Exploring the Perception of Influencers Vs. Traditional Celebrities: Are Social Media Stars a New Type of Endorser?

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ABSTRACT

The growing popularity of social media networks enables individuals to acquire large audiences of up to several million people on these platforms. Companies are starting to recognize this potential especially for young target groups, and to hire these so-called 'influencers' as endorsers in social media; these individual influences sometimes even take the place of traditional celebrities in corporate advertising. The question arises whether there is a difference in perception between these two types of endorsers and if so, which moderators influence these perceptions. In this study we explore consumers' general perception of social media influencers compared to traditional celebrities. We conduct an online survey with 590 respondents who were asked to rate 14 influencers and traditional celebrities in pairwise comparisons regarding their similarity. We apply multidimensional scaling (MDS) and find substantial differences in perceptions between the two groups. Additionally, we apply property fitting with evaluations regarding six different characteristics determining endorser effectiveness. While in total traditional celebrities are evaluated more favorably, this difference diminishes for high levels of familiarity and even reverses for perceived trustworthiness and similarity to oneself. The results indicate that marketers should carefully distinguish between influencers and traditional celebrities for endorsements, as systematic differences in perceptions between the groups are likely to have an impact on endorser effectiveness. Further research is needed to investigate which moderators (e.g. advertising type, product category) influence the perception and subsequently the endorsement effectiveness of the two types of endorsers.

CCS Concepts

• **Applied computing→Marketing** • **General and reference→Empirical studies**

Keywords

1. INTRODUCTION

Celebrity endorsements are an established marketing practice and have been discussed in marketing research extensively over the last decades [2, 4, 11, 25]. In this context, a celebrity can be 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" [25]. With the rise of social media, a new phenomenon of so-called 'influencers' is observed. An influencer can be defined as (1) an opinion leader in digital social media, who (2) communicates to an unknown mass audience [1, 40]. Most importantly, (3) this audience is acquired directly without any institutional mediation like the entertainment or sports industry [27]. In the following, this third aspect of the definition is used as the discriminating criterion between influencers (e.g., the YouTube star PewDiePie [3]) and traditional celebrities (e.g., the singer Katy Perry [3]), who typically gained their popularity in an institutional setting [27].

The most popular influencers have audiences of several million people on platforms like Facebook, YouTube or Instagram, which is comparable with established celebrities from the entertainment or sports industry [3, 35]. Companies like L'Oréal or Mercedes-Benz recognize this potential and increasingly use influencers as part of their marketing communication strategy [12, 39]. Just as celebrity endorsers, the companies often pay these influencers to integrate and promote corporate brands, products or services into their social media posts [13]. In some cases, these endorsements even reach beyond the influencer's own channels and influencers appear as endorsers in TV commercials (e.g., Kristina Bazan for L'Oréal) or launch their own product lines in cooperation with companies (e.g., Zoella and the UK retailer Superdrug) [15, 38].

Therefore, a convergence of the most popular influencers and traditional celebrity endorsers can be observed. One of the most popular, and presumed, advantages of influencers is a higher credibility and trustworthiness, because they are seen as a user like anyone else in social media [1, 40].

This leads to the question of whether there is a difference in the perceptions of these two types of endorsers and if so, which characteristics differ and under which circumstances. If

influencers are a new type of endorser, a clear distinction between the two types of endorsers and knowledge about the factors that determine their effectiveness as marketing tools will improve our understanding of this new phenomenon and help to objectively evaluate the favorability of one or the other type.

Against this background, this research empirically explores differences in consumers' perceptions of these two endorser types using a multidimensional scaling (MDS) approach. We focus on individuals that are popular among young people in Germany and define several selection criteria to ensure comparability between the two groups of traditional celebrities and influencers. In the following, the academic literature on celebrity endorsements and social media influencers is reviewed as grounding for the project. In the subsequent section, the research design and applied method are discussed, before the results are presented in section four. Finally, we discuss the results and suggest further research in this area.

2. LITERATURE REVIEW
2.1 Celebrity Endorsements
Celebrity endorsements are an established method in marketing, and have experienced increasing relevance over the past several decades [11]. A considerable share of advertising features celebrity endorsements, with estimates of about 20% in the USA, 17% in the UK and more than 48% in Japan [10, 33, 34]. Subsequently, an extensive stream of research in marketing has focused on celebrity endorsements [2, 4, 11, 20]. Celebrity endorsement effectiveness has been studied regarding various aspects like audience attitude towards the ad [18], brand recall [28], brand image [23] or purchase intention [31].

