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How Do Consumers React to Scandals Involving Celebrity Endorsers and Endorsed Brands?

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Abstract

Purpose - The use of celebrity endorsers is a strategy long-since used by companies to improve the persuasive impact of their company's advertising. However, much like anyone else, celebrities are flawed human beings, and therefore often find themselves involved in scandals. Companies must consider the potential of scandals when using a celebrity endorser to represent their brand or product. This research focuses on the process consumers use to justify scandals involving celebrity endorsers. Specifically, this research divides the justification processes used by consumers to maintain support for celebrities involved in a scandal into moral decoupling and moral rationalization and proposes antecedents and consequences for these processes.

Methodology - To verify the hypotheses suggested by this study, an online survey was conducted, and data was analyzed using a structural equation model.

Result - Results showed that consumer empathy for the celebrity endorser and external attribution of the scandal presented were positively related to moral decoupling and moral rationalization. In addition, moral rationalization was positively related to consumers' attitude towards the celebrity endorser, which also enhanced brand attitude. However, the relationship between moral decoupling and the consumer's attitude toward the celebrity endorser was not statistically significant.

Conclusion - This research serves to expand the scope of available research on the persuasiveness of celebrity endorsers and provides practical guidelines for marketers.

Keywords: Scandal, Celebrity Endorser, Moral Decoupling, Moral Rationalization, Consumer Attitudes toward Celebrity Endorsers, Brand Attitude.

JEL Classifications: M31, M37.

1. Introduction

Many companies use celebrity endorsers in order to enhance the positive image of their company and/or brand, aiming ultimately to increase their profits. One of the main reasons companies enter into advertising contracts with celebrity endorsers is that they hope that the positive attitudes consumers have toward the celebrity will be transferred to the product and/or company endorsed (Carrillat, D'Astous, & Lazure, 2013; Hwang & Shin, 2012; McCracken, 1989). Existing research on the persuasiveness

of celebrity endorsers has shown that the positive image of a celebrity endorser has a constructive impact on promoting a positive image of the brand (Atkin & Block, 1983; Erdogan, 1999; Hung, Chan, & Tse, 2011). Research has also shown that using a celebrity endorser can actually increase companies' stock value (Elberse & Verleun, 2012). For this reason, many companies try to maximize the persuasive impact of their advertising by using celebrity endorsers (Choi, Lee, & Kim, 2005).

Although employing a celebrity endorser may be an effective advertising strategy, companies can suffer considerable losses if the celebrity endorser they have chosen becomes involved in a scandal (Carrillat, D'Astous, & Christianis, 2014). For example, Tiger Woods, a world-renowned athlete, was found to have been involved in extramarital affairs with several women; this scandal severely impacted his positive image. In addition, Woods' sponsor

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brand, Nike, suffered serious damage to its brand reputation, lowering shareholder value at the time (Zhou & Whitla, 2013). Following this particular scandal, researchers showed an increased interest in studying the impact of celebrity endorser scandals on consumer responses toward brands and products. Previous research in this area has focused primarily on scandals involving immoral behavior by celebrities (e.g., drunk driving, drug use, or financial fraud, etc.), and has found that scandals involving celebrity endorsers have a negative impact on the companies they endorse, resulting in financial loss, damaged brand reputation, and so on (Bartz, Molchanov, & Stork, 2013; Fong & Wyer, 2012; Thwaites, Lowe, Monkhouse, & Barnes, 2012; Till & Shimp, 1998; White, Goddard, & Wilbur, 2009; Zhou & Whitla, 2013).

