

The Influence of Internet Celebrity Economy on College Students' Consumption

-- Taking the Milk Tea Industry as an Example

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Abstract

Internet celebrity has come under the spotlight in the recent years. Due to their fame, celebrities often turn their reputation into a marketing tool. Gradually, the relationship between influential internet celebrities and commonly-accepted high quality of the product has been shaped. Among the followers, college students are more familiar with brands than others, so their attitudes towards the internet celebrity economy can be representative. Thus, this study has the potential to advance our understanding of celebrities endorsement by investigating the impact of celebrity endorsers and their ability to influence the powerful college students' market through the survey. To make the research reliable and specific, we would take the milk tea industry as an example to highlight the effect of celebrity economy on the consumers' behavior. Simple statistical analysis was employed to present our findings. The figures indicated over three-fourths students were willing to pay more and queue up for drinking milk tea recommended by internet celebrities. Accordingly, respondents generally considered the recommended milk tea was better than normal one, especially in taste and outer packing. The ultimate result also illustrated the leading psychology when consuming. The proportion of impulsive and group psychology all reached 40 percent, and in particular, the realistic psychology was close to 50 percent. From the other two sets of data, about 70 percent students inferred the prospect of internet celebrity economy would be positive and it would probably take larger portion in their future consumption.

Keywords

Consumption; Internet Celebrity; Psychology; College Students.

1. Introduction

1.1. Background

1.1.1. The Emergence of the Internet Celebrity

It has come to light that internet celebrity has caught people's eyes in the recent years. Attracted by their appearance, expressions and contents in the social media, we follow them and form a foundation of fans for them, which makes them celebrities on the internet. As Juntiwasarakij (2018) noted, 'The advent of the Internet and, recently, social media has greatly contributed to the global quest for fame and celebrity.'

Meanwhile, today's fast-paced, commercial and lonely society has given rise to our thirst for appeal and attention. Accumulating evidence indicates that it is the solitude which we want to avoid that leads us to gather on the internet and breed the emergence of the internet celebrity. In this case, we not only hope to be the one who has the influence but also the one follows others.

1.1.2. The Influence on Consumption

It is acknowledged that celebrities has social and economic impact in our society. Thus, celebrities often turn their reputation into a marketing tool.

We always unconsciously simulate internet celebrities, for we consider their lives are what we are dying for. Their reputation is labeled as highly trustworthy, and thus it is likely that they induce the followers to buy products or services. In this regard, their follower has another identity which is consumer.

1.1.3. The Formation of the Internet Celebrity Economy

Celebrity image has prompted the loyalty of the brand; celebrity trustworthiness has guaranteed the reliability of the brand. Moreover, the relationship between influential internet celebrities and commonly-accepted high quality of the product has been shaped.

After all, In societies in which affluence can be taken for granted by the majority of people, the core of the economy has come to be entertainment.

1.2. Purpose

However the mechanism underlying the effect of the internet celebrity are not yet well understood. Thus, the purpose of this study was to use the survey to measure how the celebrity economy (especially in the milk tea industry) influences the college students.

In general, they are more familiar with brands than others, so their attitudes towards the internet celebrity economy can be representative.

Particularly, college students are apt to purchase brands in order to stand out from the crowd, so there is a need to understand how they respond to the marketing tactics used by internet celebrities.

1.3. Significance

For college students have the inclination to be attracted by the internet celebrities, most of products they have purchased are under the so-called celebrity endorsement effect (Erdogan, 1999). This study has the potential to advance our understanding of celebrities endorsement by investigating the impact of celebrity endorsers and their ability to influence the powerful college students' market.

To make the research reliable and specific, we will take the milk tea industry as an example to highlight the effect of celebrity economy on the consumers' behavior.

