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# Fame and Blame: A Quantitative Study on the Effect of Brand Scandals on Traditional Celebrity Endorsers and Celebrity Entrepreneurs

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Abstract. *Purpose* – Celebrities commonly engage in brand endorsements through appearing in advertising, but also through launching their own brands. However, this exposes them to the risk that the brand becomes involved in a scandal. This study aims to investigate how a brand scandal affects consumers' attitudes toward affiliated celebrities. Furthermore, it explores whether the impact is different for a celebrity entrepreneur (owning and/or running a venture) compared to a traditional celebrity endorser.
*Research Design and Methodology* – A 2x2 between subjects experiment was conducted, manipulating two factors: information valence (negative vs. positive brand information) and celebrity role (celebrity entrepreneur vs. celebrity endorser). Data was collected from 500 respondents through online self-completion questionnaires. Participants selected both the celebrity and brand used in the stimuli themselves, addressing a methodological limitation of previous studies.
*Findings* – Findings suggest that negative brand information has a significant unfavorable effect on the participants' attitudes towards the affiliated celebrity. Furthermore, results support that celebrity entrepreneurs were directed more blame (internal attribution) than traditional celebrity endorsers, which in turn led to less favorable outcomes on attitudes.
*Practical implications* – This study provides insights for celebrity management teams about potential risks of celebrity endorsements and the heightened risk of launching celebrity brands.
*Originality/value* – Explores the distinct risk of being a celebrity entrepreneur in the context of brand scandals.

Keywords: Brand Scandal, Celebrity Endorsement, Celebrity Entrepreneurship, Attribution Theory, Consumer Attitudes

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Bianca & Agnes

## Definitions

**Celebrity:** "The state or fact of being well known, widely discussed, or publicly esteemed. Later usually: personal fame or renown as manifested in (and determined by) public interest and media attention" (Oxford English Dictionary, 2024).

**Celebrity endorsement:** "A celebrity endorsement is an agreement between an individual who enjoys public recognition (a celebrity) and an entity (e.g., a brand) to use the celebrity for the purpose of promoting the entity" (Bergkvist & Zhou, 2016, p. 644). In this thesis, the term encompasses both *traditional celebrity endorsers*, and *celebrity entrepreneurs*.

**Traditional Celebrity Endorser:** "A publicly well known individual who associates her or himself with a brand/company/product in order to induce some desirable outcome for their sponsor" (Hunter, 2009, p. 23). In the context of this thesis, this term refers to a subcategory of celebrity endorsement, and it excludes associations in the form of owning or running a venture[1].

**Celebrity Entrepreneur:** "Individuals who are known for their well known-ness and take part both in owning and running a venture (or are portrayed as doing so)" (Hunter, 2009, p. 2) Further, "It follows that all celebrity entrepreneurs are by default celebrity endorsers and it is fairly obvious that not all celebrity endorsers are entrepreneurs" (Hunter, 2009, p. 7).

**Brand Scandal:** "A brand scandal refers to the sudden negative occurrences or reports associated with a brand or product" (Liu et al., 2025, p. 1). "Brand scandals involve a range of issues, including product recalls, product failure, product-harm crises, brand wrongdoings, brand transgressions, and the brand's irresponsible behavior" (Liu et al., 2025, p. 2).

**Reverse relationship:** "The impact of negative brand information about the brand on the celebrity endorser" (White et al., 2009, p. 322).

[1] This refers to the dyadic relationship between a celebrity and brand. Hence, a celebrity can be a traditional celebrity endorser for one brand, while simultaneously being a celebrity entrepreneur for another brand.

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# 1. Introduction

## 1.1 Background and Problematization

Although celebrities are individuals, we argue that many operate as complex commercial entities, with their public personas monetized through public appearances, endorsement deals and entrepreneurial ventures. Celebrities often constitute the center of a larger network of commercial interest, involving agents, production company professionals, affiliated companies, among others, all of which have financial stake in the celebrities' endeavors (J. Gustavsson, personal communication, April 30, 2025).

The line between fame and business has become blurred and these commercial activities are far from side projects, often generating substantial income. For instance, it was reported in 2022 that the endorsement deal between George Clooney and Nespresso accounted for 40 million USD (Symonds, 2022). Numerous celebrities have also recognized the potential of launching their own companies and thus becoming celebrity entrepreneurs. A prominent example is Rihanna's cosmetics brand Fenty Beauty, which generated 634 million USD in revenue in 2023 alone (Cosmetify & Beauty Packaging, 2023). The extent to which celebrity entrepreneurs are becoming an influential factor in business is increasing, with 45% of Gen Z having purchased products from a celebrity or influencer brand in 2024, worldwide (Capgemini, 2025).

However, this economic power held by celebrities is not always guaranteed to last. As has been the case in the past, scandals can seriously threaten the celebrity's image and commercial viability. Such an instance was for example when the multi-nationals Balenciaga, Adidas and Gap all chose to terminate their contracts with Ye (formerly Kanye West) following his controversial comments on the social media platform X in 2022 (Chan, 2022; Symonds, 2022).

Interestingly, public scrutiny of celebrities does not only arise from their own actions, but can instead stem from the actions of their affiliated brands. Unlike scandals pertaining to the celebrity's own behavior, brand affiliations can sometimes result in the celebrity receiving negative publicity for incidents in which they played no active role.

A case which clearly illustrates this is the Swedish influencer and media personality Bianca Ingrosso, who has faced backlash and public scrutiny after transgressions conducted by both the endorsed brand Intimissimi, and the brand she partly owns, Caia Cosmetics. In May 2023, the lingerie brand Intimissimi faced public backlash as news surfaced about mistreatment of employees in their retail outlets. Ingrosso herself became a focal point for public opinion following the news, despite Ingrosso only having the limited decision-making power of a traditional brand ambassador (Andersen, 2023; Malmén, 2023). The following year, Caia Cosmetics, co-founded by Ingrosso, faced negative publicity for selling a makeup product containing the ingredient PFCA, a substance banned for cosmetic use by the EU in 2023 (Agazzi, 2024). Once again, Ingrosso became highly associated with the scandal, even though decisions pertaining to product ingredients were likely outside of Ingrosso's competence and role in the company. These two events problematize the affiliation with brands.

Considering the money and influence involved in the commercial viability of celebrities, it is striking that little scholarly attention has been directed towards understanding the risks of celebrity affiliations with brands from the celebrity perspective. Much research has been conducted from the perspective of *the brands* themselves (Johnson et al., 2022), but we argue that it is now time to place the spotlight on the celebrities themselves. As future multi-million dollar deals, brand ventures and appearances are at stake, critical questions arise: Is there any tangible negative impact on the celebrity following such a brand scandal? Furthermore, as celebrities are venturing into entrepreneurship as another way to capitalize on their fame, are they also exposing their image to additional risks that they did not have when they were merely traditional endorsers?

### 1.2 Purpose and Research Questions

The purpose of this study is to gain insight on how a brand scandal, operationalized through negative brand information, affects consumer attitudes toward affiliated celebrities. Specifically, the aim is to explore whether the effect differs depending on the celebrity's role in relation to the brand: whether they are a traditional celebrity endorser, or if they are a celebrity entrepreneur. To guide the study, the following research questions were formulated:

***RQ1:*** *Does a brand scandal affect consumer attitudes to the brand-affiliated celebrities?*
***RQ2:*** *Is there any difference in impact based on whether the celebrity is a traditional celebrity endorser or a celebrity entrepreneur?*

## 1.3 Expected Contribution

### *1.3.1 Theoretical Contributions*

While the impact of a celebrity scandal on the consumer attitudes towards the affiliated brand has received prior scholarly attention (Kapoor & Banerjee, 2021), the reverse relationship remains understudied. For instance, Johnsson et al. stated in a recent study: *"Clearly, there is much room for additional research in the bidirectional relationship between perceptions of brands and their endorsers"* (Johnson et al., 2022, p. 1394).

To explain potential variations in how a brand scandal affects the affiliated celebrity, we draw upon attribution theory, and propose that the *type* of relationship between the celebrity and the brand should matter. More specifically, we suggest that celebrity entrepreneurs should be blamed more than traditional celebrity endorsers, and hence receive a larger effect from the negative brand information. This has to our knowledge not been examined before.

This study therefore aims to contribute to the limited and contradictory literature on the topic through introducing the celebrity's role (traditional celebrity endorser versus celebrity entrepreneur) as an explanatory variable for the attribution of blame, which can further the understanding of why and under what conditions negative spillover effects from brands to celebrities might happen.

### *1.3.2 Methodological Contributions*

This study also aims to add to the research field through a methodological contribution, by addressing a commonly acknowledged limitation among experiment-based studies which have tested the brand-celebrity relationship (Hunter & Davidsson, 2007; Johnson et al., 2022; Sato et al., 2020; White et al., 2009). This limitation regards the choice of celebrity and/or brand for the experiment stimuli, since these studies have used only one celebrity and one brand. This has made the studies vulnerable to individual characteristics and contexts, and requires the participants to have sufficient knowledge of the celebrity, potentially biasing results. Some researchers (eg. Sato et al., 2020), have tried to avoid these individual factors by using fictitious brands and celebrities. However, we argue that using a fictitious celebrity is suboptimal, since the very core of the concept of being a celebrity is that the public has knowledge of and associations to the person.

To combat these problems, we introduce a methodology where respondents enter a celebrity and a brand themselves, entries which are subsequently integrated throughout the study. This method ensures that participants are familiar with the celebrity and brand, while simultaneously making findings less reliant on the contextual factors of a certain celebrity or brand (for example, if they have recently been involved in a scandal or not).

### *1.3.3 Practical Contributions*

Celebrity management typically involves a multidisciplinary team, including for example a talent manager, agent, and production company professional. Together, they work to build and protect the celebrity's public image, manage brand partnerships, and support long-term career growth (J. Gustavsson, personal communication, April 30, 2025). The findings of this study provide valuable insights for these teams when evaluating the reputational risks associated with different forms of brand involvement. Understanding whether entrepreneurial involvement in a brand increases the risk of jeopardizing consumer attitudes toward the celebrity could hopefully help them make more informed decisions when considering endorsement deals or launching brands, as well as for preparing risk mitigation strategies.

## 1.4 Delimitations

Several methodological delimitations were made for the purpose of feasibility and focus. Firstly, the sample was limited to participants from the United States to ensure a similar cultural context, as it has been suggested that cultural factors could impact the way consumers direct blame and the view on celebrities endorsements (Cheng, 2014). Furthermore, for the scenario stimulus, a positive scenario was used for the control group. A neutral stimulus would not be possible, since the study requires responsibility judgements about an event. The positive valence of the control was accounted for in the data analysis and interpretations of the results. Another methodological delimitation was that although traditional celebrity endorsements and celebrity entrepreneurship can arguably be seen as two ends on a continuum, it was manipulated as a binary condition for the experiment.

Regarding theoretical scope, some aspects will not be handled in this study. Firstly, while both positive and negative brand information was necessary for the survey design, the focus will be on the outcomes under negative brand information. Outcomes for positive brand information will not be theorized nor hypothesized. Additionally, this study will not examine long-term attitude change, behavioral outcomes, or variations across scandals types or

celebrity typologies. Lastly, the affect-as-information framework (see section 2.2.2 *From Emotions to Attitudes*) serves as a conceptual bridge, but it is not the focus for empirical testing.

### 1.5 Research Outline

Chapter 1 serves as an introduction to the topic of this thesis, describing its purpose, presenting the research questions, as well as outlining expected contributions and establishing the delimitations of the paper. Chapter 2 reviews relevant literature in the field, introduces the hypothetical framework of the research, and presents the hypotheses upon which subsequent analysis will be based. Chapter 3 describes the methodology chosen for this thesis, outlining the research design, explaining the pilot study and the main study, as well as introducing the measures. Chapter 4 presents the results, including descriptive statistics, manipulation checks, as well as model evaluation and hypothesis testing. Chapter 5 includes interpretation of the key findings and implications of the research presented based on the findings. Limitations and suggestions for future research are described in this chapter as well. Chapter 6 serves to conclude the thesis, briefly summarizing the work and highlighting its relevance.

# 2. Literature Review & Hypothesis Development

## 2.1 Literature Review

### *2.1.1 Celebrity-Brand Relationships*

Celebrity endorsement in a communications- or advertising context has a long and extensive history. Ever since the 1800s, celebrities have been leveraged to endorse products as a marketing tactic (Erdogan, 1999). As the phenomenon of celebrity endorsement has evolved and grown, it has attracted ample scholarly interest (Rocha et al., 2020).