Even when the celebrity endorser is not the main party responsible for the scandal, all negative news related to the celebrity tends to be considered as a scandal. In addition, consumers regard celebrities as public figures that are responsible for their influence on society, and hold them to strict moral standards. For example, several years ago intimate photos of multiple celebrities in China were widely publicized, and one of the actresses featured in the photos left the entertainment business as a result. Two previous research studies explored this real-life scandal and how consumers reacted (e.g., Fong & Wyer, 2012; Zhou & Whitla, 2013). But while these research studies on actual, real-life scandals have contributed much to an understanding of the persuasive impact of celebrity endorsers, more research is needed to explore the many different facets of consumer responses to celebrity scandals. In addition, these studies explored the negative influence of the scandal on the celebrity's moral reputation and the brand endorsed (Fong & Wyer, 2012; Zhou & Whitla, 2013). When faced with a celebrity scandal, some consumers may react negatively toward the celebrity. Other consumers, however, are willing to rationalize the scandal and support the celebrity involved, especially when the celebrity's culpability is low (Louie, Kulik, & Jacobson, 2001). However, little research has been done on consumers who wish to continue their support (instead of withdrawing it) of a celebrity involved in a scandal.

This research study seeks to fill this gap in the existing research by focusing on scandals involving low celebrity culpability and the mechanisms of how consumers react to said scandals. This research further suggests that some consumers may adopt justification processes to maintain their support of a celebrity involved in a scandal instead of simply withdrawing support, and argues that celebrity scandals do not always negatively affect the relevant product/company.

Table 1: Previous research on scandals involving celebrity endorsers

Researchers	Main findings
Louie et al. (2001)	The researchers showed that a firm's stock return is lowered when celebrity endorsers become involved in negative events for which the celebrity is culpable.
Fong and Wyer (2012)	The researchers focused on real scandals involving famous celebrity endorsers, and revealed the influence of the scandal on consumer attitudes toward the endorsed products.
Thwaites et al. (2012)	The researchers investigated the impact of negative publicity on celebrity on consumer responses. They showed that information sources do not influence consumer reactions, while the match-up between celebrity and endorsed brand lowers consumer response towards the celebrity.
Zhou and Whitla (2013)	The researchers showed that scandals involving celebrity endorsers lowered their moral reputation, which has a negative impact on consumer reactions to endorsed brands, the celebrities involved in the scandals, and even other celebrities.
Bartz et al. (2013)	The researchers revealed that negative information about a celebrity endorser lowered stock returns, but that stock return was not lowered when a firm decided to terminate the contract with the celebrity endorser.
Carrillat et al. (2014)	The researchers showed that a scandal involving a celebrity impaired the attitude toward the endorsed brands and competing brands.

2. Theoretical Background

2.1. The justification processes used by consumers in response to scandals: moral decoupling vs. moral rationalization

When a public figure is involved in a scandal due to his/her own misconduct, some consumers may withdraw their support for the celebrity because the celebrity's behavior conflicts with the consumer's own moral beliefs; however, others may try to maintain their support for the public figure by adopting justification processes to rationalize the negative behavior (Lee, Kwak, & Moore, 2015). That is, when consumers are confronted with negative information about a public figure they like or respect to some degree, they are likely to experience psychological discomfort and/or negative emotions, since their previously held positive attitude toward the public figure has been challenged and is not consistent with the newly obtained negative information. In general, consumers can alleviate this psychological discomfort by withdrawing their support for the public figure or by adopting a justification process in order to maintain their support (Lee et al., 2015). This research focuses on the justification processes used by consumers seeking to maintain support for a celebrity endorser involved in a scandal.

According to previous research, the justification processes of consumers confronted with a celebrity scandal can be

divided into moral decoupling and moral rationalization (Bhattacharjee, Berman, & Reed, 2013; Lee et al., 2015). Moral decoupling is the psychological process through which consumers separate their judgment of a celebrity's immoral behavior from judgments of the celebrity's job performance. That is, instead of seeking to justify the immoral behavior, consumers maintain their support by arguing that the celebrity's performance is not related to the immoral action. For instance, if an athlete is a superior player, his (or her) ability or performance as an athlete can be evaluated separately from the morality of his (or her) actions (Bhattacharjee et al., 2013; Lee et al., 2015). Moral decoupling enables consumers to criticize the immoral behavior of the celebrity endorser, while at the same time arguing that the celebrity's immoral behavior does not influence his/her performance. By engaging in moral decoupling, consumers do not have to adjust their moral standards, but can still justify their support of the public figure (Bhattacharjee et al., 2013; Lee et al., 2015).