2. Literature Review

2.1. Celebrity

In the section below, we provide a literature review for celebrity and celebrity effect. Celebrity has been defined from a range of perspectives ([Boorstin, 2012], [Epstein, 2015]). These works described celebrity as a human-pseudo event, which can be elaborated on the diversity of celebrities and differentiated famous individuals according to their origination. In contrast, Djafarova and Rushworth (2017) developed the idea of digital celebrities, including bloggers, vloggers, who have emerged with the growing popularity of online social networks. They are closer and more accessible to social networking users in online communities.

2.2. Consumption Psychology

2.2.1. Trustworthiness

According to [Ketchen et al., 2008], trustworthiness refers to the degree to which a celebrity is perceived by customers as transferring a message of honesty, integrity, believability through advertising. Related to the paper by [Ketchen et al., 2008] is the study by Gilchrist (2005). This contains more information of relevance to our study. Amongst other things, Gilchrist argued

that trustworthy endorsers could improve the credibility of a brand, alleviate doubts and promote economic gains.

2.2.2. Familiarity

Studies of familiarity are fairly limited. Erdogan (1999) described familiarity as “knowledge of the source through exposure”, which could be transferred from celebrities to the products they endorsed.

2.2.3. Expertise

Other studies ([Herstein and Mitki, 2012], [Magnini et al., 2008]) described that expertise was the recommendations by a celebrity. The greater the celebrity endorser’s perceived level of expertise, the more effective the advertisement is likely to be. Since consumers often lack specific product knowledge, they may be willing to rely on recommendations by a trusted celebrity.

2.3. Superiority and Deficiency

A considerable number of studies have been conducted on the superiority and deficiency of celebrity endorsement. On one hand, celebrity endorsement has a direct, positive effect on consumers’ attitudes towards goods through the three consumption psychology: trustworthiness, familiarity and expertise. On the other hand, damage to any of these three dimensions (trustworthiness, expertise, familiarity) affects the celebrity’s own reputation as well as the credibility of the goods which are advocated by the celebrity, which means consumers build an associative link between celebrity and the brand he or she endorses. (Koo et al., 2012). Nam-Hyun (2013) argued that negative celebrity endorser publicity lowers brand evaluation and decreases purchase intention more or less. It is worth mentioning that highly identified consumers are more likely to ignore a celebrity’s bad publicity than weakly identified consumers.

2.4. Gap

Although knowledge of celebrity effect on consumption is considerable, the need to understand what people’s attitudes towards celebrity endorsement is, especially the young generation – main force of consumption exists. This study has the potential to advance our understanding of celebrity endorsement by taking college students as respondents and milk tea industry as an example through a questionnaire. In response to this gap, the key research questions that are addressed here are: To what extent can the celebrity or digital celebrity influence the young generation’s psychology and behavior on consumption? What is the difference between traditional celebrity economy and emerging digital celebrity economy? Is celebrity endorsement the determination to affect the customers’ purchase intentions to buy a product?

3. Method

Literature review summarized research achievements and former deficiencies. In the process, the gap between our research and previous works was exposed naturally. Following contexts introduced our research method concretely.

We implemented a combination of the anonymous online questionnaire and individual interviews, mainly because of the university setting. Our subjects, college students, think highly of privacy protection, which means the conflict between public and private considerations can significantly constrain the amount of information disclosure. However, such weaknesses do not exist in the anonymous questionnaire and interviews. The relatively non-threatening context of individual interviews and questionnaire is especially vital to gain access to the veritable information.

3.1. The Source of Subjects

The subjects who participated in the questionnaire and interviews were college students, most of whom are sophomores. They were recruited in two ways respectively: from WeChat's Circles and invited by team members or recommended by friends, the familiarity of most subjects could guarantee the reliability of data they offered in a way. To avoid the duplication of information, before conducting interviews we would confirm whether these interviews had already filled the questionnaires or not, thus, those who took part in interviews were not included in the respondents of online questionnaire.

