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Trust in Fintech

Endorsements' effectiveness in establishing consumer trust

Abstract

Trust in the financial industry is low and has been for quite some time. Yet, trust has been found to be crucial to facilitate consumer engagement in the industry. With the shift to digital, the primary way to build trust for financial services companies – face-to-face interaction – is taken out of play. In addition to this, the effectiveness of financial services companies' own communication in generating trust has experienced a diminishing effect over the last decade. With the fintech sector's great potential to disrupt the financial industry, the question of how to establish trust becomes burning hot. Third-party recommendations have been proposed as a key way of establishing trust when the first-hand experience from a financial service is absent. Therefore, this study set out to investigate if and how endorsements are effective in generating trust. Building on the consensus among academia concerning endorsements' effectiveness to influence consumer attitudes, the study investigated the effectiveness of the three main endorser types: celebrities, experts and typical consumers. By using the Elaboration Likelihood Model, the paper sheds light on how attitudes appear to be formed when consumers are exposed to a message of a fintech company with an endorsement. Further, it examines if there is relative strength in the different heuristics proposed by the ELM, which the endorser types are seen as embodying. By utilizing a quantitative experimental design, the paper identifies that a specific endorser could be perceived as a positive argument, but that the strength of this perception is not enough to generate strong sensations of trust. The authors conclude that the effect endorsements have when communicated through text, is not enough to significantly change consumer attitudes of trust in relation to when no endorsement is being made.

I. Acknowledgements

II. Glossary

Below follows a list of terms and how they are defined throughout this paper.

Testimonial   A statement by an entity about the virtue of something or someone.

Recommendation   A positive statement by an entity about the virtue of something or someone.

Endorser   An entity behind a testimonial. In this paper that is expert, celebrity and typical consumer.

Endorsement   A message including both a testimonial and an endorser. This paper adopts the definition of Fireworker and Friedman (1977) stating that an endorsement is "any advertising message… which consumers are likely to believe reflects opinions, beliefs, findings, or experience of a party other than the sponsoring advertiser".

Argument   A bit of information contained in a message, that is relevant to a person's subjective determination of the true merits of an advocated position (Petty & Cacioppo, 1986).

Trust   A multi-dimensional construct that is seen as an attitude one holds to another party (Helm, 2014). It consists of two interrelated components - trusting beliefs (i.e. perception of the competence, benevolence and integrity of the financial services provider) and trusting intentions - (i.e. willingness to make oneself vulnerable to the financial service provider (McKnight & Chervany, 2001).

Fintech   A sector within the financial industry that applies technology to improve financial activities (Micu & Micu, 2016; Shim & Shin, 2016; Barberis, 2014)

Degree of Elaboration   The extent to which one engages in issue-relevant thinking, that depends on one's ability and motivation to do so.

Structural Assurance   The sensation that proper societal structures and assurances are in place for a transaction to be safe (McKnight & Chervany, 2001)

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1. Introduction

The general trust for the financial industry has for many years been low and according to Edelman's (2020) trust barometer, it is the least trusted industry. One of the main reasons for this apparent actuality, resides in the collapse of mortgage-related securities and the real estate breakdown of the financial crisis (Edelman, 2013). This problematic starting point is further complicated by the general societal shift from physical towards digital, since the primary way in which financial services companies have been able to establish trust has been through face-to-face interaction with the customer (Nejad, Tran & Corner, 2016). These developments have allowed for new actors to enter the competitive arena with new and innovative business models. A new sub-sector within the financial industry – *fintech* – where companies apply technology to improve financial activities, is steadily on the rise. In fact, investments into these types of ventures have increased from $4 billion in 2012 to $135 billion in 2019 (KPMG, 2019). As a consequence, fintech companies are in a precarious situation with great opportunities, but also immense challenges that call for an increase in trust.

It is well established that the cost of acquiring a new customer is much higher than selling to an already existing one (Griffin, 2002). At the same time, it appears that trust specifically is of vital importance in order to facilitate and maintain consumer engagement in the financial industry (Devlin, Ennew, Sekhon & Roy, 2015). One of the most fundamental aspects of establishing trust is how companies communicate with consumers (Ennew & Sekhon, 2007). A trust-building lever that companies have full control over. As a result, understanding how to effectively communicate to consumers, in order to facilitate trust, could be a matter of organizational success or organizational failure.

1.1 Background

Over the years, trust has been regarded as a multi-dimensional construct between people, organizations and systems (Nienaber, Hofeditz & Searle, 2014) and is seen as an attitude one holds to another party (Helm, 2014). Historic research has reached consensus that in order for a trustor to experience trust in an organization, companies must convey a perception of being trustworthy (Metzger, 2007). This perception is always a judgment made by the consumer, where the information quality of companies communication helps shape this judgment (Freeman & Spyridakis, 2004). At the same time, Gillespie & Hurley (2013) mentions that the element of risk is high in the financial industry, making it especially difficult for companies to influence consumers' perceptions and generate trust. In line with this, Lee & Shin (2018)

highlights that one of the main challenges facing the fintech sector is to overcome consumers' emotional concern for their security and privacy when sharing personal data. Hence, the ability to influence and establish trust appears to be fundamental. Not only to the individual company but for the development of the whole industry as well.

A strategy companies in the financial industry have relied upon to address consumers' emotional concerns in the digital environment has been to use active, transparent and frequent communication (Mukherjee & Nath, 2003). However, a meta-analysis by Nienaber et al. (2014) shows that the effect this communication strategy has on facilitating trust is diminishing. Instead, consumers need direct evidence that is derived from either their own or other consumers' experience with the company, in order for trust to be established (Nienaber et al., 2014). Thus, when the consumer has no direct experience of the company, evaluations of the company's trustworthiness are largely based on third party recommendations (Gillespie & Hurley, 2013).

As Schueffel (2016) declares in his meta-analysis of 200 scientific papers on fintech, there is no common definition of the term. However, in line with Micu & Micu (2016), Shim & Shin (2016) and Barberis (2014), fintech is defined as a sector within the financial industry that applies technology to improve financial activities. According to Lee & Shin (2018) developments made by actors in the fintech sector are likely to disrupt the traditional financial markets and form the future of the financial industry (Chuen & Teo, 2015). Yet, in Sangwan et al. (2019) review, it is concluded that the academic interest in the area is in its nascent stage. Consequently, more research within the fintech context is argued to be especially important to be performed, given its possibility to disrupt the financial industry.

In all the literature reviews on fintech that has been identified, by Sangwan et al. (2019), Milian et al. (2019), Goldstein, Jiang, & Karolyi (2019), Das (2019) and Allen, Gu & Jagtiani (2020) the areas scholars have focused on have been in regards to practical and technical aspects, thus overlooking how intangible assets can drive purchase behavior. The papers looking specifically at purchase behavior (e.g. Chuang, Liu & Kao, 2016; Kim, Park, Choi & Yeon, 2015), mainly utilize the Technology Acceptance Model and therefore, hone in on the technology, in terms of perceived ease of use and perceived usefulness.

At the same time, it has been established that the intangible asset of trust is a key factor in consumers' decision-making process of financial services (Sekhon, Ennew, Kharouf & Devlin, 2014). Further, lack of trust is one of the main reasons why customers switch from a specific financial service provider (Maier, 2016; Manrai & Manrai, 2007). In addition to this, trust is generally quite low in the financial industry and is seen as crucial for the development of the industry (Gillespie & Hurley, 2013). Thus, by not investigating how trust can be built or maintained, academia has not provided a proper account of knowledge to practitioners in terms of what is argued to drive purchase behavior and what is likely to create customer loyalty. In line with this, Nienaber et al. (2014) report that there exists a compelling agenda to pursue research that tries to understand how trust can be generated in the financial industry. Further, Connelly, Certo, Ireland & Reutzel (2011) underscores the need to investigate how signals, such as endorsements (a form of third party recommendation), work to generate specific attitudes. Consequently, the notion to understand how fintech companies can potentially generate trust through endorsements becomes attractive.

Meanwhile, the degree to which consumers elaborate on messages has been shown to moderate how strong or weak attitudes become (Sherif & Hovland, 1961; Wang & Lee, 2005), as well as to explain how attitudes are formed (Petty & Cacioppo, 1986). By integrating consumer elaboration in a study investigating the effectiveness of endorsements would further make sense of the potential role elaboration might play. A notion that has not received adequate attention in the digital environment (Wu & Wang, 2011). Moreover, different types of endorsers have been shown to vary in their effectiveness to generate positive attitudes (e.g. Friedman & Friedman, 1979). Thus, by taking elaboration and specific endorser types into account, this paper could help academia and practitioners alike to understand if, how and when endorsements are effective in generating trust.

1.2 Purpose and Research Question

The purpose of this study is to increase the understanding of endorsements' potential influence on trust in a fintech company. In order to accomplish this, the study specifically investigates if, how and when the inclusion of an endorsement in a marketing message impacts consumer levels of trust in a fintech company. Given that different endorser types have shown to have varying effects on attitude, this study aims to investigate whether that is the case for attitudes

of trust as well. Through a quantitative experimental study, the researchers aim to answer the following research questions:

RQ 1: Does the use of endorsements in a fintech company's communication towards consumers positively influence consumers' trust in the company?

RQ 2: Does the use of different endorser types in a fintech company's communication towards consumers influence consumers' trust in the company to different degrees?

1.3 Expected Contribution

Given the importance of trust in the financial industry, the primary expected contribution is to clarify if endorsements' are an effective means to establish consumer trust in a fintech company. Secondly, by performing a comparative study, this paper expects to shed light on whether or not specific types of endorsers are better to use in order to facilitate consumer trust in a fintech company. Further, by investigating the intangible asset of trust, this paper expects to complement the current stream of fintech research that has primarily focused on technological aspects. By using the Elaboration Likelihood Model (ELM) as the theoretical lens, this paper aims to contribute by explaining why endorsements are effective or not in a fintech context.

1.4 Delimitation

This study is delimited to communication in text only. More specifically, text that is communicated on fintech companies' websites. However, given that the investigated format is text and that it is used in other contexts and mediums, such as ads and newsletters, this paper is argued to provide transferable results to other situations as well. The decision to only use text was deemed appropriate as the addition of visual and aural elements potentially could have interfered with the results and decreased the transferability. To concretize, the use of visual and aural elements could have had a moderating effect in such a way that the use of the same endorser may have elicited different results depending on what visual elements the endorser was presented with. Further, it is argued that text represents one of the primary ways in which companies communicate with their customers in the digital environment, hence this

delimitation was seen as reasonable. Moreover, by focusing on text, the potential treatment effects could be properly isolated to the different heuristics[1] proposed by ELM. Thereto, the study is delimited to endorsements made by celebrities, experts and typical consumers, as these are the most common ones in research and practice (Fireworker & Friedman, 1977; Freiden, 1984; Friedman & Friedman, 1979; Dean & Biswas, 2001). Lastly, the research is delimited to capital management companies that utilize algorithms to allocate consumer capital in securities, as the fintech company used in the experiment offers this type of service. Consequently, the population is regarded as potential customers of such a service.

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[1] This thesis argues that heuristics are subconscious cognitive shortcuts people tend to use in low degrees of elaboration that help dictate attitudes towards a message (Petty & Cacioppo, 1987). Attitudes formed through the usage of heuristics are not as permanent nor strong as attitudes formed under systematic thinking (O'Keefe, 2015).

2. Theoretical Background

2.1 Literature Review

As regulated by Aktiebolagslagen (2005) the overall objective of a company is to generate profit and distribute it among its shareholders, unless otherwise stated. In order to make a profit a company needs to make sales. To make sales, potential customers need to be persuaded to buy. To facilitate such behavioral change, the major social psychology theories point toward that the attitude of a consumer needs to be influenced (Ajzen, 1991; Fishbein & Ajzen, 1975). That is, in order to change what people *do,* one first has to change what people *think* (O'Keefe, 2015).

2.1.1 Attitude

As Fishbein & Ajzen (1977) declare in their highly influential book "Belief, Attitude, Intention, and Behavior: An Introduction to Theory and Research", attitude is an ambiguous and confusing concept with a wide array of definitions. However, they declare that most researchers agree that the concept is to be seen as "a learned predisposition to respond in a consistently favorable or unfavorable manner with respect to a given object" (Fishbein & Ajzen, 1977). Dissected, the definition consists of three main parts; that an attitude is established through learning, that attitude predisposes action, and that this action is consistently favorable or unfavorable toward the object. The attitude can vary in its valence and in its extremity (Blackwell, Miniard & Engel, 2006), where the object in question can be anything (Fishbein & Ajzen, 1977). However, in the context of marketing and communication, it is often a company, ad, product etcetera (Blackwell et al., 2006; Kotler & Keller, 2008).

Attitude as a Predictor of Behavior

The relationship between attitude and behavior is not straightforward and has been a debated topic for a long time (Jonassen, 2004). Wicker (1969), Simonson (1977), among several others (Jonassen, 2004) found very little support for that attitude would predict behavior. However, since then, several studies have scrutinized the aforementioned findings and the main criticism put forward was that these earlier studies had several methodological flaws (Albarracín, Johnson & Zanna, 2005; Jonassen, 2004). When these mistakes were corrected, the results of the studies of Ajzen (1991) and Kraus (1995) pointed in the opposite direction. Hence, the notion that attitude does not predict behavior was later seen as incorrect (Eagly & Chaiken, 1993). Most social scientists now believe the interaction between attitudes and behaviors to be

considerable (Jonassen, 2004). However, based on the discussion in later research, the notion that actions are better explained by looking at behavior intentions rather than the attitude directed at the object was put forward (Albarracin et al., 2005). In this study, the specific attitudes investigated are those characterized by trust as well as observing one's inclination to act on those attitudes – purchase intention.

2.1.3 Trust

Based on Rousseau, Sitkin, Burt and Camerer (1998) and Zand's (1972) widely adopted descriptions of trust, McKnight, Choudhury and Kacmarc (2002) define trust as an attitudinal construct with two interrelated components; trusting beliefs and trusting intentions. These two together constitute the essence of cognitive-emotional trust in a company, where purchase intention is argued to be contingent on that trust.