Moral rationalization, another type of justification process, is the psychological process through which consumers reason that the immoral actions of a celebrity are in fact, not particularly immoral, in order to maintain their support for the celebrity (Bhattacharjee et al., 2013). This reasoning strategy can alleviate the tension between the immoral actions of a celebrity and the consumers' own moral standards by lowering the consumers' previously held moral standards and allowing them to adopt a justification process through which the behavior of the public figure can be excused (Bhattacharjee et al., 2013; Lee et al., 2015).

The differences between these two justification processes have led many researchers to question what prompts some consumers to adopt a justification process of moral decoupling, and others to adopt one of moral rationalization. Although research on this topic is still relatively lacking, several studies have indeed touched upon the use of moral decoupling and/or moral rationalization by consumers to support a public figure (Bhattacharjee et al., 2013; Lee et al., 2015). In their study, Bhattacharjee et al. (2013) showed that moral decoupling was a psychologically easier justification process than moral rationalization since it does not require consumers to lower their moral standards, which could lead to feelings of self-reproach. Expanding upon previous research on scandals involving public figures, Haberstroh, Orth, Hoffmann, and Brunk (2015) focused on the study of consumer reactions to unethical companies. They pointed to product involvement as a moderating variable, and found that moral decoupling had a greater impact on purchase intention when product involvement was high.

Despite the significant contributions of these studies, there remains a relative lack of research focusing on the justification processes adopted by consumers in order to continue their support of a celebrity endorser involved in a scandal. In addition, there are few studies that focus on scandals in which the celebrity is a victim. In order to help

fill this gap in research, this study focuses on the justification processes consumers adopt when a celebrity endorser is a victim of a scandal. More specifically, this research divides consumer justification processes into moral decoupling and moral rationalization, and suggests antecedents (e.g., empathy for the celebrity, external attribution of the scandal) and consequences related to the justification process (e.g., attitude toward the endorsed celebrity, brand attitude).

2.2. Influence of empathy and external attribution on consumer justification processes

The emotional response to and logical interpretation of the scandal influence consumer justification process. This research focuses on empathy as consumers' primary emotional response toward the celebrity involved in the scandal and attribution as logical interpretation of the scandal, and argues that these two antecedents facilitate the justification process.

Empathy plays a critical part in this study, and is an important construct often researched in the fields of psychology, literature, philosophy, education, and business, among others. Although the exact definition of empathy varies depending on the researcher and field of study, there is a general consensus that empathy is composed of the key dimensions of cognitive empathy and affective empathy (D'Ambrosio, Olivier, Didon, & Besche, 2009). Cognitive empathy means being aware of the feelings or mental state of another person, while affective empathy means adopting the feelings of another when confronted with feelings different from your own (D'Ambrosio et al., 2009). Escalas and Stern (2003) further argued that the definition of empathy should also differentiate empathy from sympathy. As such, they defined sympathy as "a person's awareness of the feelings of another, but not the absorption of the feelings themselves" and empathy as "an emotional response that stems from another's emotional state or condition and that is congruent with another's emotional state or situation" (Escalas & Stern, 2003, p.567). That is, empathy is not to merely be aware of the feelings of another, but extends to the actual adoption of said feelings (Escalas & Stern, 2003). The idea of sympathy as proposed by Escalas and Stern (2003) overlaps with cognitive empathy, in that sympathy is mainly based on an awareness of another person's feelings.

To summarize, some researchers divide empathy into cognitive empathy and affective empathy (D'Ambrosio et al., 2009), while others use different terms to make a distinction—using "empathy" to describe affective empathy, and "sympathy" to describe cognitive empathy (Escalas & Stern, 2003). Drawing upon the work of Escalas and Stern (2003), this research study focuses almost exclusively on affective empathy, since the adoption of others' feelings is primarily based on understanding their emotions (which stems from

cognitive empathy or sympathy).

