencils are down, go to the next slide with the**

**tweet from Oprah Winfrey, white page.**

<u>Leader:</u> "Please turn to the last white page.  Read this tweet, and fill out the questions on the white page.  After you are done, put your pencils down."

**Once the three minutes are up, go by and take up all the packets and put them in the folder.  Have everyone sign-out with you, and as each person signs out provide them with one $10 gift card.**

## Appendix B: Demographics Questionnaire

1. What is your age?

    a. 12-17 years old

    b. 18-24 years old

    c. 25-34 years old

    d. 35-44 years old

    e. 45 years or older

2. Please specify your ethnicity.

    a. White

    b. Hispanic or Latino

    c. Black or African-American

    d. Native American or American Indian

    e. Asian or Pacific Islander

    f. Other

3. Please specify your gender.

    a. Male

    b. Female

4. Please specify your classification.

    a. Freshman

    b. Sophomore

    c. Junior

    d. Senior

    e. Other

5. How often do you use Twitter?

   a. More than 3 times a day

   b. Once a day

   c. Once a week

   d. Once a month

   e. Never

6. How long have you had a Twitter account?  Please provide the year you created

   an account.

7. What do you use most of the time to access Twitter?

   a. Laptop

   b. Desktop Computer

   c. Smart Phone (ex: iPhone, Samsung Galaxy)

   d. Other:_____

8. Who do you like to follow on Twitter?

   a. News Outlets

   b. Celebrities

   c. Friends

   d. Brands

   e. Other:_____

**Appendix C: Research Questionnaire (Note: Endorser and Product names were different on each page to match each different advertisement.)**

Likert Scale:

| Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 |

1. _____ and I probably have similar values and beliefs.

2. _____ is quite like me.

3. I like the product.

4. It's likely that _____ and I have similar tastes and preferences.

5. I know that the advertised brand is a dependable, reliable one.

6. What they said about the brand was honest.

7. That's a good brand and I wouldn't hesitate recommending it to others.

8. The probability that I would consider buying this product is high.

9. As I watched, I thought of reasons why I should trust the brand.

10. I feel positively toward the product.

11. The likelihood that I will purchase this product is high.

12. The idea of _____ endorsing _____ represents a good fit.

13. I am more interested in the product as a result of seeing this message.

14. I am certain that I will purchase the product.

# Appendix D: Celebrity Endorsement Tweets



**Kim Kardashian** @KimKardashian — Follow

Pregnancy lips.... @EOS to the rescue! LOL twitpic.com/ctpyjj

Reply · Retweet · Favorite · More

TwitPic

By Kim Kardashian @KimKardashian
View on web

467 RETWEETS  1,006 FAVORITES

9:18 PM - 27 May 13          Flag media

**Michael Ian Black** @michaelianblack — Follow

I just turned myself into a Most Interesting Person with the new @DosEquis Legend of You app. Check it out on.fb.me/166xmC6

Reply · Retweet · Favorite · More

81 RETWEETS  148 FAVORITES

3:07 PM - 10 May 13

Oprah        Tweet        Follow

**Oprah Winfrey** @Oprah

Gotta say love that SURFACE! Have bought 12 already for Christmas gifts. #FavoriteThings

18 hours ago via Twitter for iPad

**Justin Bieber** @justinbieber — Follow

Everybody knows I love #MyMom! @1800flowers Mother's Day is on Sunday! Love your momma! Love u @pattiemallette - bit.ly/YmjAJ1