Trusting beliefs is seen as a perception of trustworthiness. Both Mayer, Davis & Schoorman (1995) and McKnight and Chervany (2001) proposed benevolence, integrity and competence as a parsimonious set of trusting beliefs factors. They argue that an actor who is perceived to possess these characteristics is desirable to have as an exchange partner, as such an actor is likely to behave ethically and consistently in an exchange. Benevolence refers to the trusting belief that the other party cares and is motivated to act in one's interest (McKnight et al, 2002). Integrity refers to the perception that a trustee will adhere to principles that are acceptable in the eyes of the trustor (Mayer et al., 1995), whereas competence refers to the belief that an actor will be able to deliver on its promises (McKnight & Chervany, 2001).

Trusting intentions, in the context of the financial industry, regards consumers' willingness to share personal data, as there exists a general concern for doing so (Lee & Shin, 2018). This construct captures consumers' inclination to depend on and become vulnerable towards the specific financial services provider, which is an important aspect of trust as an emotional sense of security needs to be apparent for a consumer to experience trust (McKnight & Chervany, 2001).

The usage among scholars when it comes to trusting beliefs and trusting intentions has varied. Some have held them separate, observing how trusting beliefs influence trusting intentions (e.g. Yousafzai, Pallister & Foxall, 2005) whereas others have used the two components as one (e.g. McKnight & Chervany 2001), with the argument that the inter-relationship between them is

too high to keep them separate. In this paper, trusting beliefs and trusting intentions will be regarded as one variable – the attitude of trust.

Should trust be experienced, financial services companies can enjoy greater monetary benefits, as trust is an antecedent of commitment in a relationship (Morgan & Hunt, 1994). A notion that receives support from van Esterik-Plasmeijer & van Raaij (2017), that identified that customers are more inclined to be loyal towards a financial service provider in the future if they feel a sensation of trust towards the company. However, before companies get the opportunity to satisfy those needs, they must communicate a sense of trustworthiness. The reason being that consumers assess a company's trustworthiness before establishing a relationship with it (Sekhon et al., 2014). In this paper it is argued that companies can influence this assessment through communication, even if barriers to being perceived as trustworthy exist outside of the company's control, thus going in-line with previous researchers' findings.

Research Investigating Trust and Purchase Intentions

A large portion of research on trust-building online has looked at the effect of communicating different *structural assurance* mechanisms. Yousafzai et al. (2005) showed that when a financial services company communicates security policies, privacy policies, legal and regulatory compliance and trusted third party verification from institutions on their website, consumers' levels of trust in the company and their purchase intentions was significantly higher than when such assurance mechanisms were not communicated. However, these findings contradict the more recent study by Muñoz, Luque & Sánchez (2010). They set out to evaluate the effect of customer testimonials and different structural assurance mechanisms (security arrangements, guarantees of refunds and compliance with legal framework) on consumers' trust and purchase intentions of a financial services company. The results suggest that the mere communication of customer testimonials, or the mere communication of structural assurance mechanisms, had no significant impact on trust and purchase intention. A combination of customer testimonials and structural assurance mechanisms were needed to identify statistically significant effects.

In line with the above, a meta-analysis conducted by Nienaber et al. (2014), showed that the communication of structural assurance cues has experienced diminishing effects when it comes to influencing consumer trust and purchase intentions in the financial industry during the last decade. Instead, including customer testimonials in one's communication was highlighted as

especially important, as its explanatory value on trust appears to be on the rise. However, they make no explicit statement of how marketing managers should interpret this in ways that they can operationalize their suggestions. In contrast, Franco (2010) could not conclude that customer testimonials do have an impact on trust and purchase intention. Consequently, it appears that the effectiveness of customer testimonials is not entirely understood within research investigating communication in the financial industry and therefore needs clarification.

Effectiveness of Customer Testimonials

Wangenheim & Bayon (2004) highlights that consumers are involved and more likely to include information provided by testimonials in their evaluation of the brand when a situation is characterized by high levels of risk. As Gillespie & Hurley (2013) mention, risk in the financial industry is high and arguably higher than other industries. Thus, the notion that consumers include testimonials in their evaluation of a fintech company is argued to apply. The effectiveness of testimonials has been argued to reside in the alleviation of insecurity from opportunistic behavior (Babić Rosario, Sotgiu, De Valck & Bijmolt, 2016), by offering an account of the organization's behavior (Malaga, 2001). Thus, testimonials increase consumers' ability to predict an organization's future behavior (Berger, 2014), which has been shown to positively influence trust and purchase intention (Mayer et al., 1995).

However, even if research understands the great implications and the effectiveness of customer testimonials, it is argued that they vary in their effectiveness. At the same time, no study identified has examined how to make testimonials highly effective. Even if Muñoz et al. (2010) briefly mention this gap in research, they do not include a comparison of different testimonials in their investigation, which is considered a limitation of their study. Thus, bringing clarity to this topic is argued to be important for both scholars and practitioners. The reason being that the positive effect testimonials appear to have on trust and purchase intention could be strengthened. As a consequence, financial services companies could enjoy greater monetary benefits in the long-term as trust is highly associated with customer loyalty in this sector (van Esterik-Plasmeijer & van Raaij, 2017).

Making Customer Testimonials Effective

As mentioned earlier, before a consumer establishes a relationship with an actor within the financial industry, they make an assessment of whether or not the actor can be trusted (Sekhon

et al., 2014). Likewise, the idea that consumers also evaluate testimonials on the same premises, whether the testimonial itself can be trusted or not, is an interesting idea seldom discussed in similar studies. As Wu & Wang (2011) mention, research investigating the source credibility of customer testimonials online are rare, which raises an interesting idea. Could it be that the source behind testimonials is important for the testimonial to become highly effective? If yes, then (e.g.) Franco's (2010) insignificant results of customer testimonials' effect on trust and purchase intentions could be better understood, as their results go against Nienaber et al.'s (2014) suggestion. Further, marketing managers could be provided with hands-on knowledge of what activities to perform in order to ensure the effectiveness of customer testimonials. Thus, potentially realizing the associated monetary benefits to a higher degree.

2.1.4 Endorsement

Ever since the late 19th century, it has been common for companies to use testimonials in their marketing in an attempt to influence consumer behavior (Dean, 1999; Erdogan, 1999). A strategy that continues to be highly utilized today (Schimmelpfenning, 2018), especially in low-involvement industries (Choi, Lee & Kim, 2005). When testimonials are used in marketing, it is commonly denoted as *endorsements,* which Fireworker and Friedman (1977) define as "*any advertising message… which consumers are likely to believe reflects opinions, beliefs, findings, or experience of a party other than the sponsoring advertiser*". To exemplify, this may take the form of Roger Federer endorsing Gillette, or a dentist recommending a toothpaste. Researchers have focused on several different types of endorsements, such as celebrity, expert, typical consumer (Dean & Biswas, 2001), spokescharacter and company representative (Stafford, Stafford & Day, 2002). With the three former, being the most common ones in practice and research (Fireworker & Friedman, 1977; Freiden, 1984; Friedman & Friedman, 1979; Dean & Biswas, 2001), this study will hone in on celebrity, expert and typical consumer endorsements to evaluate if the source behind a testimonial is important in making a testimonial effective.

Celebrity endorsers are commonly defined as well-known individuals among the general public for their accomplishments in a given area other than the service or product being endorsed (Fireworker & Friedman, 1977). Expert endorsers are individuals or groups that are perceived to have superior knowledge about a product, as a result of experience, study or training (Fireworker & Friedman, 1977), whereas typical consumer endorsers are ordinary people who

are expected to have "no special knowledge of the endorsed product except for that acquired through the use of it" (Friedman & Friedman, 1979).

Effectiveness of Endorsements

How and why endorsements are effective in attitude formation has been a debated topic among scholars. According to some, the main determinants of an endorser's effectiveness is attributed to its source credibility (Hovland & Weiss, 1951), and according to others the source attractiveness (McGuire, 1985). Kelman (1961) argues that the influence of an expert is performed through the process of internalization. That is, a person is likely to accept the influence of an expert when what is expressed is in line with one's values and beliefs and is viewed as beneficial for solving the imminent problem at hand. This differentiates from the process of identification, which is said to perform the influence of a celebrity, where a person is influenced by trying to establish or maintain an identity congruent with the celebrity (Kelman, 1961; Biswas, Biswas & Das, 2006). According to Friedman & Friedman (1979), the effectiveness of the typical consumer endorser stems from its similarity with the consumer and through its expertise learned from usage. Shimp & Andrews (2017) also argue that potential customers are likely to view typical consumers' testimonials as having less self-interest and greater objectivity than other types of endorsers. What remains coherent across all endorser types appears to be that they have an ability to increase attention and are effective in promoting usage of products and services (Knoll & Matthes, 2017). Another aspect that has been highlighted to influence the effectiveness is the fit between the brand and endorser image (Misra & Beatty, 1990), where a good fit leads to a higher believability of both the advertiser and the endorser (Kamins & Gupta, 1994).

McCracken (1989) criticized the aforementioned ideas as being too simplistic and argued that endorsers are endowed with much more than credibility and attractivity. Instead, endorsers are effective when they manage to transfer their cultural properties to the product. This, McCracken (1989) argues, may occur when the public image of the endorser is reflected in the message and to some degree matches the product. An example of this is when James Garner successfully transferred his cultural properties of maturity, Americanness, confidence and good humor to the Mazda car he endorsed (McCracken, 1989). In extending McCracken's (1989) notion, Knoll & Matthes (2017) put forward that endorsement effectiveness resides in consumers' subconscious desire to create consistent cognitive structures, as this results in the most tension-free state. To exemplify – if a consumer likes an endorser, they have a

subconscious desire to like the endorsed product as well, since humans, don't enjoy inconsistencies in opinions and values (Knoll & Matthes, 2017).

Comparative Studies of Different Endorsement Types

Friedman & Friedman (1979) compared the effect celebrity, expert and typical consumer endorsements had on attitudes towards ads, products and purchase intention, for three different types of products (cookies, vacuum cleaners, costume jewelry). It was discovered that celebrity endorsement was the most effective for costume jewelry, experts for vacuum cleaners and typical consumers for cookies. A similar study conducted by Stafford et al., (2002), compared the effect four types of endorsers; celebrity, employee, typical consumer and spokescharacter had on attitudes towards the ad and perceived credibility of the endorser. Further, they compared the endorser effects across two types of services; utilitarian (bank) and hedonic (restaurant). The study found that the celebrity and typical consumer performed best for the utilitarian service in terms of ad attitude and perceived credibility. Whereas spokescharacter and celebrity performed best for the hedonic service. Moreover, Friedman, Termini & Washington (1976) presented five groups of people with five different ads for wine, that were endorsed either by a student, celebrity, expert, company president, or not at all. The researchers concluded that all endorser types had higher significant relationships with purchase intention in relation to when no endorsement was shown. Even if these studies are not directly transferable to this study due to contextual and product differences, considering that the underlying principles of endorsement effectiveness appear to be consumers desire to maintain coherent cognitive structures (Knoll & Matthes, 2017), the transferability of the presented studies is heightened as such desires are argued to exist regardless of the context and/or product in question.

Summary of Literature Review

As Sangwan (2019) mentions, research within fintech is in its nascent stage. The primary areas of investigation have been with regards to tangible and technological aspects, where the few studies that focus on purchase behavior mostly utilize the TAM-model and analyze factors such as perceived usefulness and ease of use. Little attention has been given to intangible aspects such as trust, which is argued to be highly relevant for understanding purchase behavior of fintech services, as trust is vital for consumer decision-making in the financial industry (Sekhon et al., 2014).

In addition to this, it has been argued that customer testimonials are increasingly important for trust to be generated (Nienaber et al., 2014). Considering that research calls for further investigations in order to understand how to make customer testimonials effective (Muñoz et al., 2010), different endorser types can provide a good indication if the source behind a customer testimonial is important. Moreover, the few comparative studies of endorsements have focused on the direct effect endorsement has on different attitudes, but have not provided a deeper account for how endorsements work in the construction of those attitudes, which is regarded as a limitation in the academic discussion. At the same time, studies that have looked at how endorsements build attitudes have overlooked the factor of involvement, which is a crucial aspect of attitude formation. As shall be seen, Petty and Cacioppo (1986) mention that people's elaboration of a message will influence how attitudes are formed and how strong they become. Thus, it is argued that a need exists to help clarify how different types of endorsers work in the construction of trust – making the Elaboration Likelihood Model especially relevant. The reason being, that ELM puts emphasis on the role of elaboration, as well as capturing how attitudes are formed when exposed to a message (Petty & Cacioppo, 1986).

2.2. Theoretical Framework & Hypotheses

2.2.1 Elaboration Likelihood Model

The theoretical framework used in this study is the Elaboration Likelihood Model (ELM) developed by Richard Petty and John Cacioppo (1986). A theory that is widely acclaimed and seen as an "*especially important theoretical framework and unquestionably the most influential recent theoretical development in persuasion research*" (O'Keefe, 2015). The foundational postulation, on which ELM is based, is that people want to have correct attitudes. The theory suggests that people can form attitudes through two processes, the central route and the peripheral route and can be persuaded in both (Petty & Cacioppo, 1986).

The difference between the two routes concerns the way people process the information presented in a message. The central route is characterized by systematic thinking, where the argument quality of the message is the primary source of attitude formation (O'Keefe, 2015). When people engage in the peripheral route, they use cognitive shortcuts, or heuristics, to form their attitudes towards a given message (O'Keefe, 2015).