Empathy for others promotes prosocial behavior such as cooperation, altruism, inhibition of aggression, and forgiveness (McCullough, Worthington, & Rachal, 1997). Empathy has also been suggested as an important construct in the fields of advertising and marketing. Several research studies have shown that empathy for advertising stories has had a positive impact on consumer attitudes toward advertising (e.g., Escalas & Stern, 2003; Soh, 2015). In this regard, Louie et al. (2001) argued that scandals in which a celebrity has a low level of culpability (e.g., natural disasters, robberies, car accidents, etc.) can create compassionate or empathic responses from consumers toward the celebrity and the endorsed brand. That is, an individual consumer's level of empathy has a positive effect on his/her response to scandals involving celebrities, the celebrities involved, and his/her attitude toward the brand.

This research aims to explore how consumers' level of empathy influences their response to celebrities involved in scandals and the brands the celebrities endorse by focusing on the mechanisms employed in the justification process, instead of the direct link between empathy and brand attitude or attitude toward the celebrity endorser. Specifically, this research suggests that empathy facilitates the justification processes of consumers who try to maintain their support for a celebrity endorser who may have been the victim of a scandal. Although no research currently exists that verifies the relationship between empathy and the justification process, a relationship between the two concepts can be inferred based on previous research.

According to the theory of cognitive dissonance (Festinger, 1962), consumers experience psychological discomfort when they are confronted with information that is not consistent with their beliefs, and try to achieve consonance by solving this psychological discomfort or dissonance. Since celebrities are people whose fame is based on their popularity among the general public and/or the favorable impression they give to others, consumers are highly likely to experience psychological discomfort when they are confronted with negative information about a celebrity. That is, when a consumer is confronted with negative information about a celebrity that is not consistent with their favorable feeling toward the celebrity, the consumer then tries to reduce the inconsistency to achieve cognitive consonance (Heider, 1946). Thus, in this particular research domain, consumers can either interpret negative information in positive ways and maintain a positive attitude toward the celebrity involved in the scandal, or accept the negative information and transform their positive attitude toward the celebrity into a negative attitude in order to achieve cognitive balance/consistency. Consumers who highly empathize with the celebrity involved in the scandal presented in this study experience affective empathy, meaning that they empathize with the feelings of the celebrity and go beyond merely understanding the celebrity's

feelings on a cognitive level (D'Ambrosio et al., 2009). If consumers identify with and adopt the feelings of the celebrity, they are more likely to use justification processes to interpret negative information in positive ways, since this is a way to achieve psychological balance or consistency. It is natural for consumers to seek to support celebrities they strongly empathize with instead of withdrawing their support. Thus, this research suggests the following hypotheses.

- H1:** Empathy for a celebrity endorser is positively related to moral decoupling.
- H2:** Empathy for a celebrity endorser is positively related to moral rationalization.

In addition, this research also suggests external attribution for a scandal as an antecedent of the justification process. According to Attribution Theory, when people are faced with a given event, they seek to make sense of the event by speculating on why the event occurred (Um, 2013). These attribution processes help consumers mentally organize all the events they experience in their daily lives, and form a perspective about the events (Um, 2013; Weiner, 1985). According to Attribution Theory, when consumers are faced with a scandal involving a celebrity, some consumers attribute the cause of events to the situation (known as external attribution or situational attribution), while others attribute the cause of events to the underlying character of the celebrity involved (known as internal attribution or dispositional attribution) (Heider, 1958; Um, 2013; Zhou & Whittle, 2013).

These attribution styles influence how consumers react to the scandals of celebrity endorsers (Zhou & Whittle, 2013). For instance, when people attribute the cause of a scandal to the situation itself, they tend to eliminate or minimize their own negative response toward the celebrity involved, since they view the reason for the scandal as being uncontrollable. However, when people attribute the cause of the same scandal to dispositional factors related to the celebrity endorser involved, they tend to view the celebrity negatively, as they see the cause of the scandal as intentional or controllable (Um, 2013).

Research studies that have been conducted on consumer responses to a real-life scandal have found that external attribution had a positive impact on the moral reputation of the celebrity involved (Zhou & Whittle, 2013). In addition, Um (2013) found that external attribution for scandals involving celebrities positively influenced consumer response to the celebrity and brand, increasing consumers' brand attitude and purchase intention. Although Um (2013) did not explore the relationship between external attribution and the justification process, he noted that external attribution may be a factor in the justification process when a celebrity is involved in a scandal, and further stated that the psychological processes of external attribution may cause consumers to assess the celebrity involved less negatively than when the same scandal is processed using internal

attribution.