The common understanding in marketing literature of which characteristics influence the perception and effectiveness of endorsers in the endorsement process, and they are illustrated through two models known as the source attractiveness model and the source credibility model [11]. According to the source attractiveness model, the attractiveness of an endorser is determined by the familiarity, likability and similarity of the endorser [26]. In the source credibility model, the credibility of an endorser is determined by the expertise, trustworthiness and physical attractiveness [30]. In addition to our MDS approach, we therefore include the underlying characteristics of both models in our research design, as they are determining factors for endorser effectiveness.

2.2 Influencers in Social Media
Due to the novelty of this phenomenon, little is known about influencers in their role as endorsers so far. Existing research primarily focuses on the related phenomenon of electronic word-of-mouth (eWOM) in the context of blogs and social media networks [20]. These new media channels enable any individual to make messages almost instantly available to a potentially broad audience [8, 14]. Consequently, a stream of research has been concerned with the conceptualization and identification of influential opinion leaders in social networks that are most relevant for firms to amplify eWOM [24, 41]. Kozinets et al. [22] study the effectiveness of four types of bloggers' communication strategies in a word-of-mouth marketing campaign. They find that

an explanatory strategy (i.e., the disclosure of underlying marketing campaigns) and the adherence to the community's norms lead to the most favorable reactions (i.e., comments). It seems reasonable to assume that this finding is also applicable for influencers, although their role as stars with a fan community might lead to more favorable perceptions in general.

The process that enables influencers to acquire very large audiences and even fans in social media without institutional mediation is studied by McQuarrie, Miller and Phillips [27], who call it the "megaphone effect". They argue that for the case of fashion blogging this effect is based on the accumulation of cultural capital. In accordance to this, Duffy and Hund identify a pattern in the communication of successful fashion bloggers who strive to correspond to a cultural ideal [9]. While these findings certainly cannot be generalized to all kinds of influencers, it might well be applicable for the majority of influencers whose content primarily consists of lifestyle topics. Uzunoğlu and Misci Kip [40] conduct in-depth interviews with corporate and agency managers to explore the role of bloggers in brand communication. In their interviews, all participants agree that trustworthiness and credibility are two of the major assets of influencers, as they are seen as regular users of the internet.

Kapitan and Silvera [19] are the first that mention influencers in the context of celebrity endorsements. They develop a conceptual framework for endorser effectiveness based on existing research on celebrity endorsements and information processing and point out that this should be applicable to traditional celebrities as well as influencers. They argue that endorser effectiveness is dependent on attributions consumers make—that is, whether they believe that an endorser truly likes and uses an endorsed product or not. However, they do not empirically validate their framework. To the best of our knowledge, no research exists that empirically studies differences between influencers and celebrities in the context of endorsements. Our study takes a first step to investigate this by comparing both types of stars on a general level.

3. METHOD
3.1 Research Design and Data
To identify differences in perceptions of celebrities and influencers, we first selected relevant persons for each of the two groups. The selection was based on a study that identified the most popular celebrities and influencers among German teenagers [16], as our survey addressed German respondents. Since most of the influencers are under 30 years old and most popular among people of a similar age, and especially teenagers [3], we mainly focused on the undergraduate students. To ensure comparability between the celebrities and influencers and to minimize potential biases, several selection criteria were applied. We excluded international celebrities, as the most popular influencers are all German stars communicating solely on German. Additionally, sports celebrities were excluded due to a lack of influencers addressing sport topics and because of a potential bias caused by participant affiliate and sympathy for a particular football club. Finally, celebrities older than 50 years and influencers who always appear as a group were excluded. The remaining individuals were included in the survey. For an equal

split between men and women in both groups, we added two celebrities based on a national voting of a teenager magazine for the most popular stars 2015 and one influencer based on popularity in terms of the number of followers. This procedure led to a final set of 7 celebrities and 7 influencers who were included in the survey.

We collected data via an online survey in November 2016. The name and a picture of each of the 14 stars were presented to the respondents. They were asked to indicate who they knew. Based on this selection, pairwise comparisons of persons were presented to the respondents. This method has been shown to be one of the most favorable methods to collect similarity data for MDS [5]. The respondents were asked to rate the perceived similarity between the two persons shown each time on a 7-point Likert scale (1: very dissimilar; 7: very similar). To ensure a common understanding of 'similarity', each participant was presented with the instruction: *"Please consider the persons as a whole – i.e., considering everything they are famous for, how they act in public and for what they stand. Visual resemblance is <u>not relevant</u> in this case."* After this main task, respondents rated a limited number of persons regarding six different characteristics (attractiveness, trustworthiness, expertise, similarity, likeability, familiarity). We adapted established scales from the literature, limiting each scale to 2-3 items due to the already extensive task of pair comparisons.