The route engaged in depends on peoples' *degree of elaboration* (i.e. issue-relevant thinking) of the information presented to them (Petty & Cacioppo, 1986). ELM is based on the notion that in different circumstances people will engage in issue-relevant thinking to varying degrees. Sometimes receivers will closely analyze the information presented in a message and therefore take the central route. Whereas in other situations, people may fall back on peripheral cues (heuristics), thus taking the peripheral route. The theory posits that the degree of elaboration forms a continuum, where the two different processes of attitude formation form the two extreme cases along this continuum (O'Keefe, 2015) and the degree of elaboration is contingent on two factors; *ability* and *motivation.*

Dimensions of Motivation & Ability

Motivation is defined as an individual's volitional desire to engage in issue-relevant thinking about a topic (Petty & Cacioppo, 1986). Two factors have received the most extensive support from research when it comes to capturing a receiver's motivation to engage in issue-relevant thinking, *personal relevance* & *need for cognition* (O'Keefe, 2015).

It has been confirmed that if a given topic is personally relevant to a person, the motivation to engage in issue-relevant thinking is higher compared to an issue that is not personally relevant (Petty, Cacioppo & Goldman, 1981; Petty, Cacioppo & Schumann, 1983). Petty & Cacioppo (1986) regard personal relevance as the extent to which a stance on an issue is of "intrinsic importance" (Sherif & Hovland, 1961) and has "personal meaning" (Sherif, Kelly, Rodgers, Sarup & Tittler, 1973). Further, Petty & Cacioppo (1986) concretize this by mentioning that personal relevance can regard both practical and/or social aspects.

The second factor influencing motivation, need for cognition, refers to "*the tendency for an individual to engage in and enjoy thinking*" (Cacioppo & Petty, 1982). The theory postulates that people vary in this tendency due to their preference to engage in effortful cognitive undertakings (O'Keefe, 2015). A good deal of research suggests that individuals, scoring high in need for cognition are more prone to be motivated to engage in issue-relevant thinking (O'Keefe, 2015).

In addition, the length of a message may also influence people's motivation to engage in issue-relevant thinking (Petty & Cacioppo, 1986), especially for more technical subjects, as the length of a message can serve as a sign of whether the text is worth to be examined closely or

not (O'Keefe, 2015). Further, a person may find that a short text cannot possibly include the necessary information, hence it is not worth scrutinizing the message closely.

Ability refers to the receiver's capacity to understand, process and evaluate the information being presented (Kitchen, Kerr, Schultz, McColl & Pals, 2014). The two factors that have achieved the most empirical support to constitute ability are *distractions* and *prior knowledge* about the topic (O'Keefe, 2015). Distraction refers to the presence of some distracting stimulus (O'Keefe, 2015). Thus, if distractions are present, the receiver's ability to engage in issue-relevant thinking is expected to decrease. Moreover, if distractions are present, the persuasive effectiveness is likely to be reduced if a receiver ordinarily would engage in favorable thoughts, but they can't due to distractions (Petty & Cacioppo, 1986). Likewise, if a receiver would have engaged in predominantly negative thoughts, then distraction could presumably enhance the persuasiveness of a message (O'Keefe, 2015). The second factor of ability – prior knowledge – allows the receiver to engage in more or less issue-relevant thinking. In a situation where the receiver has a lot of prior knowledge about the topic at hand, the receiver is better equipped to scrutinize the information in the message, making them more likely to elaborate on the message (O'Keefe, 2015). Consequently, this can have both a negative or positive effect on attitude, depending on if the arguments go against or in line with one's prior knowledge.

As the degree of elaboration is influenced by the two dimensions of motivation and ability, high elaboration (central route processing) will only occur if the receiver is both motivated and able to undertake issue-relevant thinking. This means that high elaboration will not occur if the receiver is able but unmotivated to do so or is motivated but unable to do so (Lien, 2001).

Influences on Persuasive Effects Under Conditions of High and Low elaboration

ELM is built on the assumption that there exists a tradeoff between central and peripheral route processing. As elaboration increases, peripheral cues become less important determinants of attitude formation, in relation to central cues. As explained, when receivers of a message are in a mode of high elaboration, thoughtful consideration of the issue-relevant arguments will build the foundation of one's attitude formation (Petty & Cacioppo, 1986). To put it broadly, the valency of the receiver's thoughts will determine the persuasive effects of a message (O'Keefe, 2015). The factors that influence this elaboration valence, are primarily whether the position advocated in the message is counter or pro attitudinal with that of the receiver, as well as the strength of the arguments presented. According to Petty & Cacioppo (1986), there's no

consensus among scholars as to what constitutes a strong argument. However, the quality of an argument can be evaluated based on whether the receiver has more or less favorable thoughts after being presented with the argument (Petty & Cacioppo, 1986). In addition to this, the number of arguments can also influence the elaboration valence. Further, Petty & Cacioppo (1986) argue that in low elaboration, an increase in the number of arguments will positively influence the attitude, no matter whether the arguments are strong or weak. In contrast, adding weak (strong) arguments when elaboration is high will have a negative (positive) impact on attitude formation (Petty & Cacioppo, 1986).

When receivers find themselves in low elaboration, the ELM theory suggests that outcomes of persuasive efforts will not be a result of the receiver's thoughtful consideration of the message (Kitchen et al., 2014). Instead, the usage of nonconscious heuristics will drive attitude formation (Kitchen et al., 2014). The heuristics that have received the most extensive support in research, are those of *likability, credibility* and *social consensus* (Cialdini, 2007; Chaiken, 1987). Consequently, this study will hone in on these heuristics.

Likability refers to the idea that receivers are more inclined to be persuaded by people they like (Cialdini, 2007) and can be exemplified with the quote "People I like usually have correct opinions" (O'Keefe, 2015). Communicators that are viewed as credible have been shown to possess great influence, especially in situations of relatively low elaboration (Cialdini, 2007). This can be exemplified by the quote "Statements by credible sources can be trusted" (O'Keefe, 2015). No matter whether the position is acquired through knowledge, talent or fortune, authorities are seen to be having superior power and information, hence, their statements tend to be seen as true (Heesacker, Petty & Cacioppo, 1983). The heuristic of social consensus refers to the idea that when a group is communicating a message it becomes highly persuasive. When this heuristic is used, the approving (disapproving) reaction from several people should enhance (reduce) the messages' effectiveness (O'Keefe, 2015). The heuristic can be exemplified by the quote "*If other people believe it, then it's probably true*" (Axsom, Yates & Chaiken, 1987). Given that the different endorser types used in this study are celebrities, experts and typical consumers, it is argued that they can be seen as embodying the heuristics of *Likability, Credibility* and *Consensus* respectively. The reason being that celebrities are generally liked by the public, that experts are seen as credible and that typical consumers reflect several people's opinions.

Even if persuasion can occur at any point along the continuum of elaboration, the effects are not necessarily identical. Specifically, the ELM postulates that attitudes formed under high elaboration will: (1) display greater temporal persistence, (2) be more predictive of intentions and behavior, and (3) be harder to change in comparison with attitudes formed under conditions of low elaboration (Petty & Cacioppo, 1986).

The Multiple Roles of a Variable

One of the most recognized contributions of ELM to the general understanding of persuasion is the theory's postulation that a given variable (i.e an element of information in a message) can play different roles in different situations (Petty & Wegener, 1998). Under some circumstances, a variable may influence the degree of elaboration, it may serve as a peripheral cue or it may influence the elaboration valence by being perceived as an argument. However, Petty and Cacioppo (1986) acknowledge that a variable may adopt several roles simultaneously. The key question that arises is when a variable is likely to adopt a specific role. As a rule of thumb, ELM states that the role a variable plays is based on the degree of elaboration (Petty, Wegener, Fabrigar, Priester & Cacioppo, 1993). In conditions of low elaboration, a variable is more likely to function as a peripheral cue if it shows effects on attitude change (O'Keefe, 2015). When elaboration is high, the effects of a variable on attitude change is most likely to occur through influencing the elaboration valence. Lastly, in moderate elaboration modes, the effects of a variable on attitude change are likely to arise from influencing the degree of elaboration (O'Keefe, 2015).

2.2.2 Hypotheses

Degree of Elaboration

As ELM highlights that an element of text (i.e. variable), can influence the degree of elaboration, a desire exists to evaluate if such an influence occurs with the use of endorsements. The reason is that it will aid in making sense of why and how endorsements are effective or not in terms of influencing consumer trust. The notion that endorsements influence the degree of elaboration may happen in several different ways. It has been found that a longer text may be viewed as a sign of it being worth examining (O'Keefe, 2015). As the endorsement in itself is an addition of text, endorsements may positively influence the degree of elaboration. In addition to this, ELM postulates that personal relevance can depend on practical features or social features. If a person has a desire to belong to a specific group, or identify with a celebrity,

it could be the case that one instantly wants to elaborate more on the topic at hand to better understand what the message proposes. Further, by seeing other consumers, or an expert, recommending a practically relevant service (consumers want to make money and the service is a means to potentially accomplish that), a similar reasoning can be applied. Moreover, as the interest of the population is argued to partly be to make money, then the fear of missing out on opportunities can lead people to elaborate more to conclude if the service at hand is good or not. Consequently, the following is hypothesized:

H1*: Endorsements have a positive effect on degree of elaboration*
H1a: *Celebrity endorsements have a positive effect on degree of elaboration*
H1b: *Expert endorsements have a positive effect on degree of elaboration*
H1c: *Typical consumer endorsements have a positive effect on degree of elaboration*

Argument Quality

Considering that ELM highlights that argument quality constructs attitude formation when following the central route (Petty & Cacioppo, 1986), a desire exists to measure such a variable to evaluate if endorsements act as an additional argument for a persuasive message. Tying back to the research question of this paper, by understanding if endorsements work as an argument mechanism, a better understanding of how endorsements potentially influence trust can be made. Considering that the endorsement literature highlights that a transfer of attitudes from the endorser to the company usually occurs, as consumers have an inherent desire to uphold cognitive structures in a consistent way (Knoll & Matthes, 2017), the same reasoning for argument quality is argued to apply. The rationale for why this should be the case resides in the extensive findings of endorsements' positive influence on attitudes in previous research (e.g. Friedman & Friedman, 1979). Lastly, as customer testimonials are associated with increasing the sense of predictability of company behavior (Berger, 2014) and that they help alleviate feelings of uncertainty (Babić Rosario et al., 2016), it is argued in this paper that endorsements do work as an argument mechanism. Thus, the following is hypothesized:

H2: *Endorsements have a positive effect on argument quality.*
H2a: *Celebrity endorsements have a positive effect on argument quality.*
H2b: *Expert endorsements have a positive effect on argument quality.*
H2c: *Typical consumer endorsements have a positive effect on perceived argument quality.*

As ELM postulates that the degree of elaboration has a positive relationship with argument quality, this paper will investigate this theorized relationship to deepen the understanding of how attitudes are formed. Thus, complementing the primary purpose of this paper. By understanding how attitudes are formed, a better understanding of why endorsements appear to work or not in terms of influencing consumer trust is provided. Given that the theory has received tremendous empirical support for the relationship between the degree of elaboration and argument quality, the following is hypothesized:

H3: *Degree of elaboration has a positive relationship with argument quality.*

As explained earlier, ELM highlights that the role a variable adopts, varies based on the degree of elaboration (Petty & Cacioppo, 1986). Hence, it could be the case that in lower degrees of elaboration, an endorsement is not seen as an argument, but a peripheral cue that triggers a heuristic. Consequently, the main effect received when testing for H2 could be lowered. As a means to better understand if endorsements indeed increase elaboration valence, it becomes necessary to investigate potential moderating effects of degrees of elaboration to better isolate such a phenomenon. Considering the previous argumentation for why endorsements are expected to work as an argument mechanism, it is expected that as the degree of elaboration increases, endorsements will be seen as an argument influencing the elaboration valence positively, hence the following is hypothesized:

H4: *Degree of elaboration moderates the effect endorsements have on argument quality.*
H4a: *Degree of elaboration moderates the effect celebrity endorsements have on argument quality*
H4b: *Degree of elaboration moderates the effect expert endorsements have on argument quality*
H4c: *Degree of elaboration moderates the effect typical consumer endorsements have on argument quality*

Trust

When elaboration is low, an endorser may act as a peripheral cue by embodying the heuristics of credibility, likability and consensus (Petty & Cacioppo, 1986). This is argued to increase

trust, as the attributes of an endorser tend to spill over and influence the perception of the company (McCracken, 1989) and as people have an inherent desire to uphold cognitive structures (Knoll & Matthes, 2017).

Secondly, in a state of high elaboration, an endorsement may influence the valence of elaboration by being perceived as an argument. Previous research has concluded that customer testimonials are associated with increased levels of trust, as they improve the ability to predict company behavior (Berger, 2014) and help alleviate feelings of uncertainty (Babić Rosario et al., 2016). Hence it is argued in this paper that in higher degrees of elaboration, endorsements would work as an argument mechanism, increasing the levels of trust.

Thirdly, in a state of moderate elaboration, an endorsement may increase the degree of elaboration positively (as argued for in H1). As a consequence, the receiver may end up in a state of higher elaboration and the arguments proposed by Berger (2014) and (Babić Rosario et al., 2016) should apply. In addition to this, the receiver is more likely to scrutinize the arguments in the text to a greater extent. Therefore, if the presented message includes elements of structural assurance, which has been found to positively influence trust when combined with a customer testimonial (Muñoz et al., 2010), consumers should experience more trust. Thus the following is hypothesized:

H5: *Endorsements have a positive effect on trust*

H5a: Celebrity endorsements have a positive effect on trust

H5b: Expert endorsements have a positive effect on trust

H5c: Typical consumer endorsements have a positive effect on trust

However, trust is argued to in part be based on an individuals' underlying notion of whether people generally can be trusted or not. Even if such a notion has been mentioned in previous research (e.g. Searle, Weibel & Den Hartog, 2011), many studies do not control for such individual differences when measuring trust (Nienaber et al., 2014). To exemplify, Yousafzai, Pallister and Foxall (2003) highlight that individuals' disposition to trust is an underlying dimension that influences trust and behavior intention. At the same time, they decided not to include it in their study, which is regarded as a limitation to their research. Further, Yousafzai et al. (2003) suggest that consumers do not evaluate a financial service provider's

trustworthiness based on perceived characteristics of the actor in isolation, but that pre-conceptions of societal structures and legal frameworks can impair or enhance the trust experienced. Hence, this study will control for such individual differences.