Reply · Retweet · Favorite · More

75,770 RETWEETS  51,690 FAVORITES

8:30 AM - 9 May 13

**Appendix D: Celebrity Endorsement Tweets**

**Appendix E: URL links for Celebrity Broadcast Endorsements**

Kim Kardashian, Carl's Jr.: https://www.youtube.com/watch?v=J11qUjHiGhs

Justin Bieber, Macy's: https://www.youtube.com/watch?v=gyBJE3j4aTU

Ryan Seacrest, Scope: https://www.youtube.com/watch?v=51bX9E9eX6M

LeBron James, KIA: https://www.youtube.com/watch?v=2DRhhwqSFbE

Miley Cyrus, Walmart: https://www.youtube.com/watch?v=G7X6bzIp09E

# Appendix F: Brand Endorsement Tweets
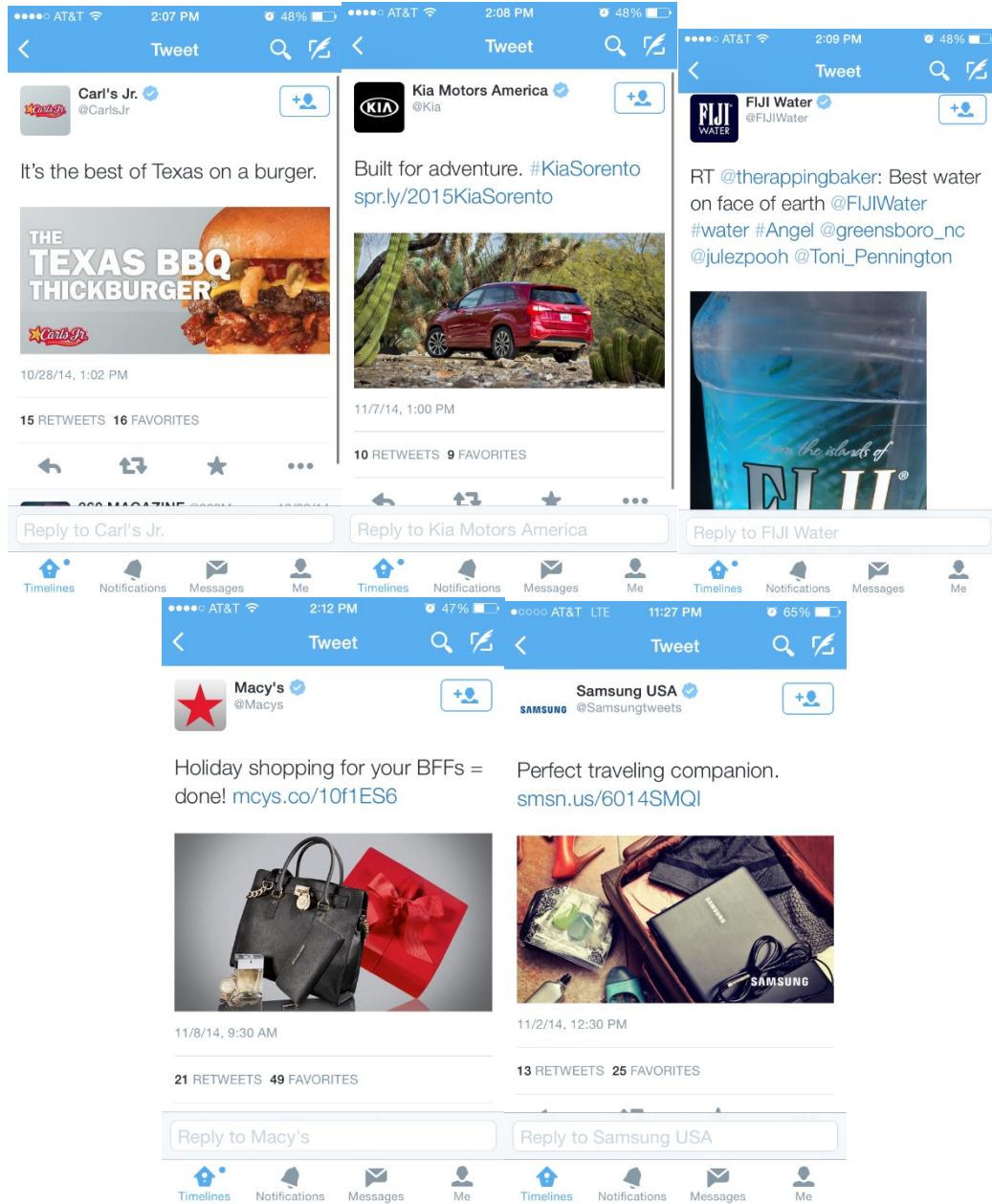
**Appendix G: Created Spokesperson Tweets**

< Tweet 🔍 ✒️

Flo from Progressive ✓
@ItsFlo

I think my computer might be monitoring me.

10/28/14, 9:00 PM

Reply to Flo from Progressive

Timelines   Notifications   Messages   Me

< Tweet 🔍 ✒️

The GEICO Gecko ✓
@TheGEICOGecko

If you haven't been by the GEICO store, it's probably looking a lot different. Check it out! geicostore.com

"Did You Know?"
New Merchandise has Arrived!
NOW AVAILABLE

Reply to The GEICO Gecko

Timelines   Notifications   Messages   Me

< Tweet 🔍 ✒️

Aflac Duck ✓
@aflacduck

Need help with #openenrollment? Aflac has helpful resources that are worth looking into! afl.ac/DP6kc

11/4/14, 6:00 PM

3 RETWEETS  5 FAVORITES

↩️   🔁   ★   •••

Reply to Aflac Duck

Timelines   Notifications   Messages   Me

< Tweet 🔍 ✒️

Chester Cheetah ✓
@ChesterCheetah

People say "Cheese" when taking photos because it's impossible to look sad thinking about cheese.

11/5/14, 8:02 PM

109 RETWEETS  116 FAVORITES

↩️   🔁   ★   •••

Sarfaraz Jamal @sasjamal          3d
@ChesterCheetah u need a new type of Cheeto called chee#bro

Lisa Hunter Ronan @LisaLronan     3d
"@ChesterCheetah: People say "Cheese" when taking photos

Reply to Chester Cheetah

Timelines   Notifications   Messages   Me

< Tweet 🔍 ✒️

Mayhem ✓
@Mayhem

I've taken over the radio and I'm only playing the HITS. Get it? onairmayhem.com

MAYHEM IS EVERYWHERE
onairmayhem.com
ON THE AIR

Reply to Mayhem

Timelines   Notifications   Messages   Me

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