The concept of celebrity endorsement has been defined in several ways in previous literature, with the definition by McCracken (1989) being the most commonly used by scholars (Rocha et al., 2020). According to McCracken's definition, a celebrity endorser is "any individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement" (McCracken, 1989, p. 310). However, this definition is a reflection of the role of celebrity endorsements at the time when it was written. Since then, the celebrity landscape has evolved and the fame of celebrities is now leveraged through more than just advertising for consumer goods. To reflect this development, contemporary scholars such as Bergkvist & Zhou (2016) have revised the definition to include aspects outside of a business-to-consumer and an advertising setting: "a celebrity endorsement is an agreement between an individual who enjoys public recognition (a celebrity) and an entity (e.g., a brand) to use the celebrity for the purpose of promoting the entity" (Bergkvist & Zhou, 2016, p. 644). We choose to adhere to the latter definition to capture both the traditional and the more recent activities of a celebrity endorser.

Prior research on celebrity endorsement has, to a large extent, focused on its potential benefits from a company's perspective, as well as on exploring what factors determine its effectiveness and impact (Wang & and Scheinbaum, 2018). Regarding the benefits, studies support that celebrity endorsers bring several advantages to affiliated companies, including aspects related to ad attitude, branding and purchase intentions (Hunter, 2009). Research focused on the effectiveness of endorsers has largely placed an emphasis on the characteristics, for instance credibility and attractiveness of the endorser, as well as the potential transfer of meaning between the endorser and the brand or product being endorsed (Halonen-Knight & Hurmerinta, 2010).

Furthermore, most prior research has focused on traditional celebrity endorsements, in which the celebrity promotes a brand through appearing in advertising or being a brand ambassador (eg. (Knittel & Stango, 2014; Till & Busler, 2000). However, celebrities are also commonly creating their own brands (Keel & Nataraajan, 2012), for example Selena Gomez with her brand Rare Beauty (*About Rare Beauty*, 2025) or Jamie Oliver and his restaurants which carry his name ("Jamie Oliver Group," 2025). As a result of prior focus being on traditional celebrity endorsements, the conceptualization of *celebrity entrepreneurship,* where celebrities create and/or manage brands, is not yet cohesive. For example, Hunter (2009) argues that celebrity entrepreneurship is a subcategory of celebrity endorsement, while Keel & Nataraajan (2012) refer to it as a separate construct from celebrity endorsement.

Since we adopted the broader definition of celebrity endorsement by Bergkvist & Zhou (2016), celebrity entrepreneurship should be considered as a subcategory of celebrity endorsement in this thesis, as we argue that it is an agreement between a celebrity and a brand to use the celebrity for the purpose of promoting the brand. Although this aspect of the conceptualizations differ between Hunter (2009) and Keel & Nataraajan (2012), there is consensus about the foundation of the concept, namely that celebrity entrepreneurs differs from the traditional celebrity endorsers by having a more integrated role in the activities of the brand, as opposed to only promoting the brand through advertising or sponsorship (Hunter & Davidsson, 2007; Keel & Nataraajan, 2012).

Regarding celebrity entrepreneurship specifically, Keel & Nataraajan (2012) propose that there is a difference in the *level of involvement* in the business decisions and activities between celebrities, which in turn could affect brand attitude and purchase intent of consumers. Some celebrity entrepreneurs are only the name of the brand, while others are the owner and/or participate in the operations of the firm (Hunter & Davidsson, 2007; Keel & Nataraajan, 2012). However, Keel & Nataraajan (2012) suggest that while consumers can observe celebrities' involvement in activities like PR and advertising, their involvement in other areas such as production or design is less visible. Due to this, Keel & Nataraajan (2012) suggest that the *perceived* celebrity involvement could have a larger influence than the *actual* involvement on the attitudes and behaviors of consumers.

Both Keel & Nataraajan (2012) and Hunter & Davidsson (2007) have suggested that the perceived involvement would differ depending on whether the celebrity is an entrepreneur or

a traditional endorser, since an entrepreneur role would indicate to consumers that the celebrity has a more integrated role in the operations of the firm. Hunter & Davidsson (2007) showed empirically that when the celebrity was referred to as an entrepreneur instead of an endorser, the perceived involvement increased significantly. This is an interesting finding, since the consumers typically cannot observe any actual difference in involvement, since what the consumer can observe are the PR and advertising activities, which both endorsers and entrepreneurs typically engage in.

Having a higher perceived involvement due to being an entrepreneur has been shown to have both positive and negative consequences. Hunter (2009) showed empirically that the celebrity entrepreneur is a better communicator, but when negative brand information about the celebrity emerges, this impacts the brand attitude negatively to a greater extent than with the traditional celebrity endorser. This touches upon the adverse effects of celebrity endorsements, which is what will be discussed in the next section.

### *2.1.2 Celebrity Endorsement in Scandal Contexts*

A research topic in intersection between the celebrity endorsement stream and brand scandal literature is celebrity endorsement in the context of scandals. The most widely studied phenomenon in this topic is how negative information about a celebrity endorser affects their affiliated brands (Johnson et al., 2022). Many effects have been studied, ranging from the effect on the brand attitude (Zhou & Whitla, 2013) to the impact on the stock exchange (Hock & Raithel, 2020). There have also been studies conducted on mitigation strategies, such as whether it is preferable to sever ties with the celebrity in light of a celebrity scandal (Sato et al., 2020).

Narrowing the scope even further, a subtopic of celebrity endorsements in a scandal context is how a brand scandal affects the celebrity endorser, also referred to as the “reverse relationship” (White et al., 2009). Multiple scholars argue that the relationship between the brand and the celebrity is a two-way relationship, in which the reverse relationship has been overlooked and understudied by prior research (Halonen-Knight & Hurmerinta, 2010; Johnson et al., 2022; Seno & Lukas, 2007; Thomas & Fowler, 2016; Wei, 2024). Consequently, there is presently only limited research conducted on this topic (Johnson et al., 2022).

The effect of brand scandals on celebrity endorsers has been studied both qualitatively (e.g. Halonen-Knight & Hurmerinta (2010); Jain & Roy (2016)), and quantitatively (e.g. Johnson et al. (2022); Thomas & Fowler (2016); White et al. (2009)), with diverging results and focus. Among those who have studied the reverse relationship, several have taken the perspective of examining the transfer of meaning from the brand to the celebrity (e.g. Charbonneau & Garland (2010); Halonen-Knight & Hurmerinta (2010); Thomas & Fowler (2016); White et al. (2009)).

Among the few scholars which have studied the effect of brand transgressions on the consumer *attitudes toward the celebrity* specifically, the results have been conflicting. Thomas & Fowler (2016) and Johnson et al. (2022) found support for an unfavorable effect on the attitude toward the celebrity in the event of negative brand information, while White et al. (2009) found no empirical support for such effect. However, these studies also differ in their methodological and theoretical choices, which will now be explored.

White et al. (2009) found no empirical evidence that a brand scandal harms the attitude toward the celebrity, and thus concluded that in brand-celebrity relationships, there are effects from the celebrity to the brand, but not vice versa. However, their study involved a real celebrity which had been involved in a wide-spread scandal three years prior to the study, a choice which was later criticized by Johnson et al. (2022). Although the study did control for the spontaneous recollection of the scandal being low, there remains a possibility that the attitudes were primed. This could have caused prior attitudes to be lower than for other celebrities, even if the specific event was not recalled. This was not controlled for, as pre-stimuli attitudes were not measured. Furthermore, the global attitude measurement used for the study included items typically used for attitudes (“good/bad,” “favorable/unfavorable” and “positive/negative”), but also items related to expertise, trust and appropriateness (Till & Shimp, 1998), which made their construct broader than the attitudes measured by Thomas & Fowler (2016) and Johnson et al. (2022). This could be another factor which could possibly account for the difference in results.

In contrast, Thomas & Fowler (2016) found empirical support for a brand scandal harming the consumer attitudes toward the celebrity. Their methodology included a real celebrity and brand, paired with a fictional scenario. They also found that the effect was sequentially mediated by perception of responsibility of the celebrity and the moral reputation of the

celebrity. Notably however, moral reputation was not a significant mediator on its own, and their measurement of responsibility (internal attribution) relied on a single-item measure, which inhibited controls for internal reliability.

Johnson et al. (2022) adopted a similar approach to Thomas & Fowler (2016) by also including perception of responsibility (internal attribution), and moral reputation. For their stimulus selection, they used a fictional brand combined with a real celebrity. In line with Thomas & Fowler (2016), they found support for the brand scandal harming the attitude toward the celebrity. Furthermore, they found that perception of responsibility (internal attribution) to the brand lowered the moral reputation of the brand, and empirically supported a sequential pathway from internal attributions to negative effects on attitude toward the celebrities, mediated by moral reputation of the brand and attitudes toward the brand itself. They however focused only on the responsibility and moral reputation *of the brand*, and assumed that these would spill over from the brand to the celebrity endorser, thereby omitting any potential responsibility being attributed directly to the celebrity.

To sum up the literature review, two areas which have yet to be theoretically and empirically settled regarding celebrity endorsements are *celebrity entrepreneurship,* and the *reverse effects relationship*. Therefore, prior research has yet to sufficiently explore the intersection of the two, which is needed to investigate whether celebrity entrepreneurs suffer greater risks than traditional celebrity endorsers in light of a brand scandal.

## 2.2 Hypothetical Framework & Hypothesis Development

To address this gap, we introduce attribution theory as the main explanatory theory to guide the hypotheses development for how consumers would react to negative brand information, and how it would differ between traditional celebrity endorsers and celebrity entrepreneurs.

### *2.2.1 How Consumers Assign Blame*

Attribution theory, introduced by Fritz Heider (1958) is a part of the research stream about social inference in the field of social psychology, which regards how people interpret and judge others (Ross, 1977). The underlying assumption of attribution theory is that people intuitively seek to understand their own and others' behaviors by making causal explanations, based on the limited information they have at hand (Heider, 1958). According to the early outlines of the theory, people first respond to a behavior or an outcome by trying to attribute

the cause of it, and subsequently form a judgement about the involved parties (Ross, 1977). Heider further proposed that the causes could be internally or externally attributed (Heider, 1958).

During the 1980s, Bernhard Weiner made significant contributions to attribution theory by relating it to affective responses and introducing three causal properties which can determine the emotional responses (Weiner, 1986). According to Weiner, emotions are determined by thought, specifically by belief about the causality of events (Weiner, 2014). In his theoretical development of attribution theory, he suggests three causal properties which can determine the emotional responses: causal locus, causal stability and causal control (Weiner, 1986).
The first property, causal locus, regards whether the causes reside within or outside of a person (Weiner, 2014). For example, winning the lottery because of chance is considered an external locus, while winning the lottery because one is a lucky person is considered an internal locus. The second property, casual stability, concerns whether the cause is stable over time. For example, a lack of aptitude can be considered a stable cause for poor grades, while a lack of effort can be seen as unstable because it has the potential to change. The last property, causal control, regards whether an agent has the possibility to affect the cause (Weiner, 2014). For example, failing a class because the student did not study can be seen as a controllable cause (internal locus of control) for the student, while failing due to the teacher's bias can be seen as uncontrollable to the student (external locus of control). The causal control dimension is closely related to judgement of responsibility, meaning that an agent is only held responsible for issues that are perceived to be controllable to them (Weiner, 2014).

In the context of this study, the causal control property is of interest because it relates to whether the consumer believes that the celebrity had control over the cause of the scandal, which affects whether they should be held responsible for it. Negative events (such as scandals) with causes deemed as controllable elicit emotions such as anger according to Weiner (2014). Hence, if the scandal is attributed as being within the internal locus of control of the actor (hereafter referred to as having been assigned "internal attribution"), this should give rise to negative emotions.

However, it is important to note that it is plausible that internal attribution to the brand, and internal attribution to the celebrity, are not mutually exclusive. In other words, the consumer

could believe that both the brand and the celebrity have high causal control over an issue. Consumers could for example infer that the brand has very high causal control over an event, which is likely to be the case for a brand scandal, while the celebrity has moderate control, meaning that they could have made some corrective or preventing action such as vetoing decisions or monitoring the issue better. This argument is in line with Weiner's development of attribution theory, as causal control is not about assigning responsibility to one actor or the other, but about how much control each actor had over the cause of a situation.

In sum, attribution theory explains how consumers assign responsibility for a scandal, and their subsequent emotional response. However, as far as Weiners' contributions go, they do not explicitly address how the emotional response affects attitudes towards the celebrity. Therefore, to conceptually bridge this gap, we will briefly discuss affect-as-information theory by Schwarz and Clore (1983).

### *2.2.2 From Emotions to Attitudes*

Given that negative emotions arise when assigning internal attribution to the celebrity, the link between emotions and a subsequent change in attitude to involved parties can be theorized through the lens of affect-as-information. In their 1983 article, Schwarz and Clore first proposed the concept of affect-as-information. In the study, the authors established a link between mood and judgement through two experiments which found that respondents reported higher life satisfaction and happiness when they were in a good mood than when they were in a bad mood (Schwarz & Clore, 1983). Since the original article, several articles have been added to the theory of affect-as-information. In their 2007 review, Clore and Huntsinger bring forward that people's judgements tend to reflect their current mood - when happy, people often judge a variety of things, ranging from consumer products to broader concepts such as life satisfaction, in a more positive way than when sad - and thereby that affect is used as information (Clore & Huntsinger, 2007). Furthermore, the affect-as-information hypothesis suggests that individuals assign judgement to what they believe is the source of their affective state (Clore & Huntsinger, 2007). Thereby, we believe it is plausible to make the argument that negative emotions stemming from blaming an actor for a scandal, should act as information for the subsequent judgment of the actor, thereby informing attitudes.