Much like H3, the ELM postulates that argument quality has a direct impact on one's attitudes, as argument quality builds the foundation of one's attitudes when a receiver is in high degrees of elaboration. Considering the wide empirical support the theory has received throughout the years and that this theorized relationship has not been investigated in the context of this study, this paper will investigate this theorized relationship to conclude that the attitude formation has indeed followed the postulations proposed by ELM. The consequence of which will aid in understanding how and why endorsements appear to work or not to influence consumer trust. Thus, the following is hypothesized

H6: *Argument quality has a positive relationship with trust.*

Purchase Intention

The ultimate variable of interest to a financial service provider is argued to be actual consumer purchase behavior. In light of the difficulty to simulate actual behavior in an experimental setting, purchase intention is measured in this paper instead. Moreover, numerous studies have measured intentions instead of actual behavior (e.g. McKnight et al., 2002) and have confirmed a strong correlation between intentions and actual behavior (Sheppard, Hartwick & Warshaw, 1988; Albarracin et al., 2005). Even if purchase intention is not the primary interest in this study, but instead how endorsers might influence attitudes of trust, purchase intention is highly dependent on the existence of trust. The reason being that trust is one of the key determinants in consumers' decision-making process (Sekhon et al., 2014). Thus, investigating both the relationships between trust and purchase intention, as well as endorsements' direct effect on purchase intention, is argued to be relevant to strengthen the implications of generating trust.

Endorsements may affect purchase intention in one of the following three cases. In a state of low elaboration, an endorsement may act as a peripheral cue and trigger the use of heuristics, thus having a direct effect on purchase intention. Secondly, the endorsements may affect other attitudes that are not measured in this study, which consequently influences purchase intention. Lastly, endorsements have been argued to positively influence argument quality and trust. Consequently, endorsements may have an indirect effect on purchase intention by firstly influencing argument quality and trust. Considering the findings of Friedman et al. (1976), the

potential effect of endorsement on purchase intention should be positive. Consequently, the following is hypothesized.

H7a: *Endorsements have a positive effect on purchase intention*

H7a: Celebrity endorsements have a positive effect on purchase intention

H7b: Expert endorsements have a positive effect on purchase intention

H7c: Typical consumer endorsements have a positive effect on purchase intention

As explained above, Sekhon et al. (2014) underscore the importance of trust as a key factor in consumers' decision-making process. Combining this with the notion that risk is high in the financial industry (Gillespy & Hurley, 2013), makes trust crucial for purchase intention to occur. Consequently, the following is hypothesized:

H8: *Trust has a positive relationship with purchase intention*

Summary of Hypotheses and Conceptual Model

As a means to summarize, Figure 1 presents the theoretical causal direction of the trust-generating process, leading up to purchase intention. Further, the arrows represent the hypothesis that will be tested.

Figure 1. Conceptual model
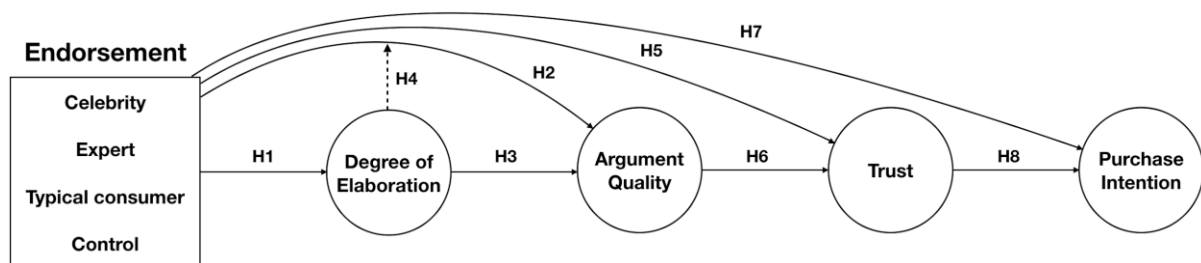
Table 1. Summary of Hypotheses

H1	***Endorsements have a positive effect on degree of elaboration***
H1a	*Celebrity endorsements have a positive effect on degree of elaboration*
H1b	*Expert endorsements have a positive effect on degree of elaboration*
H1c	*Typical consumer endorsements have a positive effect on degree of elaboration*
H2	***Endorsements have a positive effect on argument quality***
H2a	*Celebrity endorsements have a positive effect on argument quality*
H2b	*Expert endorsements have a positive effect on argument quality*
H2c	*Typical consumer endorsements have a positive effect on argument quality*
H3	***Degree of elaboration has a positive relationship with argument quality***
H4	***Degree of elaboration moderates the effect endorsements have on argument quality***
H4a	*Degree of elaboration moderates the effect celebrity endorsements have on argument quality*
H4b	*Degree of elaboration moderates the effect expert endorsements have on argument quality*
H4c	*Degree of elaboration moderates the effect typical consumer endorsements have on argument quality*
H5	***Endorsements have a positive effect on trust***
H5a	*Celebrity endorsements have a positive effect on trust*
H5b	*Expert endorsements have a positive effect on trust*
H5c	*Typical consumer endorsements have a positive effect on trust*
H6	***Argument quality has a positive relationship with trust***
H7	***Endorsements have a positive effect on purchase intention***
H7a	*Celebrity endorsements have a positive effect on purchase intention*
H7b	*Expert endorsements have a positive effect on purchase intention*
H7c	*Typical consumer endorsements have a positive effect on purchase intention*
H8	***Trust has a positive relationship with purchase intention***

3. Methodology

3.1 Research Philosophy

As with any research, epistemological and ontological considerations are important to outline as the underlying assumptions of such a standpoint have influenced the structuring of the research as well as the methodological decision taken. From an epistemological perspective, positivism permeates the study as the research is being based on previous theoretical frameworks and insights of the investigated phenomenon. As the study set out to investigate the potential impact different types of endorsers have on consumer attitudes of trust towards a fintech company, the aim was not to explore this phenomenon as a social construct, but rather in absolute terms to the greatest extent possible. Thus, this paper is more in-line with the approach within natural sciences. Subsequently, this study is built upon an objectivist standpoint from an ontological perspective where it is assumed that reality can be observed, based on observable external facts that lie beyond the influence of the researcher (Bryman & Bell, 2011). Moreover, that reality is not a social construction subject to a constant flow of revision in accordance with the constructivists perspective (Bryman & Bell, 2011).

3.2 Research Approach and Strategy

In this study, the Elaboration Likelihood Model is used as a theoretical lens to look at the formation of trust and the potential influence of endorsements within such a process. As Kitchen et al. (2014) mention, the ELM represents one of marketing communication's sacred and most-cited models. Consequently, the theory is considered mature (Edmondson & McManus, 2007), making the theory appropriate to use as a foundation for hypothesis generation and testing. Considering that no comparative study of endorsements has used ELM as their theoretical framework, this paper provides a deeper understanding of how and why endorsements work or not in forming attitudes. Combining this with the connection between the different types of endorsers and the heuristics suggested in ELM builds the argumentation for choosing the ELM as the theoretical lens. Additionally, it appears that few (if any) studies have investigated the relative importance of the heuristics proposed in ELM, making ELM especially interesting to use for this study.

As a means to test the chosen hypotheses, a quantitative method was chosen. As the research questions required a study of different treatment effects, this method was preferred. As

described by Bryman & Bell (2011), a quantitative method is better suited for finding and describing fine differences between people. Surely, distinctions could still be made between people with the usage of a qualitative method, however, only in terms of extreme categories. Moreover, considering that differences in individuals' psychological mechanisms wanted to be observed and that such differences can be small, the decision to pursue a quantitative method is further strengthened as such a desire requires an extensive set of data (Bryman & Bell, 2011). An alternative was to conduct interviews with experts within the field of marketing and the financial industry. However, such a method would have been impractical and difficult to adopt in order to examine stimuli effects and would not be generalizable to consumers. Neither would a qualitative method have constructed a good, consistent device for measuring the effects of the chosen stimuli, as it would be tough to determine precise estimates of the relationships between the chosen variables (Bryman & Bell, 2017). Furthermore, considering that an integration of qualitative and quantitative data can be difficult to achieve (Greene, Caracelli, Graham, 1989) and that using such a method always face the risk of compromising the relative strength of either method on its own (Edmundson & McManus, 2007), a combined approach was rejected for this study. Knowing that this study would examine relationships between variables within a specific area of research, a quantitative method was concluded to be the most suitable in order to achieve the goal of the thesis.

3.3 Experiment Design

Considering that the purpose of this study was to investigate if the use of endorsements positively influences trust in a fintech company in relation to when no endorsement is given, as well as whether there are differences between endorsers' effect, the seemingly obvious choice of design for this paper was an experiment. Consequently, preparatory studies were conducted to choose the company, endorsers and to formulate the message, which would be communicated in the experiment.

3.3.1 Selection of Company and Message Creation

As a means of deciding what type of company to use in the experiment, a telephone-interview with an industry expert (Günther Mårder) was performed on the 16th of September. From the interview, it was concluded that fintech companies offering capital management through the use of "robots" (i.e. algorithms) to invest in the capital market, was a hot topic of discussion within the financial industry in general. The expert provided us with six company names, which

subsequently were contacted and asked if they would like to participate in the study. As a means to decide which company to go with, consideration was given to the existence of structural assurance mechanisms on their websites as prior research suggests this to be important in order to facilitate trust (e.g. Yousafzai et al., 2005). The company used in this paper provided us with an explanation of their services and the assurance mechanisms communicated on their website in order for us to construct a message similar to what is presented on the company website. A confirmation of the created message was given by the company representative stating that the information was accurate as well as giving us consent to use the message.

3.3.2 Selection of Endorsers

A pre-study was conducted in order to make sure that the specific endorsers chosen for the main experiment substantiate each of the heuristics proposed in the ELM. The suitability of a couple of different candidates for each endorser type was tested through a survey distributed in a Facebook group for people interested in trading. More specifically, likability and credibility were measured by a three-item, 7-point Likert scale adopted from Cialdini & De Nicholas (1989) and Ohanian (1990) respectively. The consensus heuristic was captured by having the respondents choose what percentage of a company's customers that would have to recommend a fintech company for the respondents to trust the company. By doing this, it is argued that the consensus heuristic was captured as the percentage was chosen based on consensual agreement among actual consumers.

As for the celebrity endorser, the survey Bobarometern (2019) by Kantar Sifo was used, in which swedes between 18-74 years old are asked who they would prefer to have as their neighbor. Something that in this paper is argued to be a good indicator of likable celebrities. From the survey, the most popular male and female of two broad types of celebrityhood were chosen. From entertainment, Johan Glans and Mia Skäringer were chosen, and from sports, Zlatan Ibrahimović and Charlotte Kalla.

As for the expert endorsers, four main types emerged in a discussion with the supervisor. The ones being, economy professor, financial journalist, venture capitalist and CEO. They were argued to be appropriate as they are highly knowledgeable in the financial industry and/or business in general and represent different aspects of it.

Further, to ensure that the chosen text to be used in the main experiment resembled information showcased on fintech companies' websites, respondents had to rate the similarity of the message to information that is often shown on fintech companies' websites.

93 people participated in the pre-study. 79 participants identified as men and 14 as women, where 70% of all participants were below 35 years old. The fact that the sample was skewed towards men may be seen as a limitation to the study. However, as this study is aimed at investigating consumers of fintech services and that a similar gender imbalance is found in the consumer base of investing in general (Euroclear, 2019), this is not viewed as hampering the study.

As can be seen in Table 2 below, Charlotte Kalla and Johan Glans were the celebrities with the highest mean on the likability construct, ranging between 5.67-5.78 and 5.58-5.64 respectively, across the three items. And as Table 2 shows, the perceived expertise of the celebrities is rather low. Hence, their potential positive treatment effect should be attributed to the heuristic of likability.

As seen in Table 2 below, economy professor and venture capitalist had the highest mean values on the expertise construct, ranging between 5.41-5.78 and 5.27-5.51 respectively, across the three items. Further, the respondents are rather indifferent towards the likability of all the different experts, which increases the possibility to attribute their potential treatment effect to the credibility heuristic. As a consequence, economy professor and venture capitalist were chosen as the two titles to be tested in the main experiment.

For the consensus heuristic, the mean value retrieved was 74%. At this level the consensus heuristic may not be activated for 62% of consumers as 74% recommending is below that which was required for 62% of the respondents. Consequently, it was chosen that 8/10 should be the proportion used in the experiment, as 77% of the respondents then would experience trust according to the results.

The questions used for measuring likability (see Appendix 3) scored Cronbach Alpha levels of 0.951 for Charlotte Kalla and 0.954 for Johan Glans, thus confirming the internal consistency of the questions used to capture the likability construct. At the same time, Cronbach Alpha levels for credibility scored 0.906 for the economy professor and 0.916 for the venture capitalist

(See Appendix 3), thus giving support for capturing the credibility heuristic. The reason being that values above 0.7 is deemed acceptable (Nunnally, 1978) and is most often used in research (Bryman & Bell, 2017).

