Celebrity Media Effects: the Power of the Stars

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Abstract. With the gradual popularization of the Internet and the types of media increasing, the appeal of a variety of stars - who are in a series of TV shows, in all kinds of movies, or singing and composing songs - is also increasing. The Internet has made their works more widely available, which means their influence on the public has expanded, resulting in gaining a large number of "fans". The savvy commercial companies seize the opportunity and hire those celebrities to endorse their products, hoping to utilize the "star effect" to turn fans into consumers of their products. Based on the concepts of "star effect" and "precision marketing", this paper explores the relationship among stars, fans and commercial companies by analyzing relevant cases. The research finds that stars may not always bring positive feedback to commercial companies, stars' fans may not always bring positive benefits to commercial companies, and commercial companies may not recover the cost of hiring stars from their fans. That is to say, "star effect" is not the inevitable result of celebrity endorsement.

Keywords: Star power; precision marketing; fan consumption; marketing decision.

1. Introduction

Celebrity endorsement is one of the main means for many commercial companies to promote their products. In the era before the popularization of the Internet and monotonous types of media, vendors advertise their products by shouting, while commercial companies choose to distribute leaflets and paste posters to publicize their products. In the modern era with the developed Internet, mobile devices, such as TV and mobile phones are widely used. These electronic devices have become the media for stars to expand their influence, which means that the exposure rate of stars has increased significantly and the number of fans has also increased considerably. Numerous celebrities have evolved into a sort of aesthetic "totem," becoming the things that the general populace accepts, emulates, and worships [1]. These public who worship stars are the "fans" of stars. They accept, emulate and worship their favorite stars, take stars as their benchmarks, follow their words and actions, and treat these as a trend. Commercial companies have developed a variety of ways to cash in on fans' affection for celebrities, which has spawned trendy Internet phrases such as "the same style", "instant cut" and "hit the list".

These words attract fans to spend money on their favorite stars, because they believe that the money they spend will bring the star a better career. Therefore, commercial companies often employ stars to represent their own products and use "star effect" to promote their products, converting fans of stars into part of the consumers of products, hoping to increase sales and establish a good image for the public through stars. Chen Liyi, the senior brand manager of Lux Hair category, openly mentioned: Through the allure of recognizable stars, Lux understands the content and worth of items [2]. This theoretically creates a virtuous circle: commercial companies pay celebrities to endorse their products and promote their products through them; stars get endorsement fees and demonstrate their commercial value through endorsement; fans can provide better data for their favorite stars and attract more companies to seek celebrity endorsement by buying products endorsed by stars, then commercial companies get the fans as new consumers, which increases the sales of their products. But there is also a problem: commercial companies hope to make profits through celebrity endorsement, but there is no guarantee that celebrities can exert corresponding "star effect". The following is an analysis of the cases to prove the "star effect" is not inevitable. In these cases, we will engage in the entertainment industry, publicly exposed figures in the public become stars, that is to
say, in addition to the popular perception of singers, dancers, actors, the stars mentioned also include show hosts, dance students, etc.

2. Stars with a Certain Level of Popularity but Few Fanatical Fans

The "Double Eleven" shopping carnival is an online promotional shopping festival held by Taobao Mall (Tmall) on November 11 every year. Due to the popularity of the Internet, online shopping has become a popular way of shopping in China. Before the Internet was developed, people went to physical stores to shop, and merchants advertised their products and promotional activities through posters and loudspeakers. At present, the development of the Internet has driven the development of live broadcasting platforms, and businesses advertise their products to netizens through online live broadcasting. Commercial companies often choose to hire celebrities as promoters. With their own flow and fans, these stars have a natural advantage in promoting their products over "normal people"— the Internet saying for people who don't work in the entertainment industry and aren't highly visible. A star is a luxury, a commodity, and a priceless possession [3]. Hiring stars is an investment for business companies. If a star is asked to promote a new product with no name recognition, then the ultimate profit depends entirely on the star's personal characteristics and influence. But that doesn't mean they can certainly attract consumers. Fans are not equal to consumers. The commercial value of a star depends on his fan bases. If his fans refuse to pay for the him, there is no doubt that the star has no difference with an ordinary salesman to the commercial company -- even a salesman may sell more goods, because they are professionally trained, usually have a clever mouth, and are more adept at selling than a star.