3.2. The Brief of Interviews

The interviews were conducted among 20 students at the same age with the balanced gender ratio, mainly as a compensation of lower male proportions in the online questionnaire. The students' interviews followed a set of questions relating to their cognition about internet celebrity economy which was similar to the questionnaire so that comparable data across the interviewees could be obtained as a supplement of online questionnaire. Nevertheless, the interviewer was also flexible in following the representative points further, especially the reason they purchased products recommended by internet celebrities or from some shops prevailing on the internet.

3.3. Questionnaire Design

Taking the limitations of labor and finance forces into account, the online questionnaire was our primary and the most adaptive tool to collect data. Different from pen-and-paper surveys, we employed an application called Sojump that unified data formats in any time and space and allowed the data to be collected in an efficient and accurate way. For the purpose of setting options rationally, we searched online and made inquiries of classmates before designing. After rigorous discussion and screening, our questionnaire completed after an analysis by synthesis. The anonymous questionnaires were distributed through WeChat's circles which required all the respondents to complete honestly in view of individual authentic information. Ultimately, the data was presented in the form of charts, so the percentage or trend was obvious, making it easier for later analysis.

3.4. Data Analysis

Data analysis in this paper drew heavily on the influence of the internet celebrity economy on college students' consumption, in particular, the reason for consumption as well as what kind of psychology functioned in the process. For the convenience of description and legibility, we took the milk tea consumption as an example. Through the data analysis, we examined how these elements were intertwined, affecting college students' consumption.

4. Findings

Online questionnaire and individual interviews were adopted to investigate our subjects, the comparable data across the interviewees was a valid supplement of online questionnaire. With a rigorous data collection, the following section reported our major results sincerely. A simple statistical analysis was used to present our findings. All results reported were conducted on the authentic data providing by subjects who took part in our questionnaire and interviews before. The intention of data collection was to analyze the influence of the internet celebrity economy on college students' consumption, especially the impact on their consumption psychologies.

4.1. Chart Report

The following was the general introduction of our questionnaire. The questionnaire contained 16 questions involving basic information (no privacy) about respondents and their viewpoints

as well as attitude towards to internet celebrity economy from the perspective of milk tea industry. At the end, 97 effective questionnaires were fed back aggregately. Not hard to find that the ratio of men to women had a wide disparity, female respondents were four times as many as male, but most of them were contemporaries, sophomores. More than half of the students said they showed solicitude for those milk tea shops prevailing online and also had consumption experiences more than once. The figures indicated over three-fourths were willing to pay more and queue up for drinking those milk tea recommended by internet celebrities. The table1 displayed several reasons for consumption those milk tea, from which we could see the brand effect, following the trend and advertising were all close to 25 percent, meanwhile, the distinction of products and preference exceeded 50 percent. Respondents generally considered the milk tea recommended by internet celebrities was better than normal one, as can be shown in table2, taste and outer packing were two major aspects. Table3 illustrated the leading psychology when consuming, the proportion of impulsive and group psychology all reached 40 percent, in particular, the realistic psychology approached to 50 percent. From the other two sets of data, about 70 percent of students inferred the prospect of internet celebrity economy would be positive and it would probably take larger proportion in their future consumption.

4.2. The Result of Interview

During the interviews, many female interviewees said that they tended to show solicitude for one or more internet celebrities and the products they recommended, such as cosmetics, snacks. Their descriptions were so attractive that they often can't resist the impulse to purchase. They also expressed there is no denying that most of the recommended products were very cost-effective, as well as helping avoid inferior goods. However, several male students demonstrated they hardly paid attention to internet celebrity and internet celebrity economy had no effect on their daily consumption.

4.3. Disparity

The result was a little discrepant from our expectation. According to the data, we found almost 40 percent of respondents showed internet celebrity economy didn't influence their consumption psychology. The ratio was bigger than our assumption before conducting research.

5. Discussion

The present study examined how the development and changes of the internet celebrity influence college students. The findings showed that most college students have paid attention to the internet celebrity.