Following the reasoning from attribution theory and affect-as-information, if the consumers view the cause of the scandal as being within the celebrity's control, then negative emotions should arise, leading to the attitude becoming less favorable. Therefore, we hypothesize the following:

**H1:** *Negative information about a brand has an unfavorable effect on the attitude toward the celebrity.*

**H2:** *Internal attribution to the celebrity has an unfavorable effect on the attitude toward the celebrity, when faced with negative brand information.*

*2.2.3 Celebrity Role as a Determinant of Attribution*

The difference between a celebrity entrepreneur and a traditional celebrity endorser has been conceptualized as the entrepreneur having a more integrated role in the brand and a higher perceived involvement than the endorser (Hunter & Davidsson, 2007; Keel & Nataraajan, 2012). Hence, we propose that there should also be a difference in the dimension of perceived causal control between celebrity entrepreneurs and traditional celebrity endorsers.

As mentioned previously, consumers have limited insight into the actual involvement of the celebrities apart from their role (Keel & Nataraajan, 2012). When individuals are faced with limited information, they have to rely on mental shortcuts (heuristics) to form their perception based on the information they have at hand (Simon, 1955, 1972). In this context, we argue that the celebrity's role serves as a heuristic where the consumers use this observable cue to infer the unobservable characteristics of actual involvement and causal control. Under conditions of bounded rationality and ambiguity about the actual involvement, we reason that consumers would infer higher decision-making power from the celebrity entrepreneur role, which by extension implies being able to affect the cause of a scandal to a greater extent.

Following this logic, the internal attribution should be higher for celebrity entrepreneurs than for traditional celebrity endorsers when faced with a scandal. This should subsequently give celebrity entrepreneurs a larger unfavorable effect from brand scandal on the consumer attitudes toward the celebrity. This leads us to hypothesize the following:

**H3:** *Celebrity entrepreneurs are assigned higher internal attribution than traditional celebrity endorsers.*

**H4:** *Negative brand information causes a greater unfavorable change in the attitude toward the celebrity for the celebrity entrepreneur compared to the traditional celebrity endorser, due to higher internal attribution.*

### *2.2.4 Overview of Hypotheses*

The hypotheses are summarized in Table 1.

**Table 1**

*Overview of Hypotheses*

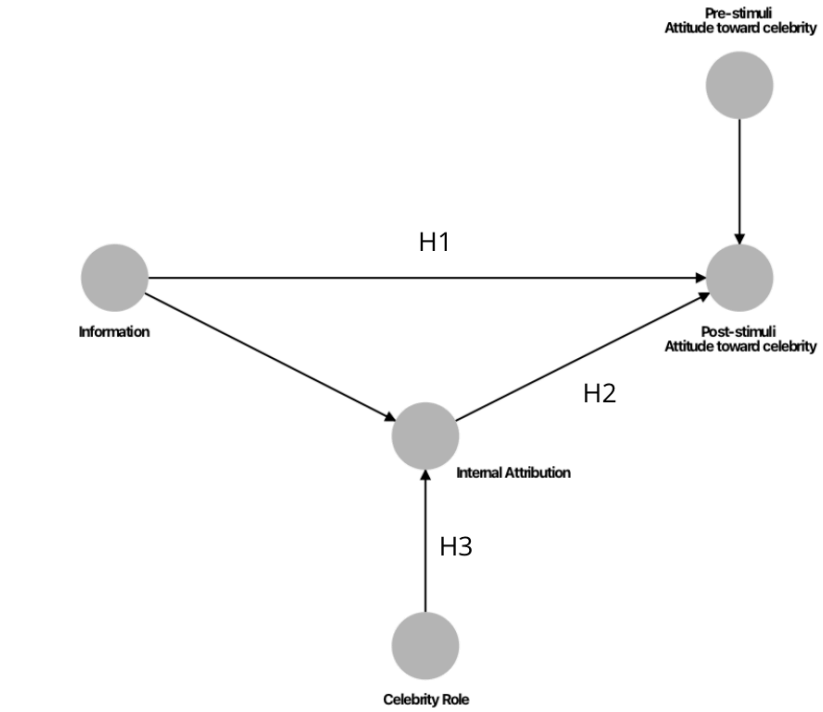
| |
|---|
| **H1:** Negative information about a brand has an unfavorable effect on the attitude toward the celebrity. |
| **H2:** Internal attribution to the celebrity has an unfavorable effect on the attitude toward the celebrity, when faced with negative brand information. |
| **H3:** Celebrity entrepreneurs are assigned higher internal attribution than traditional celebrity endorsers. |
| **H4:** Negative brand information causes a greater unfavorable change in the attitude toward the celebrity for the celebrity entrepreneur compared to the traditional celebrity endorser, due to higher internal attribution. |

*2.2.5 Hypothetical Framework*

Based on the generated hypotheses, the hypothetical framework is illustrated in Figure 1.

**Figure 1**

*Hypothetical Framework*




Indirect effect (H4):
Celebrity Role → Internal Attribution → Post-stimuli Attitude toward celebrity

# 3. Methodology

## 3.1 Scientific Approach and Research Design

While the particular effects of brand scandals on celebrity entrepreneurs are yet to be determined, the underlying psychological foundations of consumer response to celebrity endorsements and brand crisis are theoretically well-grounded, which allows for formulating testable hypotheses. Thus, a deductive method was deemed suitable to investigate the research questions. This aligns with a positivist epistemological stance, which assumes that a reality can be measured, and an objectivist ontological position, where phenomena such as attitudes are treated as independent of the observer (Bell et al., 2022).

To test the hypotheses, a 2 (information valence: negative versus positive) × 2 (celebrity role: traditional celebrity endorser versus celebrity entrepreneur) between-subjects experimental design was used. Participants were randomly assigned to one of four conditions. The experiment was conducted using self-completion questionnaires distributed through an online platform (Prolific).

## 3.2 Experimental Survey Design

### *3.2.1 Celebrity Selection and Role Manipulation*

Unlike previous studies where the celebrity and brand have been chosen by the researchers (e.g. Johnson et al., 2022; Thomas & Fowler, 2016; White et al., 2009), this study let the respondents themselves choose by entering a celebrity and a brand name. To manipulate the celebrity role, participants assigned the celebrity entrepreneur condition were prompted to choose a celebrity which they knew were entrepreneurially involved in a brand. In the traditional celebrity endorser condition, participants were prompted to choose a celebrity which promotes a brand (e.g. by appearing in advertisement) but who, to the best of their knowledge, is not entrepreneurially involved in the brand. These inputs were then integrated throughout the survey using piped text coding[2], allowing participants to see their chosen celebrity and brand in subsequent questions.

Although it has been argued that fictional celebrities are preferable since they minimize the effect of pre-existing attitudes and associations (Sato et al., 2016), we argue that it would go against the conceptualization of celebrities. Being a celebrity entails being well known by the

[2] Piped text is a line of code you add to your survey that pulls information from different sources and displays that information to the respondent (*Piped Text*, n.d.)

public, which implies that there should be established associations and attitudes in the mind of consumers. We argue that if the results indicate that the attitudes toward real celebrities are too established to be altered by a brand scandal, that should be considered an insight from the study rather than a fault.

To control for the manipulation of the celebrity role adhering to the conceptualization of celebrity entrepreneurs versus traditional celebrity endorsers, perceived involvement was measured and tested as a manipulation check. To align with the conceptualizations by Keel & Nataraajan (2012) and Hunter & Davidsson (2007), the desired outcome would be that celebrity entrepreneurs receive significantly higher perceived involvement than traditional celebrity endorsers.

*3.2.2 Stimuli and Information Valence Manipulation*

For the information valence stimuli, each participant read a fabricated news article about their selected brand. The news article was about how the brand treats its employees, with the negative brand information condition describing a negative treatment of employees, and the positive brand information condition describing a positive treatment of employees. The artificial intelligence language model ChatGPT was used to draft an initial version of the news article stimuli, based on careful specifications (*ChatGPT*, n.d.). The use of AI for the initial draft of the fictitious articles was due to it being considered as a way to make the stimuli more realistic (see further reasoning in Appendix B). The final news article stimuli were the following:

> Negative Information stimulus:
> *Please read the following news article:*
> *[Brand Name] Under Fire After Report Reveals Harmful Workplace Practices*
>
> *Recently, [Brand Name] has been accused of mistreating its employees, following a revealing report that exposed negative workplace practices. Investigations found that, for years, [Brand Name] has maintained policies and practices that negatively impact employees, including uncompetitive salaries, lack of mental health support, and rigid, stressful working conditions.*

*Although these negative practices have been in place for a long time, they have not been widely known until now. Former and current employees have now come forward to share their troubling experiences, citing a toxic work environment and leadership that prioritizes profits over worker well-being.*

Positive Information stimulus:
*Please read the following news article:*
*[Brand Name] Praised After Report Highlights Positive Workplace Practices*

*Recently, [Brand Name] has been recognized for its exceptional treatment of employees, following a revealing report that showed their positive workplace practices. Investigations found that, for years, [Brand Name] has maintained policies and practices that prioritize employee well-being, including competitive salaries, mental health support, and flexible work arrangements.*

*Although these positive practices had been in place for a long time, they have not been widely known until now. Former and current employees have now come forward to share their overwhelmingly positive experiences, citing a strong, supportive culture and leadership that genuinely values workers.*

The reasoning behind using employee treatment as the topic for the news article was that the content should be applicable for as many brands as possible, since respondents choose the brands themselves. Other common scandal types (e.g. product recalls, supply chain issues, unethical sourcing) were deemed unsuitable due to limited applicability across company types.

To ensure the manipulation was interpreted as intended, respondents were asked about the information valence of the scenario (“What is your impression of the described company behavior?”, rated from "very negative" to "very positive"). Another manipulation check was

to control for the effect on the brand attitude. We reason that in order for the negative stimulus to work as intended, it should have had an impact on the brand attitude, since the brand was the focal point of the negative brand information. To control for this, we measured the brand attitude, calculated the change in brand attitude, and tested whether it differed between information valence conditions as a manipulation check.

### 3.3 Survey Flow

See full survey in Appendix A. Firstly, participants were exposed to a short introduction to the study, as well as a GDPR consent form. If participants declined participation, the survey ended and their data was removed.

The participants were randomized to either the celebrity entrepreneur, or the traditional celebrity endorser group, and were asked to enter a celebrity name and a brand name according to the manipulation. Pre-stimulus measures of attitude toward the celebrity and brand attitude were subsequently measured, where the respondents' own inputs were displayed. For example, if the participant entered “Rihanna” as the celebrity, the subsequent questions would be displayed as “My opinion of Rihanna is…”.

Next, participants were randomized to either the negative brand information or the positive brand information condition, and the fabricated news article stimulus was displayed. The manipulation check for the valence of the information was conducted after reading the news article, followed by a memory clearing task. Study participants could not proceed from the news article before 30 seconds had passed, to maximize the chance that the respondents read the information in its entirety.

Post-stimuli measures for attitude toward the celebrity, brand attitude and internal attribution were then collected in a randomized order. A realism check was included to assess whether participants found the described scenario to be realistic. Respondents answered another attention check, and were lastly informed that the news article was fabricated.

### 3.4 Data Collection and Sample

$N$ = 500 respondents were recruited through *Prolific* (2025), an online platform for research participants, and the sample was delimited to US-based respondents. The questionnaire was distributed between the 25th and the 26th of March, 2025.

### 3.5 Measures

*3.5.1 Abbreviations*

The abbreviations used for the main constructs are summarized in Table 2, and will be applied throughout tables and figures for enhanced readability.

**Table 2.**

*Abbreviations for Main Constructs*

| Construct | Abbreviation |
|---|---|
| Celebrity role | RO |
| Information about brand (negative/positive) | IN |
| Internal attribution to the celebrity | AT |
| Pre-stimuli attitudes toward the celebrity | AC_pre |
| Post-stimuli attitudes toward the celebrity | AC_post |

*3.5.2 Main Measures*

All items were measured using 7-point Likert scales.

**Attitude Toward the Celebrity (AC)**

Attitude Toward the Celebrity was measured using a 3-item semantic differential scale ("very bad–very good", "very unpleasant–very pleasant", "very unfavorable–very favorable"), adapted from MacKenzie & Lutz (1989).