That is, when the celebrity is perceived as not being highly culpable, consumers are more likely to maintain a positive assessment of the celebrity's integrity and uphold his/her public image (Zhou & Whitla, 2013). Since these justification processes include the consumer's intention not to tarnish the moral reputation of the celebrity, it can be inferred that external attribution is also a factor in these justification processes. Furthermore, Um (2013) argued that when consumers attribute negative incidents involving celebrities to situational reasons, they are more likely to justify their ongoing support for the celebrities, which leads to favorable responses toward the endorsed brands. These research studies make it possible to infer that external attribution of a scandal involving a celebrity endorser is positively related to justification processes used by consumers seeking to maintain support for the celebrities. Thus, the following hypotheses are suggested.

H3: External attribution of a scandal is positively related to moral decoupling.

H4: External attribution of a scandal is positively related to moral rationalization.

2.3. Influence of the justification processes on consumer responses

Moral decoupling is a justification process through which consumers separate their judgment of someone else's performance from judgments of the person's morality/immorality; moral rationalization, on the other hand, is a justification process through which consumers reinterpret the immoral actions of others as less immoral by readjusting their own moral standards (Bhattacharjee et al., 2013). Although moral decoupling and moral rationalization are distinct reasoning processes, they are both justification processes commonly used to maintain support for celebrities involved in scandals (Bhattacharjee et al., 2013). It can be inferred that these two reasoning processes are positively related to consumers' attitudes toward a celebrity and the endorsed brand. Thus, this research proposes the following hypotheses.

H5: Moral decoupling is positively related to consumer attitudes toward a celebrity endorser.

H6: Moral rationalization is positively related to consumer attitudes toward a celebrity endorser.

H7: Consumer attitude toward a celebrity endorser is positively related to brand attitude.

3. Methodology

3.1. Stimulus development

A fictitious newspaper article was created by the

researchers of this study based on real scandals that had occurred in several different countries. This newspaper article reported that an intimate video was uploaded online by an actress's ex-boyfriend and quickly went viral among online users. The newspaper article further reported that the personal video was made without the permission of the actress, and was circulated deliberately by the ex-boyfriend in order to embarrass the actress. Although the contents of the newspaper article were based on several true stories, no real names were used, and the actress in the article was simply called 'Actress A' to exclude the possibility that participants' preexisting attitudes toward any specific actress would influence the results of the study. The nonspecific name 'Actress A' was also used because it is considered unethical to reveal the name of any actress actually victimized by the release of a personal video online. Also, the newspaper did not mention the endorsed brand names, and mainly focused on the scandal.

3.2. Participants and procedure

An online research company in Korea was hired to present to participants a fictitious article and related survey, both of which were developed by the researcher of this study. The research company sent an email to volunteer survey participants ranging in age from 20 to 40 who were registered in the company's database. The age range of 20 to 40 was selected to ensure that participants were able to use a computer well and properly answer survey questions online. The email sent by the research company included a link to the fictitious article and a survey. Participants were able to start the survey by clicking on the link. Before answering the questions, participants were instructed to read the short newspaper article created by the researchers of this study. Following the article, they were then asked to answer several questions. When participants read the newspaper article, they were unaware that the newspaper article was fictitious, and answered the questions based on the article. At the end of the survey, participants were informed that the newspaper article had been created for research purposes only and was not related to any specific celebrity.

All of the participants were Koreans residing in Korea, who answered the survey questions in Korean. The survey was completed by a total of 192 participants, 51% of whom were female and 49% of whom were male; the average age of participants was 35.3.

3.3. Measures

Several constructs were measured through the presentation of 18 items developed by the researchers of this study based on previous research. The order of the items was designed so as not to influence the results of the study. More specifically, the outcome variables (e.g., attitude toward the celebrity), antecedents (e.g., empathy and external

attribution) and mediators (e.g., justification processes) were measured to eliminate the demand effect.