5.1. Analysis

In order to improve the practicality and pertinence of our research, we choose to study deeply and concretely the impact of a specific internet celebrity industry on college students' consumption. Take milk tea as an example, college students have knowledge of famous milk tea brands. In addition, two-thirds of respondents are willing to spend more time and money on milk tea recommended by celebrities who are widely recognized by the public. Now the students have strong psychology of seeking differences and like to catch up with the trend. Therefore, the products with special packaging and taste launched by internet celebrity milk tea shop are particularly attractive to them. Besides, although 40% of subjects have impulse consumption and herd consumption under the influence of advertising and brand effect, 68% of the people are optimistic about the future consumption prospect of internet celebrity economy. It can be seen that although the consumer groups affected by the internet celebrity

economy are not very large, they are sure that the internet celebrity economy will increasingly affect our life.

5.2. Novelty

These results would be in the line of those from other studies. Our research reveals the influence of internet celebrity economy on college students' daily consumption behavior. As a new industry, internet celebrity economy reflects the novelty and timeliness of our research to some extent. Different from previous research, we regard college students as the main subjects. What's more, the group of college students reflects the consumption concept of modern young people, which has certain representative significance.

5.3. Limitations

This study also has some limitations. There is a great disparity between men and women. We may need more male samples for future research. The total number of subject is not large enough, most of whom are concentrated in freshmen and sophomores. It is likely that the research can not reflect the general situation of college students.

5.4. Summary

On one hand, from the perspective of college students, in the wave of internet celebrity economy we should keep a rational consumption view under the propaganda effect and bandwagon effect. On the other hand, we should realize that internet celebrity recommendation products also have a certain practicality, and choose how to distinguish the quality of recommendation products is also important. In addition, from the reflection of internet celebrity industry, our research not only reflects the consumer psychology of college students but also finds the defects and loopholes of the internet celebrity industry itself. Considering the practicability of the research, it also put forward some suggestions and expectations for the industry norms of the internet celebrity industry. The relevant government should perfect the laws and regulations of internet celebrity marketing to create a good market environment for internet celebrity industry. All in all, internet celebrity economy is guiding consumers to improve consumption efficiency and it is developing towards institutionalization and specialization.

6. Conclusion

As the internet celebrity economy is maturing and the value of internet celebrity becomes prominent, related industries(eg:milk tea industry) also develop rapidly. Platforms, MCN and internet celebrity are working together to improve the efficiency and enlarge the size of internet celebrity economy. Our research aims at investigating how the development and changes of the internet celebrity influence college students.

In our research, we define celebrity as "digital celebrity".

Trustworthiness, familiarity, expertise are the three key factors of how celebrity influences consumption. Effectiveness and negativeness are both the features of celebrity economy.

By an application called Sojump, we briefly explored the questionnaire design and data collection. 97 respondents were involved and about 3/4 were female, 3/4 were sophomore. From the investigation, university students tended to be practical-minded on a large proportion when shopping in internet celebrity economy. We examined respondent awareness of celebrity endorsers, what characteristics they felt important, whether or not they find celebrity endorsement believable and attractive, whether or not the presence of a celebrity is more effective in the advertisement, and whether or not they had purchased a product after a celebrity endorsed it on social media, etc.

2/3 of them had been watching an eye on milk tea shops in the celebrity economy. However, only 2/5 had ever consumed in those shops. Most people quite occasionally drink that in the reality. About 2/3 of the total are unwilling to pay more costs and time on it. A great quantity of people want to have a try for that simply to follow the trend. There is a striking contrast that about half hold good expectations on that market while another half are uncertain. From the investigation, internet celebrity consumption turns out to have negative effects on our moods and alternatives when shopping. Though most rate highly of its forward in the field of university students, only a few people consider it as a more important place in future consumption.

In brief, the results showed that respondent had a high level of awareness concerning celebrity endorsement. Meanwhile, the effectiveness of celebrity endorsers in raising product awareness is positive. These findings indicate that celebrities are effective in advertising a product but their influence on the buying decisions of college students (consumers) is limited because respondents consider it as attractive, but not trustworthy.

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