Star advertising are too expensive. Businesses encourage celebrities to promote their products or services in exchange for a large fee, typically in the hundreds of thousands or even millions of dollars. It's also a form of venture capital for businesses [4]. During the "Double Eleven" shopping festival, a commercial company selling tea paid 800,000 yuan to hire a well-known show host to promote its products on a live streaming platform. However, after the festival ended, the company found that the total price of the tea sold was less than 100,000 yuan, meaning that the revenue from the livestream sale was less than one-eighth of the commission. The tea company attributed the dismal sales to the host's poor marketing and fame was not consistent with the facts, but in the final analysis, it is the tea company's own marketing strategy and the choice of sales and publicity personnel. The 4c theory of precision marketing emphasizes the basic principle of consumer orientation to be implemented in precision marketing, and its core idea is that all behaviors of enterprises should be guided by consumer demand and desire. Enterprises should also meet consumers’ desires in the way they choose to promote products and the information they convey. Data from iiMedia Research shows that in the age composition of China's short video and live broadcast users in 2021, 44.8% of consumers are aged 31-40, 33.1% are aged 22-30, and 11.2% are aged 41-50. While 4.7% of consumers are aged 21 and under, and 4.2% are aged 51-59, only 2% of the population is over 60 years old. That means less than a fifth of the population is over 40. The content of the well-known program is more serious, and the audience is generally older. These viewers are usually not familiar with short videos and live sales, who buy goods because of the host is naturally few. Moreover, people who love tea are usually older, so it is obvious that selling goods by live streaming is not close to real tea consumers. And more people know the famous host from his New Year's Eve party than from his regular show. Many people, especially the younger ones, do not know him very much. The consumption of fans for stars is based on the fanatical pursuit of stars rather than the popularity of stars, so tea companies choose to hire the well-known host to sell goods, which cannot attract fans to buy tea as they do. Besides, those who know him well are not so much fans as viewers who enjoy watching his show, and do not care about his other behavior, so they have no reason to pay for him.

To sum up, it can be concluded that when a star has few fanatical fans, no matter how famous he is, he cannot play the "star effect".
3. Stars with Low Fan Stickiness

With the development of China's entertainment industry, more and more TV dramas are springing up. Many commercial companies follow the popularity and hope to endorse their products by the stars who become popular in these dramas. The average celebrity endorsement time is three months, six months, 12 months, 24 months, even 36 months. In order to get a head start, some businesses will set long terms when signing deals with stars. However, part of the fan base of these stars who have become famous for their hit TV series is called "Quarter Fans". The term "Quarter fans" usually refers to those who are passionate and have a short shelf life. The broadcast time of a TV series usually lasts for three months. During the broadcast period, the audience will be crazy for the stars because they love the characters the stars played very much. However, after the broadcast of the TV series, their enthusiasm for the stars will dissipate after the stars leave the characters or the level of their enthusiasm will decrease. They usually do not like the star himself, but rather the role the star plays. This means that the stickiness of the genre fans is low. If the star has nothing else to keep their attention after the TV series, they will soon leave to find their next "Quarter Idol". However, some businesses still choose to hire these stars for long-term endorsements despite such risks. Traffic stars are celebrities who have a lot of exposure and admirers, as the name suggests. In addition to profiting greatly, they also take pleasure in the atmosphere of supporters. You can quickly make money with their squad even though they might not be doing much physical or mental work [5]. Although the cost of investing in celebrity endorsement is usually not low, fans' consumption in a short period of time can indeed offset the cost of long-term endorsement under the call of the star. Even if a star does not do any heavy physical work except shooting advertisements, the appeal of a star to his fans can also be regarded as a kind of labor under the law that labor creates value. However, like sticky boards and mice, while it is well known that sticky boards can stick to mice, it is not known whether sticky boards can actually stick to escaped mice; Celebrity endorsement can attract fans consumption is certain, but whether the star has this potential is unknowable.

There was once a star who became popular with a TV series. During the broadcast of the TV series, a business smell a business opportunity to find the star signed. The increase in endorsements makes the star's fanatical fans think that he can stay popular forever. As a result, after the popularity of the TV series went down, the monthly sales of the products endorsed by the star increased slightly, and the sales of magazines featuring the star on the cover fell. After being removed from the filter of the TV characters, the fanaticism of the TV fans also decreased slightly. The prerequisites and internal guidelines for turning potential products into reality are the consumption of commercial pricing under the consumption of commodities. The internal motivation for the production notion is created by consumption [6]. The decrease of fans' consumption means that the value created by stars' labor decreases and the appeal of stars decreases, which in turn reduces the stickiness of fans to stars. If the situation does not improve, businesses that sign long-term endorsement deals may not be able to recoup their costs, or the fans of such stars may not be able to generate long-term revenue for their companies. Rational people only buy on demand. Fans with low engagement are generally more rational and are more likely to buy on demand than follow blindly. For example, when celebrities endorse toilet water in summer, they will choose to buy it, because it can drive away mosquitoes in summer. But they don't buy in bulk because of that, and they don't buy in the winter because that's not what they need. "Star power" plays a small role.

But sometimes companies seeking to minimize risk will also use celebrities to endorse out-of-season products, such as down jackets in the summer to clear inventory accumulated in the winter.

4. Stars with Poor Reputation

Celebrity endorsement of a product not only plays a role in promoting sales, but also helps the brand establish an image. In order to meet the current trend, some old brands will specially invite some young and fashionable traffic stars to represent their products. Rather than attracting fans to become consumers, the more important purpose is to reverse the public's concept of the brand in the
past and establish a more fashionable image. Contrary to individuals who lived in comparatively stable periods, when great stories served as a unifying force, modern humans face the opposite challenge. The community, the big nameless forms, and not the individual expressing himself, were the source of all meaning at that time. Today, the group, the outside world, and the individual are the only sources of meaning [7]. In today's world, a person is a symbol. This symbol can be a good symbol, or it can be a bad symbol.

