Consumers' attitude of endorser credibility, brand and intention with respect to celebrity endorsement of the airline sector

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To achieve product differentiation, airlines spend millions of dollars annually in signing celebrities to endorse their brands' endorsement contracts, as source effects that play an important role in persuasive communications. Based on source credibility theory and product differentiation theory, this study examines the causal relationship between endorser credibility, brand attitude, brand credibility and purchase intention of air transportation services provided by airlines that adopt a celebrity endorsement strategy. Meanwhile, endorser credibility was tested as a second-order construct of the proposed model. The results indicate that positive relationships exist between all the hypothesized constructs. Therefore, in addition to having a favorable celebrity to endorse a customer oriented advertisement, the credibility of the celebrity is as important in enhancing brand attitude, brand credibility and purchase intention.

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1. Introduction

In the world where consumers have vast number of choices, one way that companies normally use to achieve product differentiation is through advertising (Tremblay and Polasky, 2002). Among all advertising campaigns, celebrity endorsement is very popular and widely adopted (Erdogan et al., 2001; Mehulkumar, 2005) for almost any type of product or service available (Doss, 2011). In the US, about 25 percent of the advertisements are endorsed by celebrities (Agrawal and Kamakura, 1995; Shimp, 2000). Spice Girls contributed a 2% global market share increase for Pepsi (Advertising Age International, 1997). Although Michael Jackson's campaign had allowed the company to acquire an 8% increase in sales in 1984 (Gabor et al., 1987). Based on academic findings (Atkin and Block, 1983; Petty et al., 1983) and company reports, it is safe to argue that celebrity endorsers are more effective than non-celebrity endorsers in generating all desirable outcomes when companies utilize celebrities whose public personas match the products and target audiences.

Air transport plays a central role in supporting tourism around the world. According to UNWTO (2014) and ICAO (2013), the number of international tourists grew by 5% in 2013, reaching a record number of 1.09 billion, and is forecasted to be 1.81 billion in 2030. Over half of international tourists are now traveling by air, making air transportation the predominant transportation mode for international tourists (Chris, 2012). As the demand for air transportation services has risen much faster than the demand for most other goods and services in the world economy, it is extremely important that airlines retain their passengers to remain profitable (Wang, 2014a) by differentiating themselves to increase their perceived value (Woodruff, 1997; Deephouse, 1999). A basic premise in the development of yield management has been that the differentiated fare products offered by airlines are targeted to distinct segments of the total demand for air travel in a market (Hazledine, 2011), each of which compete for space on a fixed capacity aircraft (Botimer, 1993; Botimer and Belobaba, 1999; Belobaba et al., 2015). To this end, celebrity endorsers' marketing communication strategy is one of those popular campaigns.

Celebrity endorsement as a product differentiation strategy in airlines is not a new phenomenon (Qantas, 2014; Virgin Atlantic, 2013; China Airlines, 2013; Emirates Airline, 2014). Turkish Airlines launched a 60-s commercial featuring Kevin Costner that focuses on the company’s services that make passengers feel like a
2. Conceptual background and literature review

A Celebrity endorser, in general, is defined as “any individual who enjoys public recognition and who uses this recognition on behalf of a consumer product by appearing with it in an advertisement” (McCracken, 1989). The use of celebrities has resulted from their associative personal qualities of attractiveness, likability, reputation and believability toward the products being endorsed (Atkin and Block, 1983), which further give a competitive advantage in differentiating a firm’s products from its competitors (Doss, 2011).

Although service quality, brand, and/or celebrity related marketing campaigns are no guaranty for profitability (Gitomer, 1998; Merkert and Pearson, 2015), recent studies have demonstrated that celebrity endorsement leads to a favorable attitude toward the endorsed brand (Till et al., 2008) and credibility of the endorsed brand (Spry et al., 2011). Companies use a brand’s perceptions and image to enter new product lines and product classes by transferring its properties to other entities (Keller, 2003). These intangible properties can enhance corporations’ competitive strategies by expanding the brand and its image to other products; however, care must be given to the perceived fit between the existing image and the new product (Aaker and Keller, 1990), or a failed extension of a line or class can damage the asset of the brand’s image. This perceived fit must be adhered to with all associations with the branded product, including advertisements with celebrity endorsers.