Table 2. Likability

	M^1			
	Likable	**Friendly**	**Pleasant**	**Combined mean**
Expert				
Professor	4.17	4.06	4.03	**4.09**
Venture Capitalist	3.49	3.58	3.84	**3.64**
CEO	3.99	4.01	4.15	**4.05**
Journalist	3.94	3.98	3.95	**3.96**
Celebrity				
Johan Glans	5.58	5.64	5.58	**5.60**
Mia Skäringer	4.66	4.77	4.60	**4.68**
Zlatan Ibrahimovic	3.18	3.39	3.32	**3.30**
Charlotte Kalla	5.78	5.78	5.67	**5.74**

[1] Mean value on a 7-point Likert scale (Strongly disagree [1] - Strongly agree [7])

Table 3. Credibility

	M^1			
	Expert	**Experienced**	**Knowledgeable**	**Combined mean**
Expert				
Professor	5.46	5.41	5.78	**5.55**
Venture Capitalist	5.27	5.47	5.51	**5.42**
CEO	4.58	5.27	4.99	**4.95**
Journalist	3.91	4.37	4.47	**4.25**
Celebrity				
Johan Glans	1.92	2.25	2.23	**2.13**
Mia Skäringer	2.01	2.22	2.27	**2.17**
Zlatan Ibrahimovic	2.53	3.30	3.14	**2.99**
Charlotte Kalla	2.31	2.64	2.67	**2.54**

[1] Mean value on a 7-point Likert scale (Strongly disagree [1] - Strongly agree [7])

Table 4. Consensus

Share of customers recommending	0/10	1/10	2/10	3/10	4/10	5/10	6/10	7/10	8/10	9/10	10/10
n	1	1	3	2	2	6	5	15	36	18	4

The decisions taken in the pre-study are subject to critique as one may argue that too much subjective influences from the researchers paved the way for the development of the study. This is somewhat true, yet it is stressed that the subjective influences were based on the theoretical insights provided by the ELM. At the same time, subjective influences were somewhat required in order to choose which endorser types to use in the experiment. Lastly, given that the final results were primarily based on observation and data, it is argued that the influence of the researchers should not be seen as impairing the study.

When asking if the information about the fintech company resembled the type of information usually seen on fintech company's websites, the mean value was 5.93. Combining this result and the trade-off between extending the information presented and the risk of losing respondent participation, the text was deemed to be suitable for the experiment.

3.4 Experiment

In total, six different treatments were employed in the design where each treatment belonged to one of the three endorser types, thus creating three categories. The usage of two treatments in each category was considered to be in line with the notion of stimulus sampling (Söderlund, 2018). Thus, considered interesting to pursue in order to increase the ability to generalize the results. Considering that one of the delimitations of this paper was to evaluate communication through the verbal cue of text only, each group was exposed to a message (see Appendix 1) of a fictitious brand (Finco AB)[2] wherein an endorsement was shown towards the treatment groups. Thus, the control group only saw the message itself without an endorsement.

To ensure comparability between groups, the testimonial was held constant. The testimonial said:

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[2] The notion that a respondent would feel trust towards a nonexistent fintech company is very questionable, as it unlikely to generate trust for something that is not real, which impairs ecological validity. Yet, it was deemed necessary to keep the brand fictious to prevent existing opinions and attitudes about actual brands from interfering with any potential treatment effect.

"I recommend Finco who offers an advanced, user-friendly and reliable solution for investments".

- [endorser]

However, minor changes in the framing of the source behind the testimonial were made. Considering the difficulty of conveying that several people stand behind a quote, a change in the formulation of the typical consumer endorsements was made. The endorsement for the consensus groups was thus formulated as "8/10 (4/5) of our customers agree with this statement". Further, to avoid the influence of personal opinions regarding a well-known expert in the field, no name was included for the expert endorsers. Instead, only the title of their profession was used. These changes in how treatments were performed are considered a limitation. However, it was concluded to be necessary in order to isolate and separate the potential effects of the heuristics proposed by ELM. If well-known experts were to be used, a theoretical separation between which heuristic was responsible for a potential attitude change would have been hard to perform. The reason being that participants could like or dislike the chosen experts, thus potentially triggering the likability heuristic as well as that of credibility.

3.4.1 Data Collection

The gathering of data was conducted over 14 days. Thirteen Twitter profiles well-reputed in the financial industry (Günther Mårder, Marcus Hernhag, MarketMakers, Mikael Syding, Albin Kjellberg, Tove Zander, Joakim Bornold, MiljonarInnan30, Maria Landeborn, Utdelningsseglaren, Marcus Hernhag, Marcus Fridell and Johanna Kull) were reached out to and they assisted in tweeting about the experiment. The data was collected through the online survey tool Qualtrics and in order to ensure the highest possible response rate, the respondents were offered the opportunity to participate in a lottery of two cinema tickets, as well as stating that for each full participation, 3 kr (SEK) would be given to the Swedish Breast Cancer Foundation (Bröstcancerfonden). The Twitter profiles were reminded to re-tweet their tweet after seven days. Any individual that saw the tweet decided voluntarily to participate or not.

Thus, a purposive non-probability sampling technique was undertaken, which is associated with limitations to the ability to generalize results (Bryman & Bell, 2011). Given that the researchers do not have direct contact with consumers in this industry, the choice of purposive sampling was considered appropriate, as it can be used when a population is hard to reach (Breweton & Millward, 2001).

By following the Twitter-profiles, it indicates that the sample both have prior knowledge and presumably already invest. Consequently, the notion that the sample constitutes of respondents that are more inclined to purchase a fintech service is argued to apply, making the choice of purposive sampling more appropriate. Further, as experimental designs might not require that participants are drawn from a random or representative sample (see discussion in Söderlund 2018) the sampling can be seen as appropriate.

3.4.2 Sample Characteristics

In total, 449 people were exposed to one of the 6 treatments or control. 70 people did not complete the questionnaire and out of the remaining, 30 people failed the instructional manipulation check of what the study concerned. Consequently, they were excluded to mitigate the risk of unreliable responses. The remaining 349 participants were analyzed and the internal loss of responses was considered to be at an acceptable level (Bryman & Bell, 2017). Those exposed to the chosen celebrities were all aware of who the celebrity was.

Table 5. Category descriptives

Category	Female	Male	Other	18-30	31-43	44-56	57-69	70+	Total
Control	13	81	0	35	31	18	7	3	**94**
Celebrity	6	82	0	35	26	22	4	1	**88**
Typical consumer	10	82	1	35	34	15	8	1	**93**
Expert	8	66	0	29	22	17	3	3	**74**
Total	**37**	**311**	**1**	**134**	**113**	**72**	**22**	**8**	**349**

What can be seen is that the gender distribution was highly biased towards men. A sample, which may not pose any threat to external validity as discussed under section 3.4.6.

3.4.3 Measurements

To measure each item, a 7-point Likert scale ranging from *Strongly Disagree* to *Strongly Agree* was used. The use of a Likert scale, compared to other types of scales, was deemed appropriate

as it is one of the most commonly used formats when measuring attitudes (Bryman & Bell, 2011). A 7-point scale has been argued to increase the probability of meeting the objective reality of people (e.g. Joshi, Kale, Chandel & Pal, 2015). Combining this with the desire to measure small psychological differences, a 7-point Likert scale was considered most appropriate for this study.

The main variables investigated in this study were degree of elaboration, argument quality, trust and purchase intention. Argument quality and purchase intention were measured through 3 items each (see Appendix 3). Trust was measured through 8 items, in order to capture both the cognitive and the emotional dimensions of the construct and degree of elaboration was measured with 11 items. Further, as trust is the variable of focus in this paper, individual differences such as disposition to trust and trust in societal structures were controlled for, to isolate the effects investigated in the attitude formation process.

3.4.4 Method of Data Analysis

The data analysis was accomplished by using the statistical software program SPSS (Version 26). Even if previous researchers' questions were relied on to measure the desired constructs, a factor analysis was conducted for all variables to ensure convergent validity (dimension of construct validity). The KMO and Bartlett's test for sphericity showed levels above 0.7 and significant levels below p=0.01 in all analyses, thus making factor analysis suitable for the sample (Rummel, 1988). The lowest factor loading retrieved was 0.61, whereas the most common loading values varied between 0.7-0.9 (see Appendix 3). Furhter, internal consistency was checked by measuring Cronbach Alpha for the items belonging to a specific variable. Levels above α=0.7 were deemed satisfactory (Nunnally, 1978).

Table 6. Cronbach Alpha levels

Variable	*α*
Degree of Elaboration (ELAB)	0.712
Argument Quality (ARGQUAL)	0.856
Trust (TRUST)	0.896

Purchase Intention (PURINT)	0.960
Structural Assurance (STRUCTA)	0.674
Disposition to Trust (DISPO)	0.927

Bryman and Bell (2017) mention that levels below 0.7 are questionable, which STRUCTA (0.674) showed. At the same time, several researchers mention that Cronbach Alpha levels above $\alpha=0.6$ are acceptable (e.g. Taber, 2018). Further, given that the control variable of gender was biased towards men and that STRUCTA was not the primary variable of interest, STRUCTA was used in this paper. Moreover, values above 0.9 have been argued to indicate unnecessary redundancy (Streiner, 2003), but considering that only three items were used to measure DISPO (0.927) and PURINT (0.960) no item could be excluded. Instead, such a result indicates a good capture of the constructs. Considering the results above, confirmation of the constructs' internal consistency was made.

Dummy variables for each category group were created, which accordingly were multiplied with ELAB to identify any potential interaction effects. An approach that is a legitimate way to test for interaction effects (Allison, 1977). In order to test the given hypotheses for the endorsements, a One Way ANOVA was performed for each dependent variable, to see if significant differences in means could be found. With the ANOVA, the researchers could test if differences between showing an endorsement or not existed, while simultaneously seeing if differences between the endorser types were present. For all analyses, Shapiro-Wilk's test of normality and Levene's F-test was considered to ensure the applicability of the ANOVA. By checking the assumption underlying the ANOVA, this paper went one step further than what is usually performed in quantitative research, where the underlying assumptions are seldom presented or discussed but rather assumed to hold (Hoekstra, Kiers & Johnson, 2012).

After the ANOVA, a follow-up multiple linear regression was performed for ARGQUAL, TRUST and PURINT to evaluate the suitability of ELM as an attitude-formation theory and to better isolate any significant findings from the ANOVA analyses. In doing this step, the authors followed the principle of parsimony, which suggests that researchers should design models so

that as few explanatory variables as possible are used, thus simplifying the model as far as possible (Tenenbaum and Fillho, 2016).

The "ENTER" method was used in the multiple regression analyses. With the "ENTER" approach, each predictor is assessed by entering it after all the other predictors have been entered and evaluated by what it offers to the prediction of the dependent variable, not already predicted by the other variables (Cohen, Cohen, West & Aiken, 2013). This method is appropriate when dealing with a small number of independent variables and when the researchers do not know which independent variable will create the best prediction equation (Cohen et al., 2013). Considering that no study has investigated potential interaction effects between degree of elaboration and endorsement on argument quality, and that no similar study has used DISPO and STRUCTA as control variables, the arguments for using the "ENTER" method applies. Further, no previous study could aid in building the argumentation for the relative importance of the different independent variables investigated, thus making the "ENTER" method suitable.

Conclusively, it was seen as a proper approach to evaluate if ELM as an attitude theory finds support with the sample of this paper, thus aiding in explaining how and why endorsement influences trust or not. All of the given hypotheses were tested on the 5% significance level, which was considered to be an acceptable level and is commonly used in marketing research (see discussion in Söderlund, 2018). At the same time, p-values close to 0.05 were still discussed as the p-value is simply a measure of how probable it is that results are acquired purely out of chance or not.

3.4.5 Ethical Considerations

As argued in Bryman and Bell (2017) there are different ethical aspects and rules that should be followed when conducting research. In this paper, emphasis is put on the fact that there is no consensus among researchers in what the exact definition of ethical research is and what such research entails. This investigation has considered the principles most important when conducting research, as mentioned in Bryman and Bell (2017). As the study included collaboration from three separate actors; the Twitter-profiles tweeting about the study, the company used and the survey participants, ethical considerations were given to each and every one. Before any respondent took the survey, a thorough explanation of the purpose was provided (see Appendix 1). It was highlighted that participation would be completely

anonymous. Further, contact details were provided in order to give any participant the ability to contact us with any questions about the questionnaire or the study in general. As the study utilized a digital questionnaire to collect data, considerations were given to the possibility of identifying the participants or not. As some participants provided their email addresses in order to participate in the lottery of two movie-tickets, a decision was made to separate these answers from the rest of the dataset as soon as the questionnaire was closed, to avoid the potentiality of identifying specific respondents. When it comes to the company, it was co-decided with the CEO of the company to keep the company anonymous, making us change the real company name to a fictitious (Finco AB). Lastly, when it comes to the Twitter-profiles, they all gave their consent to be named in the study.

3.4.6 Reliability and Validity

In order to ensure the quality of the research, great measures have been taken to establish high validity and reliability. As can be seen in Appendix 3, the survey and the pre-study was conducted using questions that has been used and validated in previous research. Thus, the notion that reliable items were used is put forth. At the same time, given that several items were used to measure a single construct and that the internal consistency checks indeed showed sufficient Cronbach alpha levels, the reliability of the chosen items is argued to apply. Meanwhile, with the result of the internal consistency checks in mind, a confirmation to the inter-rater reliability was made as well as the formulations were based on previous research. However, even if a reliance on academic scholars, more knowledgeable than us were made, a factor analysis was still pursued to ensure construct validity.

Construct validity refer to if the intended construct actually has been measured (Bryman & Bell, 2017) for all analyses (except for degree of elaboration), there was only one factor with an eigenvalue above 1 and in total the analyses showed cumulative variances above 0.7. These results speaks for construct validity to a great extent (Costello & Osborne, 2005). At the same time, construct validity for degree of elaboration can be questioned as it extracted two factors. However, given that researchers mention that both the dimensions of motivation and ability needs to be present for one to engage in issue-relevant thinking (Petty & Cacioppo, 1986); that the internal consistency check of Cronbach alpha showed a value above $\alpha=0.7$; and that other researchers have relied on similar questions in measuring degree of elaboration, degree of elaboration was used as one variable in this paper. Worth mentioning is that a factor analysis

could not be performed during the pre-study as the sample size was too small. However, by relying on previous used items to measure the different heuristics both the reliability of these items and construct validity is argued to apply.