**Internal Attribution (AT)**

Internal Attribution was measured using a 3-item scale, adapted from both Russel (1982) and Zhou and Whitla (2013) to suit the specifics of the study. Items included:

(1) "What happened is something that [celebrity name] has responsibility for"

(2) "What happened is something within [celebrity name]'s control", and

(3) "What happened is something that reflects the intentions of [celebrity name]"

Responses were recorded on a 7-point scale ranging from 1 (Not at all) to 7 (Completely).

*3.5.3 Manipulation Check Measures*

To control for the experimental manipulations, manipulation checks were included. These measures were used solely to verify that the manipulations worked as intended, and were not included in the main analyses.

**Brand Attitude**

Brand Attitude was measured using a 3-item semantic differential scale ("very bad–very good", "very unpleasant–very pleasant", "very unfavorable–very favorable"), adapted from MacKenzie and Lutz (1989). The scale demonstrated high internal consistency both in the pre-stimuli (Cronbach's alpha = .97) and the post-stimuli (Cronbach's alpha = .98) conditions.

**Perceived Involvement**

Perceived Involvement of the celebrity was measured using a 3-item scale, adapted from Tseng and Han-Yu (2023) and adjusted to suit the study design. Items included:

(1) "How much do you think [celebrity name] participates in what [brand name] does"

(2) "How much do you think that [celebrity name] is engaged in the decisions of [brand name]?", and

(3) "How much do you think that [celebrity name] knows about what goes on at [brand name]?"

Responses were recorded on a 7-point scale ranging from 1 (Not at all) to 7 (A lot). The scale demonstrated high internal consistency (Cronbach's alpha = .85).

**Information Valence**

The perceived information valence of the information stimuli (the news article) was measured using a 1-item semantic differential scale ("very negative–very positive").

**3.6 Pilot Study**

A pilot study with $N = 49$ participants was conducted using the same survey collection method (Prolific) and demographic delimitation as the main study. The objectives were to test the data collection method, the manipulations, and to assess the reliability of scales.

For the data collection method, it was essential that the participant submitted appropriate celebrities and brands for the celebrity entrepreneur and the traditional celebrity endorser

groups, respectively. Regarding this task, only 2 participants submitted unsuitable answers. A manipulation check was conducted to validate that the scenarios were interpreted with the intended information valence. This check indicated successful differentiation between conditions, with the negative scenario having a mean of 1.7 on a 7-point scale where 1 = very negative and 7 = very positive, while the positive scenario had a mean of 6.4. Furthermore, 83% of participants rated the scenario as realistic. Lastly, participants were asked whether there was anything during the study that was difficult to understand, to which nobody indicated any difficulty. Therefore, no changes were subsequently made to the stimuli or the content of the questions.

Regarding the scales, all variables had a Cronbach's Alpha > .8, which indicates high internal validity (Hair et al., 2017). However, due to the very high Cronbach's alpha for all items, the survey items were even further randomized during the main study, to ensure that the order of the items did not lead to bias effects on the Cronbach's alpha.

### 3.7 Data Analysis

Data analysis was conducted using IBM SPSS Statistics (Version 30.0.) and SmartPLS 4. To prepare for analysis, the dataset was screened to exclude unsuitable responses. Respondents who did not complete the survey, did not pass the attention check, or had not entered valid inputs for celebrity and brand names were removed. The initial sample contained $N = 500$ responses, of which $N = 455$ remained after cleaning the data.

The information condition was coded as a dummy variable, with negative brand information condition = 1, and positive brand information condition = 0. Likewise, celebrity role was coded as a dummy variable, with the celebrity entrepreneur condition = 1, and the traditional celebrity endorser condition = 0.

To assess whether the experimental manipulations were perceived as intended, manipulation checks were conducted. To prepare, a new variable was created for brand attitude through subtracting pre-stimuli brand attitude from post-stimuli brand attitude, thereby reflecting the change in brand attitude. Manipulation checks were subsequently conducted using independent-samples t-tests in IBM SPSS.

For hypothesis testing, data was analysed using Partial Least Squares Structural Equation Modeling (PLS-SEM) in SmartPLS 4. This method was selected as it allows for modeling multiple constructs and relationships and as it can analyze data which violates normality assumptions (Hair et al., 2017), which matches the hypothesized model and the collected data. The significance of path coefficients was tested through bootstrapping with 5,000 samples. To account for not having a true neutral control group, the analysis for the hypotheses which were specifically targeting the negative brand information condition were supplemented with subgroup analyses, which only included participants exposed to negative brand information ($n$ = 255; information = 1). This was done to ensure that results from the full model supported the hypotheses under negative brand information specifically.

### 3.8 Data Quality

#### *3.8.1 Reliability*

To enable control for measurement reliability, all main constructs were measured using 3-item scales, as recommended by Hair et al. (2017, p. 106). The only measures which did not have three items were the manipulation check for the information valence, and the realism check, hence the internal consistency of these could not be assessed. Furthermore, the items and questions were randomized as far as possible to reduce the risk of inflated reliability estimates caused by patterned answering behavior (e.g. answering the same for multiple questions in a row).

Following the guidelines by Hair et al. (2017) for evaluating reliability in a PLS-SEM context, both indicator reliability and internal consistency reliability were assessed. Outer loadings were used to evaluate indicator reliability, while Chronbach's alpha and composite reliability were used to assess internal consistency reliability (for detailed assessment, see 4.3 *Measurement Model*).

#### *3.8.2 Validity*

To support content validity, the multi-item scales were based on measurement instruments from prior research. For instance, attitude was measured using semantic differential scales (e.g., "very bad–very good"), consistent with the conceptualization of attitude as a general evaluation. Furthermore, the items were discussed with peers and our supervisor, and adjusted accordingly. Nevertheless, constructs such as perceived involvement have not yet been used in many empirical studies, which entails that they are not as proven and well-tested

as more established measurements. Furthermore, some items had to be adjusted slightly to fit the context of the study, which could alter content validity.

In accordance with common practice when conducting PLS-SEM, convergent validity was assessed through average variance extracted (AVE) and outer loadings, while discriminant validity was assessed through heterotrait-monotrait ratio (HTMT) (for detailed assessment, see 4.3 *Measurement Model*; Hair et al., 2017).

# 4. Results

## 4.1 Descriptive Statistics

### *4.1.1. Participants*

The original sample (prior to cleaning the data)[3] consisted of $N$ = 500 participants, with a moderately balanced gender distribution (see Table 2). Most participants were aged 30-49 (49.80%), followed by those aged 50-69 (24.40%) and 18.29 (21.80%).

**Table 2**

*Overview of Demographics*

| Characteristic | *n* | % of sample |
|---|---|---|
| Gender | | |
| Female | 286 | 57.2% |
| Male | 213 | 42.6% |
| Prefer not to say | 1 | 0.2% |
| Age | | |
| 18-29 | 109 | 21.8% |
| 30-49 | 249 | 49.8% |
| 50-69 | 122 | 24.4% |
| > 69 | 20 | 4.0% |

*Note.* $N$ = 500

### *4.1.2. Statistics for the Endogenous Constructs*

Across all conditions ($N$ = 455), the mean pre-stimuli attitude toward the celebrity was 5.6 ($SD$ = 1.4). On average participants reported favorable attitudes for both celebrity role conditions prior to exposure to the stimuli, with means above the midpoint of 4 on the 7-point Likert scale (see Table 3).

[3] To protect the personal data of participants, it was not possible to trace which participants' answers were removed in the cleaning process. Hence, only the pre-cleaning demographics could be reported.

**Table 3**

*Pre-stimuli Attitude Toward Celebrity, by Experimental Condition*

| Celebrity Role | Information Valence | | | | | |
|---|---|---|---|---|---|---|
| | Negative | | | Positive | | |
| | *n* | *M* | *SD* | *n* | *M* | *SD* |
| Celebrity Entrepreneur | 111 | 5.5 | 1.5 | 110 | 5.5 | 1.5 |
| Traditional Celebrity Endorser | 114 | 5.7 | 1.3 | 120 | 5.9 | 1.1 |

*Note:* Measured on a 7-point Likert scale. Higher scores reflect a more favorable attitude toward the celebrity.

After exposure to the brand information stimuli, the mean attitudes for those exposed to the negative information stimulus were 4.3 (celebrity entrepreneur; *SD* = 1.8) and 5.2 (traditional celebrity endorser; *SD* = 1.4) , while those exposed to the positive brand information stimulus reported means of 5.7 (celebrity entrepreneur; *SD* = 1.4) and 5.9 (traditional celebrity endorser; *SD* = 1.4; see Table 4).

**Table 4**

*Post-stimuli Attitude Toward Celebrity, by Experimental Condition*

| Celebrity Role | Information Valence | | | | | |
|---|---|---|---|---|---|---|
| | Negative | | | Positive | | |
| | *n* | *M* | *SD* | *n* | *M* | *SD* |
| Celebrity Entrepreneur | 111 | 4.3 | 1.8 | 110 | 5.7 | 1.4 |
| Traditional Celebrity Endorser | 114 | 5.2 | 1.4 | 120 | 5.9 | 1.1 |

*Note:* Measured on a 7-point Likert scale. Higher scores reflect a more favorable attitude toward the celebrity.

Regarding internal attribution, the participants in the traditional celebrity endorser condition reported means for internal attribution of 1.9 (negative information condition; *SD* = 1.3) and 3.0 (positive information condition; *SD* = 1.8), whilst the celebrity entrepreneur condition the

reported means were 4.6 (negative information condition; *SD* = 1.5) and 5.4 (positive information condition; *SD* = 1.4; see Table 5).

**Table 5**

*Internal Attribution to Celebrity, by Experimental Condition*

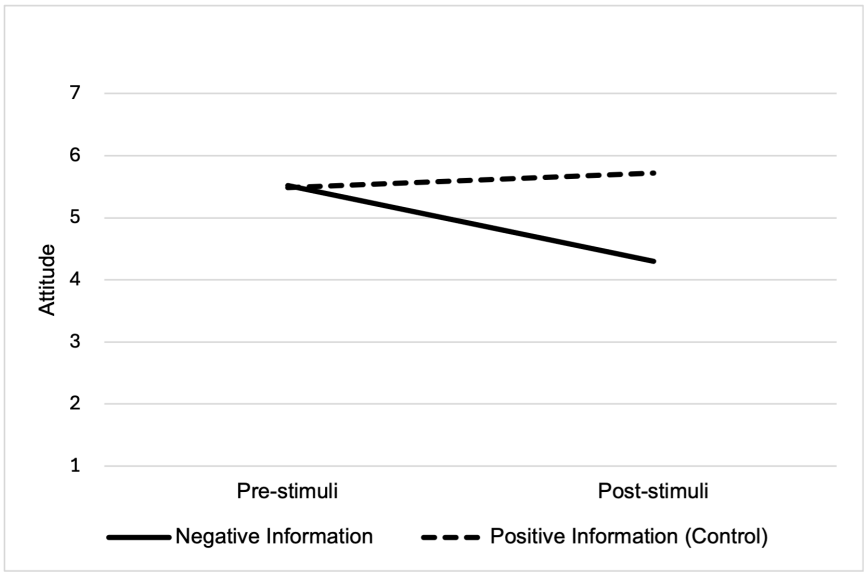
| Celebrity Role | Information Valence | | | | | |
|---|---|---|---|---|---|---|
| | Negative | | | Positive | | |
| | *n* | *M* | *SD* | *n* | *M* | *SD* |
| Celebrity Entrepreneur | 111 | 4.6 | 1.5 | 110 | 5.4 | 1.4 |
| Traditional Celebrity Endorser | 114 | 1.9 | 1.3 | 120 | 3.0 | 1.8 |

*Note:* Measured on a 7-point Likert scale. Higher scores reflect a more favorable attitude toward the celebrity.

Figures 2 and 3 illustrate the reported pre-and post-stimuli attitudes in the celebrity entrepreneur condition and celebrity endorser condition, respectively, across information conditions.

**Figure 2**

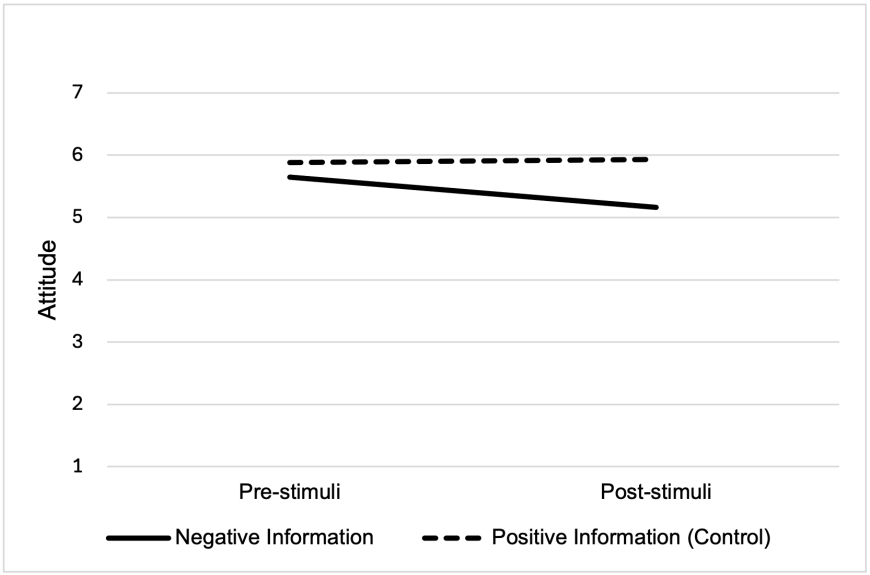
*Mean Attitudes Toward the Celebrity Entrepreneur Pre- and Post-stimuli*




*Note:* Measured using a 7-point Likert scale. Higher scores reflect a more favorable attitude toward the celebrity.