Based on data collected from Taipei Shongshan International Airport in Taiwan, this study defines and operationalizes three kinds of credibility sources of celebrity and empirically validates their impacts on both brand attitude and brand credibility of the product/service endorsed: finally, their influence on purchase intention. Fig. 1 shows the conceptual framework of this study.
buy the brand (Ohanian, 1991). Till and Busler (2000) suggested that expertise has a positive influence on both brand attitude and purchase intention. Meanwhile, Speck et al. (1988) found that expert celebrities produced higher recall of product information than non-expert celebrities. Therefore, a competent celebrity with high expertise was assumed to be more persuasive (Ohanian, 1991; Erdogan, 1999) than a celebrity with low levels of perceived expertise.

Trustworthiness is the attribute of dignity, believability and honesty possessed by the endorser and observed by the consumers (Erdem, 1999), which depends on target audience perceptions. When the consumers believe that the source is trustworthy, they also assume that the communicated message is highly believable (Hovland and Wiess, 1951). Therefore, marketers try to advance the value of trustworthiness by selecting endorsers who are perceived as honest, believable and dependable.

McGuire (1969) argued that source attractiveness directly influenced the effectiveness of a communication message. An attractive endorser was able to affect the consumers when they accepted the information given by an attractive source. Further, an attractive celebrity looks forward to having a positive effect on brand attitude and purchase intentions (Petty et al., 1983; Erdogan, 1999).

H5. Consumers’ attitude/preference of endorser credibility of airline brand consists of three underlying dimensions: attractiveness (H5a), trustworthiness (H5b) and expertise (H5c).

2.2.1. Brand attitude

Attitude toward the brand is a relatively enduring, unidimensional summary evaluation of the brand that presumably energizes behavior (Spears and Singh, 2004). A great deal of studies have examined the influence of celebrity endorsement on product or brand (Atkin and Block, 1983; McCracken, 1989; Till and Busler, 2000; Till and Shimp, 1998), and have shown that celebrity endorsement can create an impact on a product and brand attributes. Further, studies have also suggested that brand attitude has a positive impact on the purchasing intention of customers (Lutz et al., 1983; Shah et al., 2012; Teng et al., 2007; Wu and Lo, 2009).

H1. Consumers’ attitude/preference of endorser credibility positively influences consumers’ attitude of the endorsed airline brand.

2.3. Brand credibility

Brand credibility is defined as the believability of the information conveyed by a brand (Erdem and Swait, 1998, 2004; Erdem et al., 2006), which has a great impact during a brand consideration process (Erdem and Swait, 2004). Prior research demonstrates that brand credibility not only impacts consumers’ brand choice (Erdem and Swait, 2004), but also moderates consumers’ price sensitivity (Erdem, Swait, and Louviere, 2006).

While endorsement comprises of some of the signals of the endorsed brand, it seems likely that the credibility of an endorser will be transferred to the brand. Thus, the more credible a brand’s signal of its product positioning, the lower consumers’ perceived risks will be; this will also minimize the information gathering and processing costs incurred by consumers during decision making (Srinivasan and Ratchford, 1991). Therefore, a firm can work towards building brand credibility as it is largely driven by the quality of the information conveyed through the marketing strategies associated with a brand (Erdem and Swait, 1998).

H3. Consumers’ attitude/preference of endorser credibility positively influences the credibility of the endorsed airline brand.

2.4. Purchase intention

Purchase intention is a personal action tendency relating to the brand (Bagozzi et al., 1979; Ostrom, 1969), and a combination of consumers’ interest and possibility in buying a product. Research on purchase intention contributed a lot to the theory of buyer behavior. Attitude toward product is considered the most reliable predictor of purchase intention (Kim et al., 2010; Lloyd and Luk, 2010), which is an attitudinal variable for measuring customers’ future contributions to a brand. The effect of perceived brand credibility and brand attitude on a consumer’s willingness to purchase the endorsed product is stimulating (Daneshwary and Schwer, 2000). Finally, following the common practice in marketing literature (MacKenzie et al., 1986; Batra and Ray, 1986), it is speculated that both brand attitudes and brand credibility lead to purchase intentions. Therefore, the relevant hypotheses are summarized as:

H2. Consumers’ attitude toward the endorsed airline brand positively influences the purchase intention of the endorsed airline brand.