Meanwhile, factors that could have impaired internal validity connected to the shown text in the experiment are argued to reside in elements not directly related to the investigated phenomenon, such as storytelling effects. However, as previous researchers have found the importance of communicating specific structural assurance mechanisms (e.g. Yousafzai et al., 2005) and that a desire to present an ecologic valid text existed, it was considered more important to communicate these cues to ensure external validity of the results given in the actual experiment. Moreover, by using a control group, one can assume that unobserved factors that may influence internal validity are equally distributed among the different categories (Söderlund, 2018). Further, by using a fictitious brand in the experiment, it is argued that internal validity was increased as no preconceptions of the brand existed, thus better isolating the potential influence of endorsements.[3] Further, by using an experimental design, any effect can more easily be attributed to the manipulations made (Söderlund, 2018), which strengthens internal validity as well.

Moreover, as the sample was drawn from followers of well-reputed Twitter profiles in the financial industry, it indicates that a general interest for the financial industry exists among the sample. Thus, a probable behavioral characteristic of the sample is that they are prone to read information about companies, active in the financial industry. Subsequently, this speaks for ecological validity as the participants are often finding themselves in a similar situation where they are reading and forming attitudes of a financial services company. Moreover, by using Twitter, it is argued that the participants were captured when being active in the environment (online) that was intended to be measured even if taking an online survey is fundamentally different from being active on Twitter. In addition to this, considering that each respondent was randomly assigned to either one of the treatments- or control group, greater threats to internal validity were further mitigated (Bryman & Bell, 2011).

Lastly, the descriptives in Table 5, show that an almost equal distribution to each category was made. At the same time, the gender distribution was highly biased towards male participants,

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[3]The notion that a respondent would feel trust towards a nonexistent fintech company is very questionable, as it unlikely to generate trust for something that is not real, which impairs ecological validity. Yet, it was deemed necessary to keep the brand fictious to prevent existing opinions and attitudes about actual brands from interfering with any potential treatment effect.

which posits threats to external validity. This is a limitation of the paper and may impede generalizations. At the same time, it should be stressed that participation was completely voluntary. Further, it seems that the userbase of investment-related fintech services are predominantly men. A recent study investigating the Swedish gender distribution of stock market participation showed that 66% are men and 34% women (Euroclear, 2019). Thus, the fact that 90% of the respondents identified as male and 10% as female should be viewed with the aforementioned study in mind.

4. Results

4.1 Degree of Elaboration

In order to evaluate the possibility that endorsements worked as a variable influencing the ELAB positively, a comparison in means was performed, which showed that differences existed between the groups.

Table 7. Descriptives for ELAB between categories

	n	*M*	*SD*	*SE*
Control	94	5.39	.612	.063
Celebrity	88	5.53	.539	.057
Typical Consumers	93	5.39	.514	.053
Expert	74	5.47	.629	.073
Total	349			

In order to test if the identified differences were significantly different from each other, the underlying assumptions of ANOVA were checked. The homogeneity of variances (Levene's test) checked $F(3,345) = 1.327$, $p = 0.265$ (see Appendix 4) since the p-value > 0.05, which meant that equality of variance between groups could be assumed (Garson, 2012). Shapiro-Wilk's test of normality showed insignificant results (see Appendix 5), meaning that normality in residuals could be assumed (Ghasemi & Zahediasl, 2012). The follow-up ANOVA showed a p-value of 0.284 (see Appendix 6) which was above the chosen statistical significance level of $p<0.05$ hence the null hypothesis that "Endorsement has no positive effect on degree of elaboration" could not be rejected in this case. As the p-value was above the significance level, no posthoc analysis was made as it would be redundant (Ruxton & Beauchamp, 2008). Further, the manipulation check within categories showed no significant differences. This means that the different treatments in each category did not significantly differ from each other. Conclusively, it appears that the use of endorsements did not significantly alter the degree of

elaboration, and that using a specific endorser type did not significantly alter the degree of elaboration on the populational level. Hence, **H1a, H1b** and **H1c** are rejected.

4.2 Argument Quality

In order to test if endorsements worked as an argument mechanism, a mean value comparison was made for the dependent variable ARGQUAL, which showed that differences exist between the different categories.

Table 8. Descriptives for ARGQUAL between categories

	n	*M*	*SD*	*SE*
Control	94	4.03	1.348	0.139
Celebrity	88	3.97	1.315	0.14
Typical Consumers	93	3.94	1.312	0.131
Expert	74	4.13	1.306	0.152
Total	349	NOTE, the results suggest that argument quality may not be different from the midpoint of the scale.		

The homogeneity of variances (Levene's test) checked $F(3,345) = 0.242$, $p = 0.867$ since the p-value > 0.05 (see Appendix 7), which meant that equality of variance between groups could be assumed (Garson, 2012). Shapiro-Wilk's test of normality showed insignificant results (see Appendix 8), hence the ANOVA was suitable. The ANOVA showed a p-value of 0.768 (see Appendix 9), which was above the chosen statistical significance level of $p<0.05$. Thus, the null hypothesis that "Endorsements do not have a positive effect on argument quality" could not be rejected in this case. Further, the manipulation check within categories showed no significant differences. Conclusively, it appears that the main effect of endorsements did not significantly alter how consumers viewed argument quality and that there was no difference between the specific endorser types on the populational level. Hence, **H2a, H2b, H2c** are rejected.

To identify if ELAB had a positive relationship and an interaction effect with the treatment categories on ARGQUAL, a multiple linear regression was performed. The regression showed the following results:

Table 9. ARGQUAL - Regression

	Unstandardized β	*SE*	Standardized β-coefficients	*p*-Value
Constant	1.686	.950		.077
ELAB	.391	.121	.172	**.001**
ELABCELEB	-.056	.034	-.103	.160
ELABEXPERT	.111	.035	.084	**.075**
ELABTYPCONS	-.036	.033	-.067	.277
GENDER	-.091	.214	-.120	.171
AGE	-.025	.066	-.020	.703
STRUCTA	.324	.067	.269	**.001**
DISPO	.007	.053	.007	.892

Note: Number of OBS=349; $F_{(8, 340)}$= 6.175; P<0.000; Adj,R^2=0.107
Considering that the endorsements did not show significant results, they were excluded in the regression based on the principles of parsimony (Tenenbaum & Fillho, 2016).

The regression showed that ELAB had a positive main effect coefficient of 0.391, significant at *p*=0.001, meaning that when degree of elaboration increases with one unit, argument quality increases with 0.391 units. Thus, supporting **H3.** This finding suggests that when consumers elaborate more, they perceive argument quality to be better on the population level.

In terms of interaction effects, no coefficient found support on the significance level of *p*=0.05. Thus, the null hypothesis "*Degree of elaboration does not moderate the effect endorsements*

have on argument quality" could not be rejected at *p*=0.05. However, the interaction effect of ELABEXPERT, 0.111 found support at *p*=0.075. This result suggests that experts may be perceived as an argument when degree of elaboration increases on the populational level. Further, as STRUCTA showed a significant coefficient of 0.324 at *p*=0.001, the interpretation is that preconceptions of structural assurance appear to have a positive relationship and predict how the arguments in a message of a fintech company are perceived on the populational level. Even if the adjusted R-squared value was low, the significant results imply meaningful results (Colton & Bower, 2002). Conclusively, **H4a**, **H4b** and **H4c** are rejected at *p=0.05,* but **H4b** finds support at *p=0.075*

4.3 Trust

In order to test if endorsements had a positive effect on consumers' level of trust towards the fintech company, a comparison of mean values was made for the dependent variable TRUST, which showed that differences existed between the different categories.

Table 10. Descriptives for TRUST between categories

	n	*M*	*SD*	*SE*
Control	94	4.04	1.12	0.12
Celebrity	88	4.08	1.01	0.11
Typical Consumers	93	3.96	1.03	0.11
Expert	74	4.07	1.04	0.12
Total	349			

NOTE, the results suggest that the attitude levels of trust for the different categories may not be different from the midpoint of the scale.

The homogeneity of variances (Levene's test) checked $F_{(3,345)} = 0.333$, *p*=0.802 since the *p*-value > 0.05 (see Appendix 10), which meant that equality of variance between groups could be assumed (Garson, 2012). Shapiro-Wilk's test of normality of error terms showed insignificant results (see Appendix 11), meaning that normality in residuals between groups could be assumed (Ghasemi & Zahediasl, 2012), hence the ANOVA was suitable. The ANOVA showed a *p*-value of 0.93 (see Appendix 12), which was above the chosen statistical

significance level of $p<0.05$. Thus, the null hypothesis that "Endorsements do not have a positive effect on trust" could not be rejected in this case. As the p-value was above the significance level, no posthoc analysis was made as it would be redundant (Ruxton & Beauchamp, 2008). Further, the manipulation check within categories showed no significant differences. Conclusively, **H5a**, **H5b** and **H5c** are rejected.

A follow-up regression was performed to evaluate if argument quality did have a positive relationship and could predict values of the dependent variable TRUST. The regression showed the following results:

Table 11. TRUST - Regression

	Unstandardized β	*SE*	Standardized β-coefficients	*p*-Value
Constant	-.057	.543		.052
ELAB	.144	.069	.079	**.037**
ARGQUAL	.485	.031	.604	**.001**
STRUCTA	.221	.039	.229	**.001**
DISPO	.052	.030	.066	.089
Gender	.051	.123	.015	.678
Age	.006	.038	.006	.865

Note: Number of OBS=349; F(6. 342)= $p<0.001$; Adj. R^2 =0.545
Considering that the endorsements did not show significant results, they were excluded in the regression based on the principles of parsimony (Tenenbaum & Fillho, 2016).

The model showed an adjusted R-Squared value of 0.545, thus explaining 54,5% of the variance of the dependent variable TRUST. Given these results the model was considered moderate (Sarstedt & Mooi, 2011). The regression showed a significant coefficient for ARGQUAL, 0.485, $p=0.001$, thus gave support for **H6.** This finding indicates that when the argument quality increases, consumer trust in a fintech company increases on the populational level as well. Moreover, STRUCTA had a positive coefficient of 0.222 significant at $p=0.001$.

Thus, preconceptions of structural assurance appear to have a positive relationship and predict consumers' level of trust in a fintech company on the populational level. Lastly, ELAB showed a positive coefficient of 0.145 significant at $p=0.037$. These results suggest that the degree to which people elaborate has a positive influence on their levels of trust in a fintech company on the populational level.

4.4 Purchase Intention

As a means to test if endorsements had a direct effect on PURINT, a comparison in mean values was made, which showed the following results:

Table 12. Descriptives for PURINT between categories

	n	*M*	*SD*	*SE*
Control	94	2.97	1.499	.155
Celebrity	88	2.79	1.450	.155
Typical Consumers	93	2.93	1.566	.162
Expert	74	3.18	1.488	.173
Total	349			

The homogeneity of variances (Levene's test) checked $F_{(3,345)} = 0.175$, $p=0.582$ (see Appendix 13) since the p-value > 0.05, which meant that an assumption of the equality of variance between groups could be assumed (Garson, 2012). Shapiro-Wilk's test of normality of error terms showed insignificant results (see Appendix 14), which meant that normality in residuals could be assumed (Ghasemi & Zahediasl, 2012), hence the ANOVA was suitable. The ANOVA showed a p-value of 0.446 (see Appendix 14), which was above the chosen statistical significance level of $p<0.05$. Thus, the null hypothesis that "Endorsements do not have a positive effect on purchase intention" could not be rejected in this case. As the p-value was above the chosen significance level, no posthoc analysis was made as it would be redundant (Ruxton & Beauchamp, 2008). Further, the manipulation check within categories

showed no significant differences. Conclusively, it appears that endorsements do not influence the dependent variable purchase intention. Hence, **H7a**, **H7b** and **H7c** are rejected.

In order to test if the variables leading up to purchase intention appeared to have a causal relationship, a linear regression was made on the dependent variable of PURINT.

Table 13. PURINT - Regression

	Unstandardized β	*SE*	Standardized β-coefficients	*p*-Value
Constant	0.231	0.846		0.075
ARGQUAL	0.103	0.063	0.089	0.105
GENDER	0.166	0.192	0.035	0.387
AGE	0.090	0.059	0.061	0.128
ELAB	0.174	0.108	0.114	**0.067**
DISPO	0.044	0.047	0.039	0.358
STRUCTA	0.120	0.064	0.086	0.082
TRUST	0.892	0.084	0.671	**0.001**

Note: Number of OBS=349; $F_{(7, 341)}$ = 43.886; $P < 0.0001$; R-Squared = 0.463
Considering that the endorsements did not show significant results, they were excluded in the regression based on the principle of parsimony (Tenenbaum & Fillho, 2016).

The regression showed a positive coefficient of TRUST (0.892) significant at $p=0.001$, thus giving support for **H8.** This result suggests that as consumer trust in a fintech company increases, so does purchase intention on the populational level. Further, ELAB showed a positive coefficient of 0.174, significant at $p=0.067$, which indicates that consumers' tendency to elaborate influence their purchase intention on the populational level. ARGQUAL did not show a significant coefficient on the $p=0.05$ level. However, ARGQUAL did have a significant

coefficient on TRUST, meaning that there appears to exist a mediating effect of TRUST, which gives support to the causal direction proposed in the conceptual model. STRUCTA did not appear to have a direct main effect on PURINT either but did for the variable TRUST. Consequently, this reaffirms TRUST to act as a mediating variable for purchase intention to occur on the populational level. The preconception of structural assurance can help consumers to develop trust in a specific financial service provider but does not appear to directly influence their purchase intention on the populational level.