The final sample consists of n=590 respondents with an average age of 20.7 years. The young age of our study population resulted in an average awareness level of 43% for influencers and 91% for traditional celebrities. In total, the dataset contains 20,150 evaluations of pair comparisons.

3.2 Multidimensional Scaling

We apply multidimensional scaling to analyze the data set and the pair comparisons. This approach is very suitable for exploratory data analysis [6, 32]. No assumptions regarding discriminating characteristics are required and the visualization of the results helps to identify patterns in the data. The closer two individuals are positioned in the estimated configuration, the higher their perceived similarity. We compute the mean of perceived similarity for all of the 91 [14*(14-1)/2] potential pair comparisons, filling in a 14x14 matrix. Classical MDS optimizing the strain criterion with Euclidean distances is used for the calculation [7]. Several other configurations were tested, but led to similar results.

To facilitate the interpretation of the MDS results, we apply so-called property fitting or vector unfolding [6]. In this procedure, a linear regression is applied to identify which underlying characteristics contribute to the estimated distances in the two-dimensional space. The estimated values for the two dimensions are used as independent variables, while a supposedly discriminating characteristic is used as dependent variable. The resulting regression coefficients are then used to link the characteristics to the positioning in the MDS configuration by including vectors in the MDS space.

4. RESULTS

The application of MDS reveals a significant difference in perception of influencers and celebrities. We estimate a two-

dimensional configuration with Kruskal's STRESS-1=0.159, thus clearly below an expected average value for random data with n=14 objects and two dimensions [37]. A higher dimensionality is not needed, as the value decreases only marginally with any further dimension, considering the elbow-criterion [36]. The estimated configuration is depicted in Figure 1. Celebrities and influencers are clearly separated in the diagram, demonstrating that the groups are perceived differently. In contrast, the individuals within each group are perceived as much more similar and are therefore positioned closer to each other. Additionally, the subgroups are divided by gender, indicating a systematic difference in perceptions. The following results of the property fitting therefore should be interpreted per gender only (e.g. female influencers versus female celebrities).
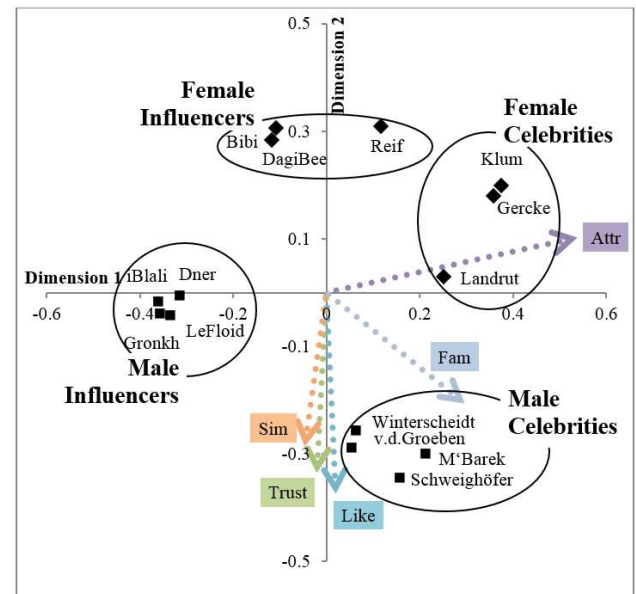

Figure 1. Estimated configuration of the MDS.

The scales for the evaluation of attractiveness, trustworthiness, expertise, similarity, likeability and familiarity all show a Cronbach's alpha >0.8, supporting their internal consistency. The mean values per person are used for the property fitting in the MDS space to gain insight into the underlying characteristics of the two identified dimensions. For five of the six characteristics (except expertise), the regression analyses estimate significant results (cp. Table 1). For each characteristic, one vector is shown in Figure 1. The orientation of each vector indicates towards which direction objects with a higher value in the respective characteristic are positioned. The length of the vectors indicates the magnitude of the effect.

Table 1: Results of regression analyses for property fitting.

Dep. var.	Indep. var.	β	p	R²
Familiarity	Dim. 1	0.30	**0.00***	0.69
	Dim. 2	-0.21	**0.02***	adj. 0.64
Attractivity	Dim. 1	0.54	**0.00***	0.80
	Dim. 2	0.10	0.30	adj. 0.76
Trustworthiness	Dim. 1	-0.02	0.79	0.58
	Dim. 2	-0.34	**0.00***	adj. 0.50
Likeability	Dim. 1	0.02	0.77	0.70
	Dim. 2	-0.37	**0.00***	adj. 0.65
Similarity	Dim. 1	-0.05	0.44	0.63
	Dim. 2	-0.29	**0.00***	adj. 0.57
Expertise	Dim. 1	0.11	0.28	0.17
	Dim. 2	-0.11	0.36	adj. 0.02

The estimated vectors indicate that celebrities are positioned more favorable regarding all five characteristics. This corresponds to the results of mean comparison tests, which show significant differences for all six characteristics except for trustworthiness and similarity between the male subgroups (cp.