H4. The credibility of the endorsed airline brand positively
influences the purchase intention of the endorsed airline brand.

3. Methodology

3.1. Questionnaire and descriptive statistics

The framework embraces information on expertise, trustworthiness and attractiveness of celebrity endorser (endorser credibility); brand attitude, brand credibility and purchase intention. All question items in the survey were adopted from extant consumer behavior literature, and the wordings were slightly modified to fit the context of the study. To measure expertise, trustworthiness and attractiveness of celebrity endorser, four items are adopted from the study of McCracken (1989) and Ohanian (1991) respectively. Brand attitude has three items which are adopted from the study of Brett et al. (2008) and Mitchell and Olson (1981). Seven items of the brand credibility construct are adopted and modified from the study by Erdem and Swait (2004). Finally, two items are adopted from the studies of Jamieson and Bass (1989) and Putrevu and Kenneth (1994) to measure purchase intention. All items adopted in this study are measured using five-point Likert-type scales (“1” = “strongly agree,” 5 = “strongly disagree.”). This study began with the literature reviews on relevant constructs to examine the external validity of the research model. A set of questionnaires was developed based on the literature review. Since the original scales were in the English language, the questionnaire used in Taiwan was translated from English to Chinese in a tripartite process that included language, back-translation and a third-party re-translation. This should reaffirm the extent to which the translation was an understandable and conceptually consistent attempt to measure each scale item (Kotabe and Helsen, 2000).

A self-administered questionnaire is used to collect data from international airline passengers. The questions are based on a review of the literature and specific airline service contexts, and the questionnaire was pre-tested and revised. The questionnaires were distributed and collected at Taipei Shongshan Airport in Taiwan based on the “convenience” sampling method during May 2014. For the duration of one month, at various intervals throughout each day, the mall-intercept method was used by a few trained business graduate students, who approached passengers to board their flights. Six hundred and thirty-seven out of a total of 700 questionnaires were deemed usable, yielding a 91% response rate from the full sample.

Among the 637 valid respondents, 54% are male and 46% are female; while 187 (29.4%) respondents are 31–40 years old and 182 (28.6%) respondents were aged more than 51 years. As to the education background, the largest percentage of respondents has a bachelor’s degree (397 respondents, 62.3%). As to the frequency of being outside their country last year, 28.3% (180 respondents) did not travel abroad last year, 214 respondents (33.6%) traveled abroad just once and nearly 40% respondents traveled abroad more than twice last year. As to the type of trip abroad, more than 86% (552 respondents) adopted group traveling and DIY tours. As to the expense per each trip abroad, most travelers spent $20,001–$50,000 NTD per tour (52.1%, 332 respondents), about 22.3% (142) respondents spent $20,001-$80,000 NTD, while only 17.3% of respondents spent less than $20,000 NTD per tour.

3.2. Statistical analysis methodology

Following Anderson and Gerbing (1988), the proposed model was tested using a two-stage structural equation model. Initially, we performed confirmatory factor analysis (CFA) to evaluate construct validity, regarding convergent and discriminate validity. In the second stage, we performed path analysis to test the research hypotheses empirically. According to Li and Calantone (1998) and Chaudhuri and Morris (2001), the path-analytic procedure is becoming common in research studies.

First, EFA was employed to check whether there was any notable deviation from the structure of the adapted constructs. Notably, this study examined whether the data conformed to the multinormality requirement, because this is a key assumption of the Structural Equation Modeling (SEM) technique (McDonald and Ho, 2002). The sample size (n = 637) is considered large enough to compensate for likely model misspecification and model complexity (Hair et al., 2006). We checked for possible univariate and multivariate outliers, which revealed no significant violations. Specifically, the analytical outcome showed that the value of kurtosis ranged from −0.671 to 1.645 and that the value of skewness ranged from −0.197 to −0.976, which satisfied the evaluation criteria (ranging from −2 to +2) suggested by Mardia (1985).