**Figure 3**

*Mean Attitudes Toward the Traditional Celebrity Endorser Pre- and Post-stimuli*




*Note:* Measured 7 using a 7-point Likert scale. Higher scores reflect a more favorable attitude toward the celebrity.

### 4.2 Manipulation Checks

An independent sample t-test with a two-sided test for significance was performed to analyze the difference in perception between participants exposed to the negative brand information stimulus compared to the positive brand information stimulus. Results indicated that respondents who were exposed to the stimulus with the negative brand information interpreted the information as significantly more negative ($M$ = 1.7, $SD$ = 1.1) than the respondents that were exposed to the positive brand information stimulus ($M$ = 6.5, $SD$ = 1.8), $t(453) = 8.85$, $p < .001$. This manipulation check confirmed that the information valence of the stimuli were perceived as intended.

Furthermore, the results from an independent sample t-test suggested that the change in brand attitude (post-stimulus minus pre-stimulus) differed significantly between conditions, with participants exposed to negative brand information showing a greater decrease in brand attitude ($M$ = -2.0, $SD$ = 1.7) compared to those exposed to positive brand information ($M$ = 0.4, $SD$ = 0.8), $t(453) = 145.16$, $p < .001$. This manipulation check confirmed that the scenario was interpreted in the way it was intended for the study.

Lastly, the results from an independent sample t-test suggested that entrepreneurs had significantly higher perceived involvement ($M$ = -4.8, $SD$ = 1.6) compared to endorsers ($M$ = 2.8, $SD$ = 1.6), $t(453) = 0.14$, $p < .001$, which is in line with the intended manipulation of the celebrity role.

### 4.3. Measurement model

The present model utilizes constructs with reflective indicators, as opposed to formative ones. This entails that the indicators selected are aimed to constitute a representative sample of the possible items for the construct, all stemming from the same construct and being interchangeable (Hair et al., 2017, p. 47). This has implications for model evaluation, since the intention is to have overlap between indicators (Hair et al., 2017, p. 48). The model evaluation hence adheres to this.

The measurement model was evaluated in terms of reliability, including internal consistency reliability and indicator reliability, as well as of validity, including convergent validity and discriminant validity. Furthermore, multicollinearity was assessed.

*4.3.1 Construct Reliability*

Reliability was assessed on the basis of composite reliability, Cronbach's alpha, and outer loadings. Starting with construct reliability, composite reliability values fall between 0 and 1, with high values corresponding to high internal consistency reliability levels, since it evaluates the degree to which indicators measure the same phenomenon (Hair et al., 2017, p. 112). For composite reliability, the values for all constructs exceeded .70 (see Table 6), signaling high internal consistency reliability. However, the levels of composite reliability were high to the extent that it could be a concern, as ideal values fall between .70 to .90, with values exceeding .95 being especially problematic (Hair et al., 2017). The concern with very high values of composite reliability pertains to content validity and potential redundancy (Hair et al., 2017, p. 112). The more conservative measure of Cronbach's alpha, which considers the intercorrelations of the indicators (Hair et al., 2017, p. 111), gave values for all constructs exceeding .95 as well, indicating the same potential issue (see Table 6). The indicators chosen were reflective, and therefore aimed to capture the same concept and were hence expected to have a great degree of overlap. However, a particularly high score could indicate that items are too similar.

**Table 6**

*Construct Reliability Statistics - Cronbach's Alpha and Composite Reliability*

| Construct | Cronbach's Alpha | Composite Reliability |
|---|---|---|
| IN | 1.00 | 1.00 |
| RO | 1.00 | 1.00 |
| AT | .92 | .95 |
| AC_pre | .96 | .97 |
| AC_post | .98 | .98 |

*Note:* IN = information about the brand, RO = celebrity role, AT = internal attribution to the celebrity, AC_pre = pre-stimuli attitude toward the celebrity, AC_post = post-stimuli attitude toward the celebrity. IN and RO are dichotomous variables.

*4.3.2 Indicator Reliability*

Indicator reliability evaluates the degree to which indicators have much in common. The values for outer loadings all exceeded the recommended threshold of .70, which suggests that indicator reliability was ideal (Hair et al., 2017, p. 113; see Table 7).

**Table 7**

*Indicator Reliability Statistics - Outer Loadings*

| Indicator | Construct | | | | |
|---|---|---|---|---|---|
| | IN | RO | AT | AC_pre | AC_post |
| IN | 1.000 | | | | |
| RO | | 1.000 | | | |
| AT1 | | | .951 | | |
| AT2 | | | .881 | | |
| AT3 | | | .954 | | |
| AC_pre1 | | | | .961 | |
| AC_pre2 | | | | .961 | |
| AC_pre3 | | | | .955 | |
| AC_post1 | | | | | .977 |
| AC_post2 | | | | | .976 |
| AC_post3 | | | | | .974 |

*Note:* IN = information about the brand, RO = celebrity role, AT = internal attribution to the celebrity, AC_pre = pre-stimuli attitude toward the celebrity, AC_post = post-stimuli attitude toward the celebrity. IN and RO are dichotomous variables.

To sum up, based on the three measures of reliability, reliability of the outer model was thoroughly indicated, with the exception of potential redundancy among indicators for attitudes and internal attribution.

*4.3.3 Construct Validity*

To evaluate construct validity, convergent validity and discriminant validity were assessed. Convergent validity concerns the extent that indicators of the same construct capture the same concept, and was established on the basis of average variance extracted (AVE) and outer loadings. AVE was evaluated based on the recommendation of being above the threshold .50, indicating that the construct explains over half of the variance of the included indicators (Hair et al., 2017, pp. 112–115). Values for all constructs exceeded .50 (see Table 8). As stated before, values for outer loadings all exceeded .70, which further supports convergent validity (see Table 7).

**Table 8**

*Convergent Validity Statistics - AVE*

| Construct | Average Variance Extracted (AVE) |
|---|---|
| IN | 1.000 |
| RO | 1.000 |
| AT | .863 |
| AC_pre | .919 |
| AC_post | .952 |

*Note:* IN = information about the brand, RO = celebrity role, AT = internal attribution to the celebrity, AC_pre = pre-stimuli attitude toward the celebrity, AC_post = post-stimuli attitude toward the celebrity. IN and RO are dichotomous variables.

Discriminant validity, which considers how distinct a construct is from the other constructs, was assessed using the heterotrait-monotrait ratio (HTMT), which estimates the correlation between constructs. All values were below .85, which is within the preferred limit (Hair et al., 2017; see Table 9).

**Table 9**

*Discriminant Validity Statistics - HTMT*

| | IN | RO | AT | AC_pre | AC_post |
|---|---|---|---|---|---|
| IN | | | | | |
| RO | .015 | | | | |
| AT | .236 | .639 | | | |
| AC_pre | .041 | .100 | .053 | | |
| AC_post | .345 | .174 | .049 | .763 | |

*Note:* IN = information about the brand, RO = celebrity role, AT = internal attribution to the celebrity, AC_pre = pre-stimuli attitude toward the celebrity, AC_post = post-stimuli attitude toward the celebrity. IN and RO are dichotomous variables.

*4.3.4 Multicollinearity Diagnostics - Outer Model*

To assess multicollinearity in the outer model (between indicators), outer *VIF*s were assessed (see Table 10). The indicators for attitude toward the celebrity, and two of the attribution indicators, exceeded the value of 5, which is not within the recommended threshold. Indicators for post-stimuli attitudes toward the celebrity were particularly high. This could indicate some degree of multicollinearity (Hair et al., 2017). However, important to note is that this measure concerns specifically multicollinearity between *indicators* and does not refer to the inner model. Considering that there are several indicators that aim to capture the same concept and belong to the same constructs due to indicators being reflective, high correlations between indicators is expected (Hair et al., 2017, p. 175). Hence, it is not alarming in and of itself.

**Table 10**

*Multicollinearity Statistics for Indicators - Outer VIFs*

| Indicator | VIF |
|---|---|
| IN | 1.000 |
| RO | 1.000 |
| AT1 | 5.160 |
| AT2 | 2.433 |
| AT3 | 5.323 |
| AC_pre 1 | 5.910 |
| AC_pre 2 | 5.872 |
| AC_pre 3 | 5.160 |
| AC_post 1 | 10.096 |
| AC_post 2 | 9.547 |
| AC_post 3 | 8.762 |

*Note:* IN = information about the brand, RO = celebrity role, AT = internal attribution to the celebrity, AC_pre = pre-stimuli attitude toward the celebrity, AC_post = post-stimuli attitude toward the celebrity. IN and RO are dichotomous variables.

### 4.4 Structural Model

#### *4.4.1 Multicollinearity Diagnostics - Inner Model*

To rule out that multicollinearity could affect the regression results, the *VIF* values of the structural model were evaluated (see Table 11). All *VIF* values for the structural model were below the threshold of 5, and also adhere to the ideal of being below the value of 3 (Hair et al., 2019), indicating that multicollinearity in the structural relationships was not an issue.

**Table 11**

*Multicollinearity Statistics for Constructs - Inner VIFs*

| Endogenous Construct | Predictor Construct | *VIF* |
|---|---|---|
| AC_post | AT | 1.051 |
| AC_post | AC_pre | 1.003 |
| AC_post | IN | 1.050 |
| AT | RO | 1.000 |
| AT | IN | 1.000 |

*Note:* IN = information about the brand, RO = celebrity role, AT = internal attribution to the celebrity, AC_pre = pre-stimuli attitude toward the celebrity, AC_post = post-stimuli attitude toward the celebrity. IN and RO are dichotomous variables.

*4.4.2 Model's Predictive Capabilities*

According to Hair et al. (2017), a rule of thumb for evaluating the size of the $R^2$ value for endogenous variables is that values above .75 are assessed as substantial, .50 are moderate and .25 are weak. The $R^2$ value for the construct post-stimuli attitude toward the celebrity was .66, indicating that the model explains 65% of the variance, which reflects a moderate to high level of variance explanation. The $R^2$ value for attribution was .43, indicating that the model explains 43% of the variance, which reflects a weak to moderate level of variance explanation.

Predictive relevance was assessed using the $Q^2$ values (Hair et al., 2017), obtained via the PLSpredict algorithm in SmartPLS, where $Q^2 > 0$ indicates predictive relevance of the endogenous construct (Hair et al., 2017). The $Q^2$ for the construct of internal attribution was .28, which indicates that the model had medium predictive accuracy for internal attribution. The $Q^2$ for the construct post-stimuli attitude toward the celebrity was .50, indicating large predictive accuracy for post-stimuli attitude toward the celebrity (Hair et al., 2019).

*4.4.3 Hypothesis Testing*

**H1:** *Negative information about a brand has an unfavorable effect on the attitude toward the celebrity.*

This hypothesis tests whether exposure to negative brand information has a significant negative effect on the attitude toward the celebrity, including all paths, compared to the control group (positive brand information). The total effect was significant and negative ($\beta$ = -0.62, $t$ = 11.83, $p < .001$, 95% CI [-0.72, -0.52]), indicating that those exposed to negative brand information had an unfavorable change in attitude toward the celebrity when controlling for pre-attitudes, thus supporting H1.

**H2:** *Internal attribution to the celebrity has an unfavorable effect on attitude toward the celebrity, when faced with negative brand information.*

This hypothesis tests whether internal attribution to the celebrity has a negative direct effect on the post-stimulus attitude toward the celebrity, when exposed to negative brand information. This was first tested in the full model, and then confirmed through a subgroup analysis.

In the full model (see Table 12), internal attribution had a significant negative direct effect on post-stimuli attitude toward the celebrity ($\beta$ = -0.13, $t$ = 4.23, $p < .001$) with a small effect size ($f^2$ = 0.05; Hair et al., 2017). This suggests that internal attribution has an unfavorable effect on attitude toward the celebrity (when controlling for pre-stimuli attitude).