4.5 Summary of Findings

Table 14. Summary of Findings

H1	***Endorsements have a positive effect on degree of elaboration***	Not Supported
H1a	*Celebrity endorsements have a positive effect on degree of elaboration*	Not Supported
H1b	*Expert endorsements have a positive effect on degree of elaboration*	Not Supported
H1c	*Typical consumer endorsements have a positive effect on degree of elaboration*	Not Supported
H2	***Endorsements have a positive effect on argument quality***	Not Supported
H2a	*Celebrity endorsements have a positive effect on argument quality*	Not Supported
H2b	*Expert endorsements have a positive effect on argument quality*	Not Supported
H2c	*Typical consumer endorsements have a positive effect on argument quality*	Not Supported
H3	***Degree of elaboration has a positive relationship with argument quality***	Supported at $p=0.01$
H4	***Degree of elaboration moderates the effect endorsements have on argument quality***	Not Supported at $p=0.05$
H4a	*Degree of elaboration moderates the effect celebrity endorsements have on argument quality*	Not Supported
H4b	*Degree of elaboration moderates the effect expert endorsements have on argument quality*	Supported at $p=0.075$
H4c	*Degree of elaboration moderates the effect typical consumer endorsements have on argument quality*	Not Supported
H5	***Endorsements have a positive effect on trust***	Not Supported
H5a	*Celebrity endorsements have a positive effect on trust*	Not Supported
H5b	*Expert endorsements have a positive effect on trust*	Not Supported
H5c	*Typical consumer endorsements have a positive effect on trust*	Not Supported
H6	***Argument quality has a positive relationship with trust***	Supported at $p=0.001$
H7	***Endorsements have a positive effect on purchase intention***	Not Supported
H7a	*Celebrity endorsements have a positive effect on purchase intention*	Not Supported
H7b	*Expert endorsements have a positive effect on purchase intention*	Not Supported
H7c	*Typical consumer endorsements have a positive effect on purchase intention*	Not Supported
H8	***Trust has a positive relationship with purchase intention***	Supported at $p=0.001$

5. Discussion

5.1 Degree of Elaboration

Endorsements have been found to not have a significant effect on the degree of elaboration, hence H1 is rejected. ELM states that an element of information may influence the degree of elaboration under certain conditions and in particular situations. A variable is most likely to influence the degree of elaboration when the initial level of elaboration is moderate. Considering that no significant differences were identified between the different groups and that they indeed were rather high, the results go in line with what ELM postulates, as no effect on the degree of elaboration would be expected in this situation.

Another situation in which the degree of elaboration may be influenced by a variable is when that variable increases the amount of information in the message in such a way that the receiver finds the message more worthy of closer examination. Conversely, a variable may inflate the message in a way that the receiver feels a sense of information overload, causing a negative impact on the degree of elaboration. Considering the rather small addition of information contained in the treatments and that no differences in degree of elaboration were found, it appears that the inclusion of an endorsement, neither triggered a sensation of the message being worth closer attention or a sense of information overload.

The third way in which a variable may influence the degree of elaboration is by increasing the motivation to elaborate by influencing the personal relevance of the message. Petty & Cacioppo (1986) states that something is personally relevant when it has consequences for one's own life, in practical or social terms. Given the results, it appears that endorsements do not influence personal relevance, which is somewhat surprising. The reason being that a receiver would be expected to want to hold the correct social attitudes and act in line with the norm, hence, they should want to validate or invalidate the claim of an endorser by elaborating to a greater degree. Consequently, it could be that endorsers' ability to increase attention (Knoll & Matthes, 2017) may not apply to the fintech sector when an endorsement is used through text. A notion that is argued to be reasonable, as the tendency to be involved in this industry is relatively high to start with due to the risk involved (Wangenheim & Bayon, 2004).

In contrast, considering that it was an experiment and not a real-life situation, the participants could have viewed the potential consequences for one's life as small or non-existent. Consequently, the endorsement's ability to influence the perceived practical (i.e potentially making money) and social relevance (i.e. desire to belong to a social group) was impeded. However, given that no explicit statement was made regarding the company being fictive or not, the respondent could not conclude whether or not the company could influence their life. Conversely, the respondents are presumably knowledgeable of the fintech sector, as they consume news regarding the financial industry daily by following financial Twitter-profiles. Further, they have knowledge of what it means to invest in stocks, which consequently allows one to argue that they perhaps knew that Finco did not exist. On the other hand, considering that the message communicated that Finco was a relatively new actor, the aforementioned reasoning may not apply. With this argumentation in mind, the endorsements should have had an effect as they are prone to increase the motivation to elaborate by increasing attention.

However, another factor is argued to help explain why the insignificant effects were retrieved. Considering that the endorsements constituted a rather small proportion of the overall message, more elaboration was most likely given to what was being communicated by the company and not the endorsement. Thus, if the endorsement would have constituted a larger proportion of the overall message being communicated, significant findings could have been retrieved.

5.2 Argument Quality

It was hypothesized that degree of elaboration would show a positive relationship with argument quality. Considering that H3 is accepted, it gives support for ELM. When it comes to argument quality, it depends on how receivers of the message view the arguments (O'Keefe, 2015). In order for an element of information to be seen as an argument, the information must be perceived as relevant for the receiver in taking a stance on the issue (Petty & Cacioppo, 1986).

With the results in mind, it appears that endorsements have not been perceived as a sufficiently meaningful extra element of information to influence the valency of elaboration to a great extent. Consequently, one may question if the endorsements were seen as an argument at all. However, the interaction effect between ELAB and EXPERT, showed a positive coefficient of

0.111 significant at $p=0.075$, thus indicating otherwise. These results suggest that as consumers elaborate more, an expert endorsement will positively influence elaboration valence. Conversely, it could be the case that this interaction effect is a result of greater employment of the credibility heuristic (which experts are seen as embodying) in shaping how one perceives the quality of arguments. However, such an idea is unlikely as it goes against the notion proposed by ELM, namely that heuristics are primarily used in low degrees of elaboration (Petty & Cacioppo, 1986). Thus, it is more reasonable to believe that the expert endorsements were seen as an argument as elaboration increased, thus influencing the elaboration valence positively.

Given that the expert endorsements were seen as positive arguments, the interesting point to understand is why this specific endorser type was seen as an argument and not the other endorsers. By taking an external look at the industry itself, Gillespie and Hurley (2013) mention that it is characterized by risk. Thus, the notion that one is more prone to listen to an expert within this industry than a celebrity or typical consumers is reasonable, as they have accumulated superior knowledge through experience in the industry. Continuing on this notion, experts can then act as an argument, as there could exist a perception from the consumer's standpoint that the expert might have identified something valuable about the service that a regular consumer might miss due to sheer ignorance.

Previous research has focused on the implications of communicating elements of information that will provide a sense of structural assurance (e.g. Yousafzai et al., 2005), but has rarely accounted for investigating preconceptions of structural assurance. Considering that preconceptions of structural assurance seem to have a positive relationship with and predict argument quality, a somewhat disturbing situation arises. If consumers' preconceptions determine how they evaluate information, it will be harder to transform their preconceptions through means of communication in text. The reason being that these preconceptions will show greater temporal resistance to change, as they have been formed over a longer period of time (Petty & Cacioppo, 1986) through experience and media representations etcetera. Consequently, companies' own ability to persuade the individual consumer about the surrounding structural safety would be hard. An idea that corresponds with the findings of Nienaber et al. (2014), concerning the diminishing effect companies' own communication has on influencing consumers. Given the insignificant results for the different endorsements, the researchers highlight that using endorsement solely through text does not seem to influence the

general perception of argument quality, even if the EXPERT category showed indications to be perceived as an argument in greater degrees of elaboration. At the same time, considering that the category of experts only showed the profession of the endorser type for the participants, the idea that a well-known expert would influence the valency of elaboration to a greater extent is likely. With this reasoning in mind, if companies use a real expert in their communication, the expert can construct an effective tool in positively shaping how one perceives a message being communicated by a fintech company.

5.3 Trust

Given that H6 shows significant results, arguments for ELM's postulation that argument quality impacts attitudes are put forward. As the degree of elaboration observed across the treatment groups is relatively high, the ELM suggests that the attitude formation process should be in line with what Petty & Cacioppo (1986) denotes as the central route. This is further supported by the acceptance of the hypotheses H3: *Degree of elaboration has a positive relationship with argument quality* and H6: *Argument quality has a positive relationship with trust*. In central route processing, argument quality is suggested to lay the foundation for how receivers construct their attitudes (in this case trust). As the endorsements did not constitute a strong enough argument to change argument quality, one would expect the results for attitudes of trust to be similar between each group. Considering that the results suggest that this indeed is the case, the findings go in line with and give support to ELM as an attitude building theory.

Meanwhile, ELM explains that an element of information may adopt more than one role with its influence on the attitude formation process. Considering the rejection of H1: *Endorsements have a positive effect on degree of elaboration,* the results do not support the notion that endorsements adopted the role of influencing the degree of elaboration. Further, endorsements could have influenced trust by adopting the role of a peripheral cue, thus triggering the heuristics of *Likability, Credibility* and *Consensus*. However, considering the insignificant main effects of endorsements and that the results suggest that the respondents followed the central route, the notion that the heuristics were triggered is unlikely. If they were, however, they were not sufficiently strong to cause an effect on attitudes of trust.

The results are somewhat surprising. Partly, because previous research has identified significant differences in attitudes with the use of endorsements (e.g. Friedman et al., 1976;

Friedman & Friedman, 1979; Stafford et al., 2002) and partly, that the effectiveness of endorsement appears to reside in people's tendency and desire to be consistent in their cognitive structures (Knoll & Matthes, 2017). However, it could be the case that a transfer of attitudes indeed occurred but that the magnitude was low. Consequently, the question that arises is why no or a low transfer of attitudes occurred. A potential explanation could be that most studies investigating the effect of endorsements have primarily been made in low involvement situations (e.g. Friedman et al., 1976; Friedman & Friedman, 1979; Stafford et al., 2002), whereas the present study investigated the financial industry, characterized by high involvement due to the associated risk. However, it is argued that the importance of endorsements should be increased within a context characterized by risk. The reason being that previous research has found testimonials to help alleviate the uncertainty of opportunistic behavior (Babić Rosario et al., 2016), increase perceptions of trustworthiness (Yousafzai, 2005) and increase the ability to predict company behavior (Berger, 2014). Consequently, something else is argued to be the reason for not identifying significant differences.

A potential reason for the insignificant results could be that there are differences in effect when endorsements are communicated through text, compared to when visual and/or aural elements are used. Such reasoning goes in line with previous researchers' findings (Stafford et al., 2002). In this paper, it is argued that through the use of more information-heavy elements, a more holistic representation of the endorser could be communicated to the receiver. The consequence being that the endorser's cultural properties are more accurately put forward, which is needed for a successful transfer of attitudes to be made (McCracken, 1989), where the heuristics are employed to a greater extent. Should that be the case, then endorsements communicated with the use of visual and aural elements can cause consumers to develop trust. Thus, overcoming the issue with consumers' emotional concern to share personal data (Lee & Shin, 2018).

5.4 Purchase Intention

The last variable studied was purchase intention. No direct effect was identified for the different types of endorsements. Consequently, the results do not suggest that endorsements influenced other attitudes than that of trust, which subsequently influenced purchase intention. Moreover, considering that the respondents appeared to follow the central route in forming attitudes and that endorsement was not seen as a strong argument or influencing trust directly, similar mean values would be expected, which were found. Subsequently, the results suggest that the

endorsements did not have an indirect effect on purchase intention either. What this essentially means is that using endorsements through text in one's communication does not appear to significantly influence consumers' desire to purchase the service of a fintech company. The notion that endorsements do not influence consumers' purchase intention is seen as unlikely, given the significant findings in previous research (Friedman & Friedman, 1979) and that the endorsement literature highlights that using endorsements are effective means to promote products and services (Knoll & Matthes, 2017).

As argued for the other variables of investigation, the insignificant effect may stem from that the endorsements constituted a small proportion of the whole message. Thus, the attention given to the endorsement was diluted by the greater proportion of other bits of information presented in the message. In addition, the exclusive use of text, instead of more information-heavy elements of information, may further explain the lack of effect. Lastly, the lack of a call to action in the testimonial could help in explaining why the endorsements do not appear to have an effect on purchase intention.

Meanwhile, trust appears to have a positive relationship with and predict purchase intention. This finding gives support to the general claim among attitude research, that attitude is a predictor of behavior intentions (Fishbein & Ajzen, 1977). The strong positive coefficient for TRUST goes in line with what researchers have been discussing for financial services. Namely, that trust appears to be a crucial determinant of purchase intention for consumers in the financial industry (Sekhon et al., 2014).

The positive coefficient found for ELAB was somewhat surprising. The degree to which people elaborate appears to influence one's purchase intention. A finding that has not been addressed in previous research. What these results suggest is that individual differences in terms of how much one tends to elaborate appear to explain a portion of consumers' purchase intention. This can be viewed as a limitation to practitioners' ability to influence consumers' purchase intention as the tendency to elaborate resides in the individual. However, as ELM states that a variable can influence the degree of elaboration, it is suggested that this finding should be seen as an opportunity instead. Practitioners should focus on facilitating a greater degree of elaboration by influencing the dimension of motivation. This may be achieved by increasing the social and practical relevance of the message. Thus, the question marketers should ask themselves is: How can we make a message more socially and practically relevant for the consumer? The answer

to this question can be found by understanding the motives and the prior knowledge of the consumers, as prior knowledge together with the motivational dimension constitutes the key aspects of degree of elaboration.

6. Conclusion

One of the main challenges facing the financial industry is to overcome consumers' emotional concern for their own safety when sharing personal data (Lee & Shin, 2018), making trust crucial for the development of the industry. As a response to the suggestion by Nienaber et al. (2014) concerning the importance of third-party recommendations to generate trust, this paper set out to clarify how endorsements could potentially influence consumers' trust positively. Consequently, the researchers asked the following research questions:

RQ 1: Does the use of endorsements in a fintech company's communication towards consumers positively influence consumers' trust in the company?

RQ 2: Does the use of different endorser types in a fintech company's communication towards consumers influence consumers' trust in the company to varying degrees?

This paper concludes that endorsements, when used in text, do not significantly influence consumer trust in relation to when such endorsements are not being communicated. Further, that no differences between different types of endorsers exist. The most probable reason being, that the endorsements were not perceived as a strong enough argument for positive attitude formation to occur.