Second, the proposed measurement models were estimated using LISREL 8.80 (Jöreskog and Sörbom, 1989). The goodness of fit indices was summarized in Table 2. The Chi-square statistics were significant at the 0.05 level, not an unusual finding with a relatively large sample (Doney and Cannon, 1997). The values for comparative fit index (CFI), non-normed fit index (NNFI), root mean square error of approximation (RMSEA) and standardized root mean residual (SRMR) were considered acceptable for the proposed model, based on the criteria suggested by Hu and Bentler (1999): 0.95 for CFI and NNFI, 0.06 for RMSEA and 0.08 for SRMR. Given that a battery of overall goodness-of-fit indices was deemed acceptable and that the proposed model was developed on a theoretical base, no effort was made to modify the model specifications.

Third, we assessed the quality and adequacy of measurement models by investigating unidimensionality, reliability, convergent validity and discriminant validity. Unidimensionality was assessed

<p>| Table 1 |
| Sample characteristics. |</p>
<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Category</th>
<th>Full Sample %</th>
</tr>
</thead>
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<tr>
<td>Gender</td>
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<tr>
<td></td>
<td>Female</td>
<td>293</td>
</tr>
<tr>
<td>Age</td>
<td>Under 20 Years</td>
<td>20</td>
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<tr>
<td></td>
<td>21–30 Years</td>
<td>129</td>
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<td>31–40 Years</td>
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<td>More than 51 Years</td>
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<td></td>
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<td>Abroad times of last year</td>
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<td></td>
<td>1 time</td>
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</tr>
<tr>
<td></td>
<td>2 times</td>
<td>129</td>
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<tr>
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<td></td>
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<td>19</td>
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<tr>
<td></td>
<td>5 times</td>
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<tr>
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<td>Abroad for official business</td>
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<td>Expense per abroad</td>
<td>Less than $20000 NTD</td>
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<td>19</td>
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<tr>
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</table>
on the basis of principal component analyses performed on all items. The fact that all items load 0.65 or higher on the hypothesized factors, and that no profound cross-loading was identified on the EFA findings, gave support to unidimensionality for each of the studied constructs. With regard to composite reliability, evidence shows that all Cronbach alpha values exceed the suggested 0.6 benchmark (Bagozzi and Yi, 1988).

Next, in a CFA setting, convergent validity (i.e., the degree of association between measures of a construct) was assessed by examining t statistics related to the factor loadings. The fact that all t statistics were statistically significant at the 0.05 level, suggested that all indicator variables provided good measures to their respective construct, offering supportive evidence to convergent validity (Hoyle and Panter, 1995). Moreover, the fact that average variances extracted (AVE) values related to all constructs is at or higher than 0.50, offered supportive evidence for convergent validity (Fornell and Larcker, 1981). Finally, discriminant validity was assessed using the procedure recommended by Anderson (1987) and Bagozzi and Phillips (1982).

Specifically, a series of Chi-square difference tests were performed on the nested models to assess whether the Chi-square values were significantly lower for the unconstrained models, where the phi coefficient were constrained to unity (Anderson, 1987). The critical values related to the Chi-square difference at the 0.05 significance level were higher than 3.84 in all possible pairs of constructs; this outcome gives support to discriminant validity. Thus, we came to the conclusion that the studied constructs met the commonly recognized reliability and validity standards.

4. Empirical results

The overall fit of the model was reasonable. Simultaneous maximum-likelihood-estimation procedures were used to examine relationships among expertise, trustworthiness, attractiveness, brand attitude, brand credibility and purchase intention (Table 3). The results revealed that all significant relationships between latent constructs matched the hypothesized directions. In our proposed model, endorser credibility positively and significantly influenced brand attitude and brand credibility, supporting H1 and H3. Meanwhile, purchase intention was positively and significantly affected, both by brand attitude and brand credibility, supporting H2, and H4. As to the second order structure between consumers’ attitude of endorser credibility and its three dimensions, analytic results support that there were positive significant relationships between attractiveness and endorser credibility, trustworthiness and endorser credibility and expertise and endorser credibility, supporting H5a, H5b and H5c.