**Table 12**

*Direct Relationship Results - Full Sample*

| Path | β | *SD* | *t* | *p* | 95% CI | | $f^2$ |
|---|---|---|---|---|---|---|---|
| | | | | | LL | UL | |
| AT → AC_post | -0.13 | 0.03 | 4.23 | < .001 | -0.19 | -0.07 | 0.05 |
| AC_pre → AC_post[a] | 0.73 | 0.04 | 20.43 | < .001 | 0.66 | 0.80 | 1.54 |
| RO → AT | 1.24 | 0.06 | 19.51 | < .001 | 1.12 | 1.37 | 0.68 |
| IN → AT | -0.45 | 0.07 | 6.13 | < .001 | -0.60 | -0.31 | 0.09 |
| IN → AC_post | -0.68 | 0.06 | 11.68 | < .001 | -0.79 | -0.57 | 0.32 |

*Note:* IN = information about the brand, RO = celebrity role, AT = internal attribution to the celebrity, AC_pre = pre-stimuli attitude toward the celebrity, AC_post = post-stimuli attitude toward the celebrity. IN and RO are dichotomous variables. Bootstrap based on 5,000 samples. Standardize Coefficients. Two-tailed test for significance.

[a]Pre-stimuli attitudes toward the celebrity had a large effect on post-stimuli attitudes. As these reflect baseline attitudes, this result is unsurprising.

Additionally, when conducting a subgroup analysis, only including participants in the negative brand information condition (see Table 13), results indicated that attribution likewise has a significant unfavorable effect on post-attitude toward the celebrity (β = -0.31, $t = 5.76$, $p < .001$), suggesting that this relationship is supported also under the negative brand information condition specifically.

Thus, H2 is supported, since results support that internal attribution to the celebrity has an unfavorable effect on attitude toward the celebrity, when faced with negative brand information.

**Table 13**

*Direct Relationship Results - Subgroup Analysis (Negative Information Only)*

| Path | β | *SD* | *t* | *p* | 95% CI | | $f^2$ |
|---|---|---|---|---|---|---|---|
| | | | | | LL | UL | |
| AT → AC_post | -0.31 | 0.05 | 5.76 | < .001 | -0.41 | -0.20 | 0.19 |
| AC_pre → AC_post | 0.62 | 0.05 | 11.63 | < .001 | 0.51 | 0.72 | 0.78 |
| RO → AT | 1.38 | 0.08 | 17.88 | < .001 | 1.22 | 1.51 | 0.89 |

*Note:* Only negative information cases, $n$ = 255. IN = information about the brand, RO = celebrity role, AT = internal attribution to the celebrity, AC_pre = pre-stimuli attitude toward the celebrity, AC_post = post-stimuli attitude toward the celebrity. IN and RO are dichotomous variables. Bootstrap based on 5,000 samples. Standardize Coefficients. Two-tailed test for significance.

**H3:** *Celebrity entrepreneurs are assigned higher internal attribution than traditional celebrity endorsers.*

This hypothesis tests whether participants assign more blame to celebrities who are celebrity entrepreneurs than those who are traditional celebrity endorsers, irrespective of information valence, indicated through a positive direct effect. In the full model (see Table 12), the internal attribution was significantly higher in the entrepreneur condition than in the endorser condition (β =1.24 , $t$ = 19.51 $p$ < .001), with a very large effect size ($f^2$ = 0.68; Hair et al., 2017), suggesting that celebrity entrepreneurs are indeed assigned higher internal attribution than traditional celebrity endorsers, which hence supports H3.

**H4:** *Negative brand information causes a greater unfavorable change in the attitude toward the celebrity for the celebrity entrepreneur compared to the traditional celebrity endorser, due to higher internal attribution.*

This hypothesis tests whether the celebrity entrepreneur condition increases attribution, which in turn has a negative on attitude toward the celebrity, when controlling for pre-attitudes. This was first tested in the full model, and subsequently confirmed through a subgroup analysis.

A mediation analysis conducted on the full model (see Table 14) indicated a significant negative indirect effect from celebrity role to post attitude toward the celebrity through internal attribution (β = -0.16, $t$ = 4.09, $p$ < .001), suggesting that attribution has a mediating effect. With the inclusion of the mediator, the direct effect of celebrity role on post-stimuli attitude toward the celebrity was not significant (β = -0.06, $p$ = .48), thereby suggesting a full mediation by internal attribution. Thus, the results support that negative brand information causes a greater unfavorable change in attitude towards the celebrity through higher internal attribution.

As established through prior hypotheses (see Table 12), internal attribution was significantly higher in the celebrity entrepreneur condition than in the traditional celebrity endorser condition (β =1.25 , $t$ = 19.60, $p$ < .001), and internal attribution had a significant unfavorable effect on attitude toward the celebrity (when controlling for pre-attitudes) (β = -0.20, $t$ = 4.86, $p$ < .001). Hence, the hypothesized direction of the relationship is supported.

**Table 14**

*Indirect Effect of RO on AC_post - Full Model*

| Path | β | *SD* | *t* | *p* |
|---|---|---|---|---|
| Total Effect (RO → AC_post) | -0.19 | 0.10 | 3.43 | < .001 |
| Direct Effect (RO → AC_post) | -0.06 | 0.15 | 0.71 | .48 |
| Indirect Effect (RO → AT → AC_post) | -0.16 | 0.04 | 4.09 | < .001 |

*Note*. RO = celebrity role, AT = internal attribution to the celebrity, AC_post = post-stimuli attitude toward the celebrity. Bootstrap based on 5,000 samples. Standardize Coefficients. Two-tailed test for significance.

To confirm that this suggested mediation holds under negative brand information specifically, a subgroup analysis was conducted, only including participants in the negative brand information condition (see Table 15). Within this condition, the indirect effect of celebrity role on attitude toward the celebrity through internal attribution was significant and negative (β = -0.42, t = 5.60, p < .001). Regarding the direct effects in this condition (see Table 13),

entrepreneurs were blamed significantly more than endorsers (β = 1.38, t = 17.73, p < .001), and higher internal attribution led to a more unfavorable change in post-stimulus attitude toward the celebrity (β = -0.31, t = 5.76, p < .001).

**Table 15**

*Indirect Effect of RO on AC_post - Subgroup Analysis (Negative Information Only)*

| Path | β | *SD* | *t* | *p* |
|---|---|---|---|---|
| Total Effect (RO → AC_post) | -0.45 | 0.10 | 4.68 | < .001 |
| Direct Effect (RO → AC_post) | -0.06 | 0.15 | 0.43 | 0.66 |
| Indirect Effect (RO → AT → AC_post) | -0.42 | 0.08 | 5.60 | < .001 |

*Note*. Only negative information cases, *n* = 255. RO = celebrity role, AT = internal attribution to the celebrity, AC_post = post-stimuli attitude toward the celebrity. Bootstrap based on 5,000 samples. Standardize Coefficients. Two-tailed test for significance.

Taken together, these results indicate that when exposed to negative brand information, the entrepreneur condition causes a greater unfavorable change in attitude toward the celebrity compared to the endorser condition, due to higher attribution, thus supporting H4.

### 4.5 Exploratory Findings

While not hypothesized, results indicated that the negative brand information condition led to less internal attribution to the celebrity than the positive brand information (β = -0.45, $t$ = 6.13, $p$ < .001), with a small to moderate effect size ($f^2$ = 0.09; Hair et al., 2017). Furthermore, the results (see Table 16) indicated that information had an indirect effect on post-stimuli attitude toward the celebrity through internal attribution (β = 0.06, $t$ = 3.45, $p$ < .001). This suggests that when exposed to negative brand information, consumers report lower internal attribution than when exposed to the positive brand information, which in turn somewhat reduces the negative effect on attitude toward the celebrity caused by the negative information (when controlling for pre-attitudes). However, it is crucial to note that this is a partial mediation, and the total effect of negative brand information on the attitude toward the celebrity was negative when accounting for all paths (β = -0.62, $t$ = 11.83, $p$ < .001).

**Table 16**

*Indirect Effect of RO on AC_post - Full Model*

| Path | β | *SD* | *t* | *p* |
|---|---|---|---|---|
| Total Effect (IN → AC_post) | -0.62 | 0.05 | 11.83 | < .001 |
| Direct Effect (IN → AC_post) | -0.45 | 0.07 | 6.13 | < .001 |
| Indirect Effect (IN → AT → AC_post) | 0.06 | 3.45 | 3.45 | < .001 |

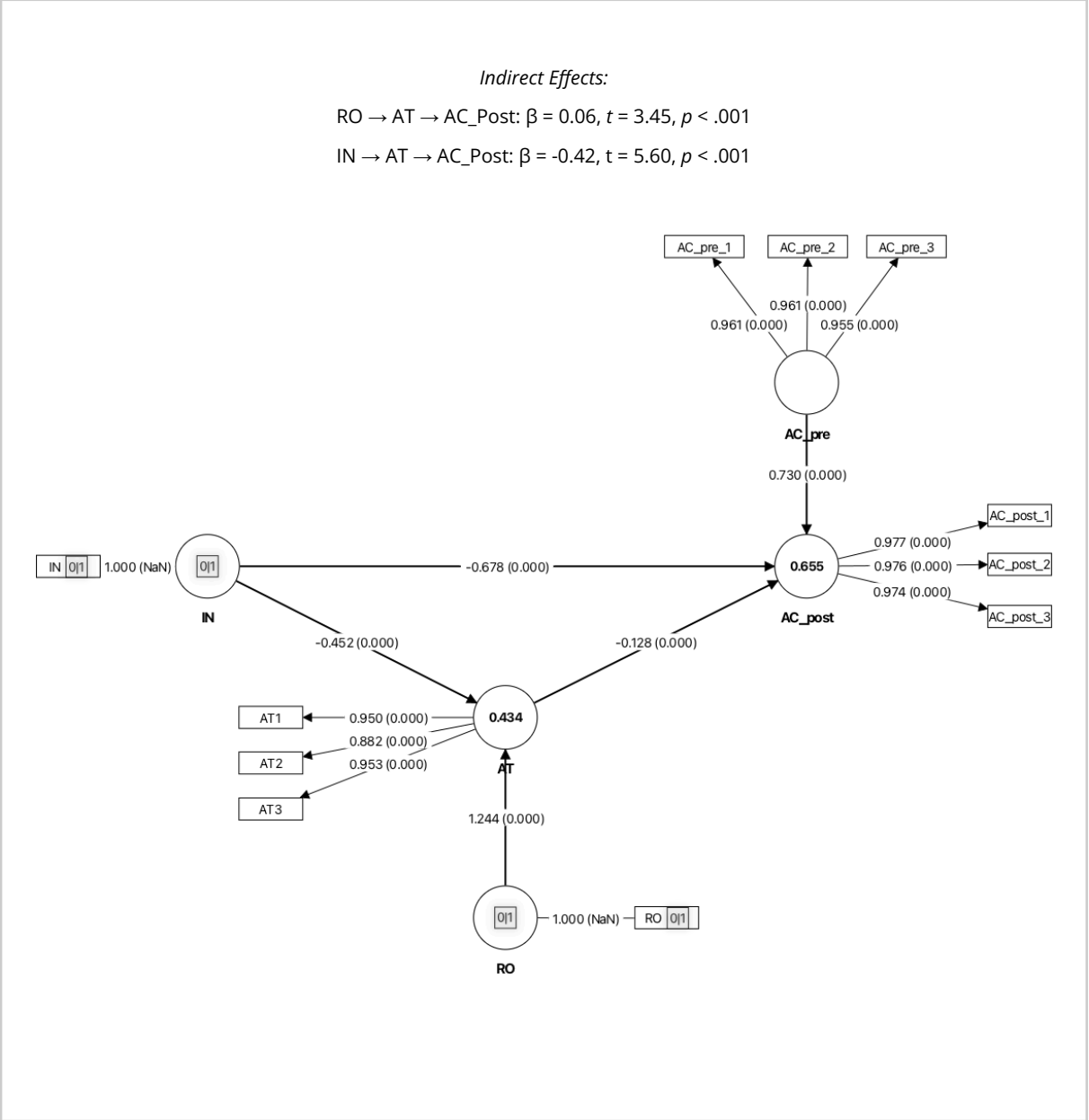
*Note*. IN = information about the brand, RO = celebrity role, AT = internal attribution to the celebrity, AC_post = post-stimuli attitude toward the celebrity. Bootstrap based on 5,000 samples. Standardize Coefficients. Two-tailed test for significance.

### 4.6 The Final Model

The results from the PLS-SEM analysis are summarized and illustrated in Figure 4. All illustrated paths were significant ($p < .001$).

**Figure 4**

*The Final Model of Relationships Between Constructs*




*Note:* IN = information about the brand, RO = celebrity role, AT = internal attribution to the celebrity, AC_pre = pre-stimuli attitude toward the celebrity, AC_post = post-stimuli attitude toward the celebrity. Circles represent constructs, rectangles represent indicators. Arrows between constructs show standardized path coefficients, followed by p-value in the parentheses (0.000). Arrows pointing from constructs to indicators show outer loadings, followed by *p*-value in the parentheses (0.000).