Table 2).

Table 2. Mean values of characteristics per group.

Scale: 1(low) - 7(high)		Fam	Attr	Trust	Like	Sim	Exp
Female	Celebrities	4.9	5.5	4.4	4.8	3.4	5.5
	Influencers	3.6	4.5	3.4	4.0	2.8	4.6
	Sig. diff.	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Male	Celebrities	5.1	5.0	5.1	5.8	4.2	5.6
	Influencers	3.8	3.2	4.9	5.2	4.1	5.2
	Sig. diff.	**0.00**	**0.00**	0.14	**0.00**	0.08	**0.00**

However, it is reasonable to assume that the level of familiarity has a moderating effect on the perception of the other characteristics such as similarity [29]. We therefore apply the Johnson-Neyman technique to examine this moderating effect [17]. To do this, the conditional effect of the endorser is estimated for all levels of familiarity. The results are shown in Figure 2. A positive conditional effect indicates the relative favorability of a traditional celebrity regarding the examined characteristic, while a negative effect indicates the relative favorability of an influencer. The more familiar the respondents are with the evaluated persons, the more diminishes the relative favorability of traditional celebrities. For very high levels of familiarity, the effect even reverses for two characteristics and influencers are perceived significantly more similar (p<0.01) and as having more expertise than traditional celebrities (p<0.05). The exception is the evaluation of attractiveness: while in the female subgroup the favorability of traditional celebrities also diminishes with higher levels of familiarity, this is not the case for the male subgroup. The reason for this is probably the selection of male influencers, who do not deal with lifestyle or fashion topics related to attractiveness.
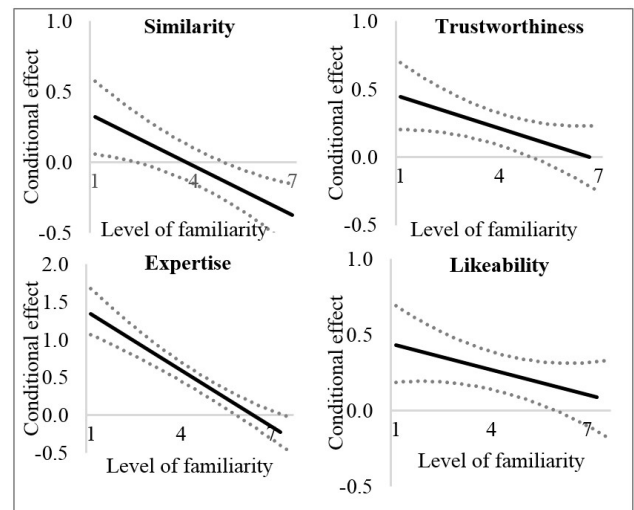

Figure 2. Conditional effects of endorser by familiarity level.

5. DISCUSSION

We provide a definition for influencers as a new kind of stars that can be distinguished from traditional celebrities. Further, we show empirically that celebrities and influencers are perceived differently. These differences are related to the evaluation of characteristics that determine endorser effectiveness. Additionally, these evaluations are moderated by the level of familiarity with the endorser. These findings have several implications, discussed below.

Marketing practitioners should carefully consider differences between influencers and traditional celebrities when planning advertising endorsements. Overall, celebrities are found to rate significantly higher in all six characteristics that determine endorser effectiveness. In contrast, for a high level of familiarity, influencers are perceived to be significantly more trustworthy and similar to oneself than celebrities. Given that these characteristics are determining for endorser effectiveness [26, 30], the choice of an endorser should be dependent on the advertising channel:

- Celebrities might be more effective endorsers for broad, heterogeneous audiences with mixed levels of familiarity. This is the case in TV advertising – although a certain target group is addressed, it is mass media with a heterogeneous audience.
- Influencers are likely to be more effective when the audience is very familiar with the endorser. This is especially the case on social media platforms like Instagram and YouTube, where people deliberately choose to follow their activities and influencers are considered to be part of the community.

Our study focused on general perceptions without the specific context of endorsements. Therefore, further research needs to confirm these expected differences in endorser effectiveness. Besides the advertising channel, it should be investigated what other factors moderate the perception and relative favorability of the two types of endorsers, such as product category involvement or brand familiarity. Comparing influencers and traditional celebrities in an experimental setting could shed light on this issue.

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