5. Conclusions and contributions

This study demonstrates how celebrity endorser's expertise, trustworthiness and attractiveness affect brand attitude, brand credibility and purchase intention. While recognizing the importance of celebrity endorsement on airline brand purchasing enhancement, the results of this study have important implications for airlines in terms of how to adopt celebrity endorsement strategies to maintain customers' intention to purchase air transport services.
The results reveal that endorser credibility consists of three underlying dimensions: attractiveness (H5a), trustworthiness (H5b) and expertise (H5c) are supported. Additionally, among the three sub-constructs of endorser credibility, trustworthiness of celebrity most aptly explains endorser credibility, while expertise of celebrity and attractiveness of celebrity explains relatively less of endorser credibility. Therefore, once consumers think an endorsed brand is more trustworthy, respectable and desirable; their attitude towards the celebrity endorsed brand became more positive. Consumers' perception of a celebrity endorser is an important antecedent of brand attitude (Spears and Singh, 2004). That means once consumers think celebrities influence their style and initiate an action to buy that product, a consumer's attitude toward the endorsed brand would be more positive. The analytic results of our study reveal that consumers' attitude of endorser credibility positively and significantly influences brand attitude and brand credibility.

Celebrity endorsement of airline industry in this study starts from providing horizontal product differentiation with different characteristics of airline services endorsed by celebrity, and aimed to further persuade consumers, reducing competition and increases barriers to entry. Finally, ends up with the creation of subjective image differentiation of quality. Given the increasing difficulty in nurturing and sustaining loyalty, the results of this study significantly contribute to contemporary marketing campaigns in three unique ways. First, the proposed model contributes to existing literature by specifying how air travel services providers can guide consumer perceptions of the branded air transportation services by applying at the marketing campaign of celebrity endorsement. The role of such campaign in shaping consumer relationships has seldom been addressed previously. Second, this study further demonstrates why air travel service providers benefit from investing in celebrity endorsement campaign by evaluating how a celebrity endorser's three dimensions impact directly on consumers' attitude of endorser credibility, brand attitude, brand credibility and purchase intention. Third, this study introduces a dissimilar perception on brand model stressed by air passengers with varying levels of endorser credibility perception in air travel service. This is the very distinguishing feature of the celebrity endorsement research field since most researches treated endorser credibility as direct antecedents of research models. These three research questions are evaluated comprehensively by replicating the study within the world connectivity and accessibility industry.

### 6. Managerial implications

In order to achieve competitive differential advantage for a firm's products or services, use of celebrity endorsers is a widely used marketing communication strategy, as long as the 'right' celebrity is found. In contrast to previous studies, this study classifies the sample population according to their characteristics, i.e. consumers' attitude of endorser credibility.  

Airlines have invested large sums of money to align their brands and themselves with endorsers for many years. The results of this study suggest that airlines should invest in orchestrating a celebrity endorser with attributes of expertise, trustworthiness and attractiveness to improve consumers' attitude of endorser credibility, brand attitude, brand credibility and purchase intention. Finally, the airlines should segment their customers into several groups and promulgate different marketing programs for customers of various characteristics in order to achieve efficient results.  

Based on the above conclusions, we can infer that even if managers of airlines are serious about investing the capital to increase consumer purchase intention and behavior, exactly why consumers purchase the celebrity endorsed air transportation services must be known first. Specifically, the proposed method adopts a bottom-up approach towards identifying key process indexes and replacing the inefficient key process indexes from an up-to-down approach.

Finally, despite the bright future of the aviation industry, neglecting issues, such as competitive marketing campaigns, for example, celebrity endorsement and market segment, may adversely impact the industry. Efforts are underway in our laboratory in this area of research.

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