### 4.7 Summary of Hypotheses

A summary of the hypothesis testing is presented in Table 17.

**Table 17**

*Summary of Hypotheses Testing*

| | | |
|---|---|---|
| **H1** | Negative information about a brand has an unfavorable effect on the attitude toward the celebrity. | Empirically supported |
| **H2** | Internal attribution to the celebrity has an unfavorable effect on attitude toward the celebrity, when faced with negative brand information. | Empirically supported |
| **H3** | Celebrity entrepreneurs are assigned higher internal attribution than traditional celebrity endorsers. | Empirically supported |
| **H4** | Negative brand information causes a greater unfavorable change in the attitude toward the celebrity for the celebrity entrepreneur compared to the traditional celebrity endorser, due to higher internal attribution. | Empirically supported |

# 5. Analysis and Discussion

## 5.1 Key findings

### *5.1.1 Main findings*

The purpose of this study was to gain insights on how a brand scandal affects consumer attitudes toward the celebrities affiliated with the brand. More specifically, the study sought to explore whether this effect differs depending on the role of the celebrity - if they are involved as a traditional celebrity endorser, or if they are a celebrity entrepreneur. From this purpose, two research questions were formulated:

**RQ1:** *Does a brand scandal affect consumer attitudes to the brand-affiliated celebrities?*
**RQ2:** *Is there any difference in impact based on whether the celebrity is a traditional celebrity endorser or a celebrity entrepreneur?*

The results suggest that a brand scandal, operationalized as negative brand information, does affect consumer attitudes to the brand-affiliated celebrities unfavorably, since participants exposed to negative brand information reported a significantly more unfavorable change in attitude compared to those exposed to positive brand information. This supports the existence of a two-way relationship between the brand and the affiliated celebrity, where negative brand information poses a notable risk for the brand-affiliated celebrity.

Regarding the underlying mechanisms, the results of the study suggest that following negative brand information about a brand, internal attribution to the celebrity matters somewhat for how much it affects consumers' attitudes towards the celebrity. The analysis suggested that higher internal attribution to the celebrity had a significant unfavorable effect on the attitude toward the celebrity. In other words, the more a celebrity is blamed for the brand scandal, the worse the effect on the attitude toward the celebrity, consistent with attribution theory. However, although this relationship was statistically significant, the practical impact of internal attribution was modest, as the effect size was small.

Moreover, the results suggest that the celebrity entrepreneurs are assigned higher internal attribution than traditional celebrity endorsers, which is consistent with the celebrity role serving as an influential factor when assigning blame to the celebrity. This, in consequence, implies that celebrity entrepreneurs experience an even more unfavorable change in attitudes

than traditional celebrity endorsers do, as demonstrated by the indirect effect from celebrity role to post-stimuli attitudes toward the celebrity. Since the findings support full mediation by internal attribution in this relationship, any effect that celebrity role has on attitudes is entirely explained by internal attribution. Consequently, the study supports that there is a difference in the impact based on what role the celebrity has in relation to the brand, where celebrity entrepreneurs are more vulnerable than traditional celebrity endorsers in the event of an affiliated brand being involved in a scandal.

This is an aspect that has previously been overlooked, as the high perceived involvement implied by being a celebrity entrepreneur has largely been regarded as positive in previous research. Furthermore, these results suggest that the unfavorable effects on attitude toward the celebrity are not merely due to spillover from mere association to the transgressing brand as has previously been suggested, but that the consumers actually direct blame to the celebrity for the brand scandal. Notably, the negative brand information never mentioned the celebrity, yet they were still blamed. We reason this could be especially problematic for celebrities which have a low actual influence and control in the brand operations, but which are portrayed as being celebrity entrepreneurs.

However, it should be noted that although the celebrity role condition had a very large effect on internal attribution, the effect size of internal attribution on the post-stimuli attitude was small. This suggests that there is a meaningful difference regarding the assignment of blame depending on celebrity role, but the subsequent implications on attitude toward the celebrity should be interpreted with caution.

### *5.1.2 Discussion of Exploratory Findings*

In addition to the findings related to the hypothesized relationships and effects, there was one finding not hypothesized that will here be discussed as an exploratory observation. The results suggested that respondents exposed to negative brand information assigned less attribution of responsibility to the associated celebrities than respondents exposed to positive brand information. This has a subsequent indirect impact on the post-stimulus attitudes towards celebrities following negative brand information, as the level of attribution assigned to a celebrity affected attitudes.

Trump discusses in her 2014 article *Connected consumers' responses to negative brand actions: The roles of transgression self-relevance and domain* that consumers who have a strong connection with a brand may resist negative brand information, which enables them to keep a positive attitude towards the brand (Trump, 2014). The author considers this to be a buffering effect (Trump, 2014). Following this logic, a possible explanation for the exploratory finding could be that a similar effect might exist in relation to consumer perceptions of celebrities - perhaps consumers tend to attribute less responsibility to a well-liked celebrity for something negative, than for something positive. Since participants of the present study chose the celebrity themselves, it is plausible that participants chose celebrities that came to mind quickly, possibly because they are celebrities that the respondents like. This notion is supported by the mean for the pre-stimulus attitude toward the celebrity being generally favorable in the study ($M$ = 5.6, $SD$ = 1.4). However, this possible explanation should be interpreted with caution, as it is merely exploratory.

### 5.2 Theoretical Implications

This study contributes to the current literature in multiple ways. Firstly, it adds empirical evidence supporting that negative brand information affects the attitude toward the celebrity unfavorably, supporting the findings by Johnson et al. (2022) and Thomas & Fowler (2016), while contradicting White et al. (2009). This further strengthens the notion that it is of relevance to study how a brand affects their affiliated celebrity and consider the relationship a two-way relationship.

Furthermore, this study offers a theoretical contribution by identifying a practically relevant factor which influences the effect on the attitude toward the celebrity, namely the celebrity role. While earlier studies have shown that internal attribution plays a part in affecting the strength of attitude change, the level of attribution has previously been considered as a given in this context, and it has not been explored what factors can affect the level of attribution in the first place. This study addresses that by finding support for celebrities who are entrepreneurially involved being systematically assigned more blame than traditional celebrity endorsers, and as a result, face a greater decline in consumer attitudes following a brand scandal. This contributes to the research area by providing a more nuanced understanding of what conditions determine internal attribution.

### 5.3 Methodological implications

This study confirmed that it was feasible to let respondents choose the brands and celebrities themselves, thereby providing an alternative method for future experimental studies on the relationship between celebrity endorsers and brands. With this method, a wide range of celebrities and brands can be tested at once, hopefully reducing individual factors' influence on the findings. This thus addresses a limitation of previous studies.

However, this method posed a constraint regarding the choice of news article stimuli, since it had to be applicable for as many companies as possible. For studies where researchers require more flexibility in their choice of scandal stimuli, more specific prompts to the participants might be needed to ensure that the scandal is applicable and realistic for the chosen brands and celebrities.

### 5.4 Managerial Implications

The findings of this study has implications for the celebrities and other stakeholders involved in the multidisciplinary teams managing celebrities, such as talent managers, PR professionals, marketers, social media strategists, and legal advisors. The results of this paper suggest that caution should be used when considering what role, if any, would be the most appropriate for a celebrity when considering a collaboration with a brand, carefully weighing the associated opportunities and risks. Both traditional celebrity endorsers and celebrity entrepreneurs face potential risk when associating with a brand, highlighting a downside of brand collaboration. The results of this study highlight the relevance of brand scandals being incorporated into both risk analysis and crisis mitigation strategies for celebrities.

Especially crucial is to consider if the benefits outweigh the potential risk if choosing to engage entrepreneurially as a celebrity, as celebrity entrepreneurs could be especially vulnerable in the event of a brand scandal. For some celebrities, taking on a more distanced role with less perceived involvement may be an attractive option from a risk-perspective, especially if the role offers little opportunity for the celebrity to control the actions of the brand. As has been highlighted in this study, it does not necessarily matter if a celebrity is involved or not in a brand scandal as the celebrity may be attributed blame regardless, especially if they are involved in the brand as an entrepreneur.

Nevertheless, it is important to note that if the celebrity choses to take on a role with less perceived involvement, this naturally limits the degree of credit that the celebrity receives publicly for positive actions and results by the brand as well. This highlights a trade-off between benefits and risk of having brand collaborations, both for brand and celebrity, as the appeal of a celebrity engaging with a brand as an entrepreneur is fundamentally to place emphasis on the celebrity's involvement in the brand.

Importantly, this paper has showcased that, although there are possible advantages of working with brands as a celebrity, it is crucial to consider the potential risks and down-sides of doing so, especially considering entrepreneurial celebrity roles.

## 5.5 Limitations

### *5.5.1 Potential Bias in Selected Celebrities and Brands*

A methodological decision made in this study is not providing fixed celebrities and brands, but instead letting respondents select celebrities and brands themselves. When examining the means for the pre-stimuli attitude for the celebrities, the means indicated that respondents generally liked the celebrities that they specified (see Table 1). In this study we control for these initial attitude scores, however, it is possible that favorable baseline attitudes had further consequences which biased results which were not taken into account. This may, for instance, have laid the basis for the exploratory finding discussed previously (see section 5.1.2 *Discussion of Exploratory Findings).* Additionally, respondents may have entered celebrities that have recently been appearing in media due to easier recall, which could further have influenced the set of celebrities forming the basis of the study.

### *5.5.2 Potential Bias Due to Using Prolific for Data Collection*

The data collection was conducted using Prolific, which implies some potential limitations. Considering that Prolific-users choose what surveys to participate in themselves, it is possible that people who are more interested in the topic of a survey than the general population also self-select to participate in that survey specifically (*Prolific*, 2025). Hence, it may be the case that people who are particularly interested in topics such as celebrities and marketing were more inclined to participate in this study. This level of interest could impact results of the study.

Furthermore, the study was demographically delimited to participants in the United States. How different scandals, actions of celebrities, and actions of brands are regarded may have a cultural component (Cheng, 2014). For instance, what actions are perceived as transgressions or unacceptable firm behavior might not be the same across globally. Hence, only including respondents from one country limits the generalizability of the study.

### *5.5.5 No True Neutral Condition*

This study places emphasis on the negative brand information condition. To be able to make a comparison, a positive brand information condition was included as well, since attribution theory was a central concept - we reasoned that for something to be attributed, there needs to be something that has happened that can be attributed to someone (blame or praise). Therefore, no neutral condition was introduced. This introduces a potential limitation as there is no true neutral condition as a basis. A true neutral would, in this case, likely be that nothing at all happens (no information), which cannot be attributed as it would entail a lack of action as opposed to neutral action.

### *5.5.6 Only One Brand Scandal Stimuli*

A limitation of the study is that only one information stimulus (news article) of each valence was used. Although it was tested for realism, valence manipulation and clarity in the pilot study, different *types* of brand scandals were not tested due to resource constraints. Therefore, the ability to draw conclusions for other types of scandals is limited.

### *5.5.7 No Long-Term Effect*

Another limitation of the study is that it only captured immediate attitude changes, not long term effects. Although this is in line with prior studies, conclusions cannot be drawn about the stability of the attitude change over time.

### *5.5.8 Particularly High Composite Reliability Scores*

As presented in the results section (see section 4.3.1 *Construct Reliability*), analysis of the measurement model found composite reliability scores which exceeded the recommended threshold (Hair et al., 2017). The subsequent concern is that there may be redundancy among the indicators making up the constructs. Although high composite reliability scores were expected as reflective indicators were used, the survey questions used as indicators may have been too similar, potentially becoming an issue for content validity. However, the indicators

which had potentially concerning composite reliability levels were selected because they are established indicators used to measure the construct. Hence, selecting different indicators or omitting indicators may come at the expense of content validity, as well as of adhering to the standards in the field.

### 5.6 Suggestions for Future Research

As discussed previously, this study resulted in some interesting findings. However, there is much left to explore to thoroughly understand the dynamics and trade-offs of celebrity-brand collaborations. Hence, some suggestions for future research will be presented.

Firstly, a potential avenue for future research is to explore if there are any differences in the effect of a brand scandal on affiliated celebrities based on sub-types of celebrities and scandals. For instance, the size of a celebrity's following could be considered, drawing on research on for example typologies of influencers such as macro- versus micro- influencers (e.g. Rundin & Colliander, 2021). We reason that it would be interesting to explore whether those levels of fame could potentially influence the perceived involvement of the celebrity, and the perceptions of collaborations. Moreover, only one scandal was used for this study, but the type and severity of the scandal could influence outcomes, which could also be explored further. Moreover, although the celebrity role was manipulated as a binary construct in this experiment, a more nuanced approach could be adopted further in future studies.