At the same time, the results were contradictory to previous findings in academic literature. The suggested reason being that endorsements communicated through text, do not provide the same level of information as more visual or aural oriented endorsements that may be required for a strong transfer of attitudes to be made. Furthermore, as the results supported attitude formation in-line with central route processing, this paper concludes that the results for the attitude formation process were coherent, thus giving support for ELM as a theory. At the same time, it was observed that preconceptions of structural assurance appear to have a direct relationship with argument quality. A somewhat disturbing finding, as it will be harder for companies to change these conceptions if they are negative. The reason being that they have been formed over long periods of time, thus showing stronger temporal resistance against change. Lastly, it is concluded that practitioners should consider how a message can increase

the social and practical relevance, where the answer might be found by understanding the prior knowledge and motivations of the consumer.

6.1. Practical Implications and Contribution

When it comes to practical implications, it appears that regardless of using an endorsement through text or not, it does not significantly alter the experienced trust consumers have in a fintech company. Consequently, managers should understand that spending great resources on a specific endorser to give a testimonial of the service, may not be effective in facilitating trust if such an endorsement is made through text. At the same time, when endorsements have constituted a greater proportion of a message, significant effects on attitudes have been identified (e.g. Stafford et al., 2002). Thus, ensuring endorsement effectiveness may be contingent on the proportion given to the endorsement of a message.

Practitioners should be aware that in a similar context to this study, an expert endorser may be seen as a strong argument, which influences attitudes of trust positively. Thus, the use of a well-known expert is likely to facilitate a greater effect, as the cultural properties of the endorser are put forward to a greater extent. Something that McCracken (1989) states as being crucial for a successful transfer of attitudes to occur. This transfer of attitudes may be further strengthened by using visual and aural elements. Lastly, degree of elaboration appears to have a positive relationship with purchase intention. Thus, consideration of how the message can increase the perception of social and practical relevance is recommended as such tactics can enhance consumers' motivation to elaborate on the message, with the consequence of a higher likelihood of purchase.

One of the objectives of this paper was to clarify if endorsement would help consumers in experiencing more trust in relation to when an endorsement was not being shown. No such findings were found, nor that a specific type of endorser was better in relation to another, suggesting that there is no relative importance among different types of endorsers or using an endorsement in text to facilitate trust. Considering that the chosen endorsers can be seen as embodying the different heuristics proposed in ELM, the researchers contributed by shedding light that no strong differences among the heuristics strength appear to exist. At the same time, it was identified that individual differences in terms of their degree of elaboration and

preconceptions of structural assurance, shape perceptions of argument quality and purchase intention. Findings that have not been addressed previously. By using fintech as the chosen context, this paper contributed by bringing more research on intangible aspects into this area, which is seen as valuable as research on fintech is in its nascent stage and has primarily focused on tangible aspects.

6.2. Limitations and Future Research

As with any research endeavor, each study comes with limitations. Given that the sample consisted of 90% male participants, an unequal gender distribution was received, which does not reflect the real world. At the same time, 66% of the Swedish stock market participants are men (Euroclear, 2019), thus the real world does have a bias towards more men investing. Moreover, the fact that degree of elaboration extracted 2 factors for the 11 items used to measure it, questions regarding construct validity for this specific variable is reasonable, which consequently has an effect on the following discussion concerning this variable. At the same time, given the internal consistency, the items did indeed show sufficient interterm correlations, indicating that all the items vary in accordance with one variable. Further, ELM highlights that both dimensions of motivation and ability need to apply for high degree of elaboration to occur (Petty & Cacioppo, 1986), which builds the argumentation for integrating the two factors as one variable.

Given the received responses, a critical stance needs to be adopted in order to make sense why most of the respondents answered on the midpoint of the scale. A couple of shortcomings with the employed experimental design is argued to exist. Firstly, the notion to only use text and not include images is argued to refrain respondents from receiving similar impressions as they ordinarily would. Even if no previous research highlighted the need to include images in one's communication message, but instead emphasizing communication of structural assurance mechanisms, it is now evident that using images would have resembled real life examples to a greater extent as more impressions and cues of information would have been communicated. As a consequence of not utilizing images, it is also possible that the respondents experienced a context that was indeed too virtual and distant from real life examples, which would explain why most of the presumably knowledgeable participants did not know what to answer. In line with this notion, as trust was the construct of investigation and that such a complex phenomenon may require familiarity and low levels of ambiguity to be generated, especially

with financial services, the effectiveness of the design was impaired. Combining this with utilizing a fictious brand made the design questionable, which became evident from the results.

Moreover, using an expert without a name in the treatment may be questionable. However, it was deemed necessary to isolate any attitude change to the different heuristics proposed in ELM in low degrees of elaboration. Moreover, given the nature of the study being fairly unique in the area of interest and the theoretical lens adopted, comparisons to similar studies are limited. At the same time, it was necessary to pursue, as few studies have addressed how attitudes of trust can be generated with the use of endorsements and that trust research is needed within the context of fintech. Lastly, the influences of the researchers in the pre-study stage can be regarded as limitations. However, given that the influences were guided by the ELM and that the final decisions regarding who and how to embody the endorser types was based on data and observations, these influences are argued to not impair the study as a whole.

Given that this study investigated the verbal cue of text only, it would be interesting to pursue research investigating the potential impact of using endorsements with visual and/or aural elements within the same context. The combination of visual and text could show different results. Should such a study show different results, then it could guide academia further in how the use of endorsements can influence the sensation of trust in this context. In addition to this, an area that would bring increased understanding of the field would be to examine the effect of endorsements depending on what proportion of the whole message it constitutes. Moreover, it would be interesting to understand if the use of context-relevant endorsers shows different results in relation to context irrelevant endorsers in accordance with the match-up hypothesis and to use actual experts in the finance community.

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8. Appendix

Experiment

Appendix 1. Informed consent to participators.

Study about a fintech company

We are two students named Jacob Wellershaus and William Hermansson who are studying at the Stockholm School of Economics. As part of the 2-year Master program, we write our master thesis in an area of our choice. We both have great interest in Fintech and will conduct a study in this area. To our help, we need participants and therefore we reach out to you!

First, we ask you to read a message about a fintech company, and then participate in a survey, consisting of 33 questions, that you need to take a stand on. Every statement concerns the message and in total, the survey takes around 9 minutes to complete. You will remain completely anonymous and have a chance at winning 2 movie tickets if you leave your contact information at the end of the survey. We will also donate 3kr to the Swedish Breast cancer Foundation for every full participation.

If desired, you can get our study sent to you when our thesis has been approved by the faculty. If you have any questions, feel free to contact us!

Thanks in advance!

Jacob Wellershaus: 23756@student.hhs.se
William Hermansson: 23630@student.hhs.se

Appendix 2. Message & treatments

We at Finco AB act on the market for financial services. We are a relatively new company, offering you as a consumer the opportunity to allocate your money in stocks, funds or other

fixed income securities, automatically. Finco is a "robo-advisor" (Capital management company) where our algorithms conduct 1,2 million calculations and review 4000 funds daily, in order for you to save as cheaply and securely as possible.

By asking you question about:

- Your economic situation
- Your level of risk
- Your time horizon

We can create your own unique portfolio.

Our service is equivalent to that of our competitors in terms of simplicity, fee and general functionality. At the same time, we are under supervision from the Swedish Financial Supervisory Authority and always act orderly and ethical.

- You always have a Deposit Guarantee and a direct ownership to your assets.

We optimize your savings daily and you can be sure that we will never communicate your personal data to a third-party.

With Finco, you can use your valuable time on something else.

Treatment 1: "I recommend Finco, who offers an advanced but user-friendly and reliable solution for investments"

– Johan Glans

Treatment 2: "I recommend Finco, who offers an advanced but user-friendly and reliable solution for investments"

– Charlotte Kalla

Treatment 3: "I recommend Finco, who offers an advanced but user-friendly and reliable solution for investments"

– Economy Professor

Treatment 4: "I recommend Finco, who offers an advanced but user-friendly and reliable solution for investments"

– Venture Capitalist

Treatment 5: "I recommend Finco, who offers an advanced but user-friendly and reliable solution for investments"

– 8/10 of our consumers agree with this statement

Treatment 6: "I recommend Finco, who offers an advanced but user-friendly and reliable solution for investments"

– 4/5 of our consumers agree with this statement

Control group: No extra text shown

Survey Questions

Appendix 3. Survey Questions

Variable	Question	Factor Loading	Source
Likability Heuristic, a = 0.91	I perceive [title] as likeable		Cialdini (1989)
	I perceive [title] as friendly		
	I perceive [title] as pleasant		
Credibility Heuristic a = 0.95	I perceive [title] as an expert within finance		Ohanian (1990)
	I perceive [title] as knowledgeable within finance		
	I perceive [title] as experienced within finance		
Argument quality a = 0.856 **Cum. Var:** 78%	The message was informative enough for me as a potential customer	0.907	Cyr et al. (2018)
	The message was valuable for me as a potential customer	0.92	
	The message was persuasive for me as a potential customer	0.819	
Trust a = 0.896 **CUM. VAR**	I perceive FINCO to be reliable	0.826	Ohanian (1990)
	I perceive Finco to be honest	0.826	

71%	I perceive Finco to have integrity	0.76	
	I believe Finco has the competence to achieve desired results	0.803	
	I perceive the algorithms ability to invest as good	0.601	
	I feel secure to depend on Finco.	0,759	Adapted from McKnight & Chervany (2001)
	I feel confident in sharing my personal data with Finco	0.673	
	I feel secure that Finco would handle my personal data in a confidential way.	0.671	
Purchase Intention a = 0.96 **CUM VAR:** 92.67%	I can see myself investing with this company	0.972	
	I am willing to become a customer to Finco	0.956	Adapted from Lin, L. Y., & Lu, C. Y. (2010)
	I am willing to purchase Finco's services	0.953	
Disposition to trust a = 0.927 **CUM VAR** 87%	Generally, people are good.	0.947	
	Generally, people are reliable	0.933	Belanger & Carter (2008)
	Generally I trust other people	0.922	
Structural Assurance a = 0.674 **CUM VAR:** 61%	Cryptation of data is done to a large extent within the financial services industry.	0.684	
	I consider it safe to share personal information with companies offering financial services.	0.841	Adapted from McKnight et al., (2002)
	Laws and Regulations protect me from issues in the financial services sector	0.802	
Degree of Elaboration a = 0.712	I put cognitive effort into reading the message	0.821/0.561	
	I made an effort to evaluate the information in the message	0.792/0.439	Adapted from Heppner et al. (1995)
	I was engaged while reading the message	0.713/0.681	

To invest is important to me	0.729/0.131
I am interested in investing money	0.768/-0.239
I had a hard time focusing on the message	0.482/0.821
I got distracted while reading the message	0.328/0.734
I could read the message undisturbed	0.484/0.710
I have knowledge about securities (Stocks, Funds, interests)	-0.314/0.692
I have knowledge about the risks associated with investments	-0.293/0.735
I have knowledge about what it means to get my capital managed by an organisation	-0.351/0.702

Degree of Elaboration

Appendix 4. ELAB - Homogeneity of Variances

	Levene statistic	DF1	Df2	P-Value
Based on Mean	1.327	3	345	0.265

Appendix 5. ELAB - Test of Normality

Category	Statistic	DF	P-Value
Control	0.94	94	0.692
Celebrity	0.93	88	0.633
Typical Consumers	0.96	93	0.151

	Statistic	DF	P-Value
Expert	0.95	74	0.11

Appendix 6. ELAB - ANOVA

	Sum of Squares	DF	Mean Square	F-statistic	P-Value
Between groups	1.255	3	0.418	1.272	0.284
Within groups	113.447	345	0.329		
Total	114.702	348			

Argument Quality

Appendix 7. ARGQUAL - Homogeneity of Variances

	Levene statistic	DF1	Df2	P-Value
Based on Mean	0.242	3	345	0.867

Appendix 8. ARGQUAL - Test of Normality

Category	Statistic	DF	P-Value
Control	0.975	94	0.095
Celebrity	0.951	88	0.086
Typical Consumers	0.972	93	0.062
Expert	0.961	74	0.071

Appendix 9. ARGQUAL - ANOVA

	Sum of Squares	DF	Mean Square	F-statistic	P-Value
Between groups	1.951	3	0.650	0.379	0.768
Within Groups	591.723	345	1.715		
Total	593.675	348			

Trust

Appendix 10. Trust - Homogeneity of Variances

	Levene statistic	DF1	Df2	P-Value
Based on Mean	0.333	3	345	0.802

Appendix 11. Trust - Test of Normality

Category	Statistic	DF	P-Value
Control	0.994	94	0.962
Celebrity	0.981	88	0.26
Typical Consumers	0.985	93	0.356
Expert	0.979	74	0.242

Appendix 12. Trust - ANOVA

	Sum of Squares	DF	Mean Square	F-statistic	P-Value
Between groups	0.488	3	0.163	0.147	0.93
Within Groups	381.748	345	1.107		
Total	382.236	348			

Purchase Intention

Appendix 13. Homogeneity of Variances - Purchase Intention

	Levene statistic	DF1	Df2	P-Value
Based on Mean	.175	3	345	.582

Appendix 14. Test of Normality - Purchase Intention

Category	Statistic	DF	P-Value
Control	.924	94	.087
Celebrity	.919	88	.062
Typical Consumers	.921	93	.082
Expert	.937	74	.091

Appendix 15. ANOVA - Purchase Intention

	Sum of Squares	DF	Mean Square	F-statistic	P-Value
Between groups	6.040	3	2.013	.891	.446
Within Groups	779.343	345	2.259		
Total	785.384	348			

Appendix 16. Correlation Table of variables investigated

	ELAB	ARGQUAL	TRUST	PURINT	DISPO	STRUCTA
ELAB	1	0.202**	0.256**	0.15*	0.138**	0.198**
ARGQUAL		1	0.692**	0.469**	0.12*	0.286**
TRUST			1	0.660**	0.224**	0.439**
PURINT				1	0.154**	0.211**
DISPO					1	0.326**
STRUCTA						1

Note: * = significant at *p=0.05, ** = significant at p=0.01*