But the platform data is real. Some merchants who know little about the rules of the entertainment industry and the statistical methods of the platform may misestimate the commercial value of the stars. This is also why fans often "make data", which is not only to compete with other stars, but also to show the traffic and commercial value of stars to enterprises. Generally speaking, high data means more fans, which means more potential consumers. However, among the stars who use this means to create publicity for themselves, some of them have bad reputations. In addition to their personal behaviors and personalities that are not liked by ordinary people, most of their fans are crazy and often quarrel with other fans, making people avoid them. What kind of star attracts what kind of fans, what kind of fans make what kind of star. When a star and his fan base are shunned, others will shun the products he endorses. Not only do people complain about him online, they also boycott the products he endorses in real life. Enterprises can not only attract new consumers, and even lose part of the original fixed consumers. Due to the aversion to the star and the bias of the star's endorsement, these consumers are willing to find substitutes for the product under the condition that they can also meet their needs. That means businesses lose both buyers and potential buyers.

At this time, the "star effect" cannot play out completely -- neither to attract more consumers, nor to help the enterprise set up a good corporate image, but after the enterprise tied with the star, the word of mouth in the general public, especially those who are sensitive to the direction of the entertainment group of the audience, the word of mouth plummeted. In China, where an unflattering celebrity endorsed Coca-Cola during the COVID-19 pandemic, a netizen posted pictures of a supermarket where Pepsi had been wiped out while Coke was still piling up on the shelves. So the "negative effect" of celebrities is much bigger than people think. A star's existence is a "constructed individual," a structure with many meanings that stands for notoriety and financial success [8]. When a star loses what he stands for, perhaps he is no longer a "star."

5. The Conditions for the Celebrity Effect

Of course, star power exists for a reason. A star is defined as a marketing technique, a social emblem, a national symbol, a capitalist and individualist commodity, and an object of individual and community consumption [9]. In the final analysis, "star effect" is a means of "precision marketing". By mining the characteristics of different stars, selecting suitable stars as spokespersons for the market image of products, and indirectly promoting the corporate image and concept to consumers through the personal images of stars. When enterprises invite stars to attend or endorse, their purpose is definitely not simply to convert fans into new consumers, but to further expand the visibility of the influence of the enterprise's products through the star spokesperson, so that 1+1 is greater than 2. At this time, it is very important to have a star who conforms to the concept of enterprise brand and has a good reputation. It can not only help enterprises establish a good image, but also deepen the impression of the public on the products. At least when people shop, they will think "this star has a good reputation, and the products he represents should also be good". Especially when the star has a large number of loyal fans, even if his endorsement fee is high, the strong consumption power of the large number of loyal fans is enough to ensure that the enterprise can recover the investment cost. Although these conditions are ideal, there are few stars who can meet these conditions at the same time, but this is the situation where the "star effect" can play the maximum effect -- to maximize the quantity of product demand.

The core of the quality of products is the core of the quality of things [10]. Apart from celebrity endorsement, the quality of products and services is the most important thing. No matter how good a
star is, if the quality of the product is not up to standard, then no matter how good the "star effect" is, the development of the enterprise is not long-term. Moreover, from the moment when stars endorse products, they have been closely linked. The word of mouth and behavior of stars will affect the sales of products, and the sales of products and the image of enterprises will also affect the development of stars. This is why domestic stars are willing to pay a large amount of liquidated damages to cancel their contracts when some foreign companies have a scandal of insulting China, because Chinese stars don't want to be associated with "insulting China".

6. Conclusion

This study finds that star power is not inevitable. Contrary to popular belief in society, star effect is not inevitable or always present in stars, which can be explained by the following fact. First of all, fans' fanatical pursuit of stars is the fundamental reason for fans' consumption, so the "star effect" on stars with few fanatical fans is weaker. Secondly, stars with low fan stickiness also have weak appeal to fans, and few fans will blindly follow the endorsement to buy products, which means stars make little contribution to the increase of market demand for products and fail to play the star effect. Finally, there are stars with poor reputation, which not only fail to exert their star effect, but also bring negative impact on product sales and corporate image.

This study warns that commercial companies should be more cautious when making decisions about whether to hire celebrities as spokespersons and which celebrities to hire as spokespersons. They should not be confused by network public opinion and platform data. They should pay attention to celebrities' personal abilities, past experience, later development, moral concepts and fan groups while paying attention to their current popularity and network platform data. In order to avoid the negative impact of star endorsement on the image of commercial companies, or the result that the late sales income is not proportional to the early marketing investment. Because the different characteristics of stars are doomed to a variety of stars, some can achieve the purpose of the enterprise, but some cannot play their due role, unable to contribute to the sales of products and the establishment of a good corporate image.

However, the data provided by these cases are relatively crude, and the specific data comparison cannot clearly show the star effect of different stars. In other words, even in the case of the non-inevitability mentioned in this study, is there really no star effect? In the future, more specific information and data may be introduced to make the analysis results more intuitive and accurate, so as to facilitate the in-depth study of this topic.

References