Secondly, an interesting topic for future research could be to investigate what mitigation strategies for celebrities would be the most effective following a scandal concerning an affiliated brand. Taking the celebrity roles into account would be especially interesting, as they provide different challenges - for instance, it is likely more difficult to distance a celebrity entrepreneur than it would be to distance a celebrity endorser from the same brand. Hence, strategies customized to the celebrity role could be crucial.

Thirdly, future research could incorporate the exploratory finding presented in this study when continuing to explore the reverse relationship. Future research could test whether this finding can be confirmed, meaning that being well-liked as a celebrity could buffer against negative attitude change toward the celebrity in the event of a brand scandal. In the case that such an effect exists, does it vary depending on celebrity role? Furthermore, it could be investigated whether investing in relationship-building with fans could help to guard against a

negative effect on attitudes towards the celebrity when faced with negative brand information.

## 6. Conclusions

When it comes to celebrity endorsements, the spotlight has previously been on scandals where the endorser has transgressed, and what affiliated brands should do in case of such a scandal. However, our study suggests that it is not only the brands who should be cautious to the downsides of the deal. This study found empirical evidence that suggests that if negative brand information about the brand is publicized, consumer attitude toward the celebrity can be harmed. The results further suggest that this attitude change is partly explained by the consumers blaming the celebrity, suggesting that effects are not only spillover effects due to mere association, but blame directed towards the celebrity themselves. Furthermore, this study also proposes that negative brand information affects consumer attitudes towards celebrity entrepreneurs more than towards celebrity endorsers, as they are blamed to a further extent.

In today's immense landscape of celebrity-brand relationships, it is essential to recognize that both brands and celebrities constitute complex commercial entities with staff, investments, and impact, and that it is crucial to act accordingly. As has been discussed, the risk that celebrities, and subsequently their teams, face when choosing to associate with brands as endorsers or entrepreneurs should be carefully weighed against potential benefits. Doing so is key for sustainable collaborations and successful operations in an extremely scrutinized marketplace - as stated previously, the success of future multi-million dollar deals depends on it.

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# Appendix

## Appendix A - Questionnaire

### Block 1 - GDPR

**Consent for Survey Participation** **The project.** As an integral part of the Master program at the Stockholm School of Economics (SSE), enrolled students must complete a thesis. Our thesis work is based upon a survey. Participation is naturally entirely voluntary, and this text is intended to provide you with necessary information concerning your participation in the study. You can at any time withdraw your consent and your data will thereafter be permanently erased. **Confidentiality.** No data identifying respondents (so called personal data) is collected, i.e., all questions are answered anonymously. Anything you say or state in the survey or to the interviewers will be held strictly confidential and will only be made available to supervisors, tutors, and the course management team. **Secured storage of data.** All data will be stored and processed safely by the SSE and will be permanently deleted when the projected is completed. No personal data will be published. The thesis written by the students will not contain any information that may identify you as participant to the survey or interview subject. **Your rights under GDPR.** You are welcome to visit https://www.hhs.se/en/about-us/contact/data-protection/ in order read more and obtain information on your rights related to personal data. *Project Title:* Master Thesis 2025, spring semester *Aim of Study:* The purpose of this study is to explore consumer responses to different types of stimuli. *Students Responsible for the study:* Bianca Johansson & Agnes Polkander *Supervisor and department at SSE:* Professor Richard Wahlund, Department of Marketing and Strategy, richard.wahlund@hhs.se *Type of personal data about you to be processed:* No personal data will be processed.

Consent

- Yes, I consent to take part of this study
- No, I do not want to take part of this study

[Skip To: End of Survey If Consent = No, I do not want to take part of this study]

**Block 2a - Entry of Celebrity and Brand (Celebrity Entrepreneur Condition)**

Think about a celebrity who you know is involved in a company through for instance being a manager, owner or founder. *For example, a sports star who has created a clothing brand or a singer who has created a make-up brand.*

Write the name of the celebrity below:

_____

Write the name of the company/brand below:

_____

**Block 2b - Entry of Celebrity and Brand (Celebrity Endorser Condition)**

Think about a celebrity who promotes a brand, for instance by appearing in advertising for the brand. *For example, a sports star who is promoting a clothing brand, or a singer who appears in ads for make-up.* The celebrity should **not** be the manager, owner or founder of the brand (as far as you know).

Write the name of the celebrity below:

_____

Write the name of the company/brand below:

_____

**Block 3 - Attitude Toward Celebrity (pre-stimuli) and Brand Attitude (pre-stimuli)**

*Attitude Toward Celebrity (Pre)*

What is your opinion of [Celebrity Name]?

I think [Celebrity Name]  is…

Very Bad (1) - Very Good (7)

I think [Celebrity Name] is…

Very Unpleasant (1) - Very Pleasant (7)

My opinion of [Celebrity Name] is…

Very Unfavorable (1) - Very Favorable (7)

-

*Brand Attitude (Pre)*

What is your opinion of [Brand Name]?

I think [Brand Name] is…

Very Bad (1) - Very Good (7)

I think [Brand Name] is…

Very Unpleasant (1) - Very Pleasant (7)

My opinion of [Brand Name] is…

Very Unfavorable (1) - Very Favorable (7)

**Block 4a - Negative Brand Information Stimulus**

Please read the following news article:

[Brand Name] Under Fire After Report Reveals Harmful Workplace Practices

Recently, [Brand Name] has been accused of mistreating its employees, following a revealing report that exposed negative workplace practices. Investigations found that, for years, [Brand Name] has maintained policies and practices that negatively impact employees, including uncompetitive salaries, lack of mental health support, and rigid, stressful working conditions.

Although these negative practices have been in place for a long time, they have not been widely known until now. Former and current employees have now come forward to share their troubling experiences, citing a toxic work environment and leadership that prioritizes profits over worker well-being.

**Block 4b - Positive Brand Information Stimulus**

Scenario Positive Please read the following news article:

[Brand Name] Praised After Report Highlights Positive Workplace Practices

Recently, [Brand Name] has been recognized for its exceptional treatment of employees, following a revealing report that showed their positive workplace practices. Investigations found that, for years, [Brand Name] has maintained policies and practices that prioritize employee well-being, including competitive salaries, mental health support, and flexible work arrangements.

Although these positive practices had been in place for a long time, they have not been widely known until now. Former and current employees have now come forward to share their overwhelmingly positive experiences, citing a strong, supportive culture and leadership that genuinely values workers.

**Block 5 - Manipulation Check and Memory Clearing Task**

*Manipulation Check*

What is your impression of the described company behavior?

It was very negative (1) - It was very positive (7)

*Memory Clearing Task*

Please calculate: 3+3+1=

6 - 7 - 8

**Block 6 - Attitude Toward Celebrity (Post-stimuli), Brand Attitude (Post-stimuli), Internal Attribution**

Now, please answer this question once more. What is your opinion of [Celebrity Name] and [Brand Name]?

*Attitude Toward Celebrity (Post)*

I think [Celebrity Name] is…

Very Bad (1) - Very Good (7)

I think [Celebrity Name] is...

Very Unpleasant (1) - Very Pleasant (7)

My opinion of [Celebrity Name] is…

Very Unfavorable (1) - Very Favorable (7)

-

*Brand Attitude (Post)*

I think [Brand Name] is…

Very Bad (1) - Very Good (7)

I think [Brand Name] is...

Very Unpleasant (1) - Very Pleasant (7)

My opinion of [Brand Name] is…

Very Unfavorable (1) - Very Favorable (7)

*Internal Attribution to the Celebrity*

Think about the news article that you just read. The following questions concern your impressions or opinions of the situation and its causes.

To what extent is what happened at [Brand Name] something within [Celebrity Name]'s control?
Not at all (1) - Completely (7)

To what extent is what happened at [Brand Name] something that reflects the intentions of [Celebrity Name]?
Not at all (1) - Completely (7)

To what extent is what happened at [Brand Name] something that [Celebrity Name]has responsibility for?
Not at all (1) - Completely (7)

*Perceived Involvement*
How much do you think [Celebrity Name] participates in what [Brand Name] does?
Not at all (1) - A lot (7)

How much do you think that [Celebrity Name] is engaged in the decisions of [Brand Name]?
Not at all (1) - A lot (7)

How much do you think that [Celebrity Name] knows about what goes on at [Brand Name]?
Not at all (1) - A lot (7)

*Internal Attribution to the Brand*
To what extent is what happened within [Brand Name]'s control?
Not at all (1) - Completely (7)

To what extent does what happened reflect the intentions of [Brand Name]?
Not at all (1) - Completely (7)

To what extent is what happened something that [Brand Name] has responsibility for?
Not at all (1) - Completely (7)

**Block 6 - Realism Check and Attention Check**

*Realism Check:*

Did you think the described scenario about the brand was realistic?
Not at all (1) - Completely (7)

*Attention Check:*

What was this survey about?

Food
Celebrities
Animals

**Block 7 - End of Survey**

Thank you for completing the survey! Please note that the scenarios described are completely fictional and do not reflect any real actions of the companies or celebrities mentioned.
Please copy and enter this code on Prolific and click the arrow on this page to receive payment.

**Appendix B - AI-disclosure**

In accordance with the guidelines for Generative AI use provided by Stockholm School of Economics, the following section discloses how AI has been used to aid the thesis process. The AI-tools that have been used during the process of writing the thesis is ChatGPT-4o by OpenAI (https://openai.com/chatgpt/overview/).

The tool has been used for:

- *Language refinement:* Aiding the authors by suggesting reformulation of sentences and providing synonyms to aid the readability of the thesis. For example: "What is an adjective that can be used to describe that the conceptualization of something is commonly adopted and robust?" However, the AI tool has not independently written any part of the thesis. The linguistic suggestions have been on a sentence-basis, and have been revised and reformulated by the authors to ensure the academic integrity of the thesis.
- *Initial explanation for the authors' own understanding of new topics:* Was used to quickly gain an initial overview of concepts which were new for the authors, for example "What does cue utilization mean?". However, the authors subsequently always utilized other sources to confirm and gain a deeper understanding.
- *Initial draft for the information stimuli:* ChatGPT was used to draft an initial version of the "news articles" used as stimuli for the questionnaire. The prompt was: "I need two short newspaper articles. Positive scenario: Company A won an employee award, the positive practices have happened over a longer time but was just now revealed. Negative scenario: Company A has mistreated employees, the negative practices have happened over a longer time but were just now revealed. Since only the valence of the event should be manipulated, as much needs to be the same as possible in the two scenarios. Please write the two newspaper articles." The reasoning behind using generative AI for this task was that the authors reasoned that as ChatGPT is trained on data publicly available on the internet, we reason that it should have been trained on an abundance of journalistic content such as newspaper articles (*How ChatGPT and Our Foundation Models Are Developed | OpenAI Help Center*, n.d.). Therefore, we argue that using ChatGPT for drafting the news articles should make it reflect language which is commonly used in newspaper articles, and adhere to a structure which also resembles journalistic content, which could aid in making the stimuli realistic. Subsequently, the output was reviewed and edited by the authors to make

sure that the manipulation was conducted as intended, for example by making the two scenarios as similar as possible, apart from valence. Lastly, the pilot study was used to ensure that the articles were realistic and easy to understand.

The tool has not been used for:

- To generate the idea behind the thesis, to find a research gap, to generate the research questions or to generate hypotheses.
- To review literature. All references have been selected and read independently by the authors.
- To generate or give suggestions for the theoretical framework.
- To generate references.
- For selecting methods.
- No content in the form of statements or facts provided by generative AI has been used for the thesis, unless otherwise stated.

How the tools increased the quality of the thesis:

- Improved the language and grammar of the thesis.
- Help the authors draft realistic information valence stimuli.

Risk and risk mitigations:

- From previous usage of generative AI, the authors' experience is that ChatGPT can fabricate facts and sometimes generates output which is not true. Therefore, it was never used as a source for facts or references.

Insights gained from the process:

- Both authors feel that the AI tool used during the thesis process (ChatGPT) could constructively be utilized as a sounding board for initial exploration of new topics, for simple grammar check, as well as for drafting the news articles needed as stimuli.
- We reason that this type of use was successful as it merely used the output of ChatGPT as input for discussion and further exploration.
- However, it is evident that AI tools are not suitable for many other tasks, such as literature review. This is the case both because it violates the SSE guidelines, as well as because ChatGPT tends to make up references and confirm what it predicts that the person writing the query wants to hear.

- Hence, ChatGPT was helpful in the thesis process, yet requires great caution in use so as not to jeopardize the academic integrity of the work or create errors.

Final remark:

- The authors want to emphasize that the final output of the thesis is the result of the author's own work. The analysis, content, ideas and arguments have not been aided by generative AI. The usage of generative AI for the process of the thesis has only been supportive.
- The usage of AI has been in a way which could have been done using more “traditional methods”. For example, while some help with grammar was done through using AI, this could have been done through the help of a peer or tools such as “grammarly”. Furthermore, getting an overview of a new concept could have been done using websites such as Youtube or through reading a textbook on the subject.