First of all, attitude toward the celebrity endorser was measured using three items (dislike/like, negative/positive, unfavorable/favorable), and brand attitude was measured using three items (dislike/like, negative/positive, unfavorable/favorable) adapted from previous research (Kim & Kim, 2016; Kim, Youn, & Kim, 2012; Zhou & Whitley, 2013). It is important to note that to eliminate the possibility of a real brand name influencing the results, no specific brand name was mentioned in the fictitious newspaper article. For the measuring of brand attitude, participants were asked to answer how much they would like or dislike the brand the celebrity endorsed. This portion of the study was based on the measures of brand attitude adopted by Zhou and Whitley (2013) and Fong and Wyer (2012). Specifically, these two research studies measured the attitude regarding brands (not actual brands) endorsed by a celebrity using items such as "The brands endorsed by the celebrity are not likeable/likable." Empathy was also measured using three items (concern, empathy, compassion) based on the work of McCullough (1997). External attribution was measured based on the adapted work of Zhou and Whitley (2013) using three items: the cause of this incident is something that is controllable by the person who leaked the personal video; the cause of this incident is something for which the person who leaked the personal video is responsible; the cause of this incident can be attributed to someone other than the celebrity.

Lastly, moral decoupling and moral rationalization were measured based on the work of Bhattacharjee et al. (2013). Moral decoupling was measured using three items: this incident does not change my assessment of Actress A's job performance; judgments of job performance should remain separate from judgments of morality; this incident does not affect my judgment of Actress A's achievements. Moral rationalization was measured using two items: this incident is not as bad as some of the other things done by celebrities;

it is unfair to blame Actress A because the incident is the fault of the other person involved. To check whether the scandal has low culpability of the celebrity or not, culpability of the celebrity was measured using "this celebrity is responsible for the scandal."

On the last page, after the completion of the survey, participants were shown a disclaimer stating that the newspaper article had been fabricated for the purpose of this research.

4. Results

4.1. Assessment of the measurement model

To test statistical fit, a confirmatory factor analysis was run on all items. The results indicated that with the exception of GFI, every index was above the generally accepted benchmark. However, some researchers (Sharma, Mukherjee, Kumar, & Dillon, 2005) recommend not using GFI since this index is sensitive to sample size (Hooper, Coughlan, & Mullen, 2008). In addition, we believe that the GFI result (0.874) is not far from the recommended cut-off value (0.9), and that the GFI can be supplemented by the results of the other indices. Thus, we concluded that measurement fit was acceptable. Also, the Cronbach's α values were higher than 0.7, which confirms the reliability of all the variables presented.

Next, convergent validity and discriminant validity were tested to ensure the construct validity of the measurement model. The CR (Construct Reliability) and AVE (Average Variance Extracted) were above 0.7 and 0.5, respectively. In addition, the square root of the AVE was greater than the correlation between the two variables, establishing both convergent validity and discriminant validity (Fornell & Larcker, 1981).

Table 2: Results of the measurement model.

Constructs	Items	Factor loadings	Standardized factor loadings	S.E.	t-value	p-value	Cronbach's α
Empathy	EM1	1.000	.723				.907
	EM2	1.124	.799	.103	10.897	.000	
	EM3	1.249	.906	.101	12.356	.000	
	EM4	1.276	.924	.102	12.560	.000	
External attribution	EA1	1.000	.725				.815
	EA2	1.261	.904	.113	11.123	.000	
	EA3	1.041	.699	.114	9.149	.000	
Moral decoupling	MD1	1.000	.856				.905
	MD2	1.170	.927	.068	17.106	.000	
	MD3	1.068	.838	.073	14.664	.000	
Moral rationalization	RA1	1.000	.997				.745
	RA2	.574	.597	.065	8.842	.000	
Attitude toward the celebrity	AA1	1.000	.821				.930
	AA2	1.277	.958	.073	17.423	.000	
	AA3	1.304	.940	.077	16.986	.000	
Brand attitude	BA1	1.000	.847				.937
	BA2	1.091	.934	.060	18.122	.000	
	BA3	1.175	.959	.062	18.896	.000	

Table 3: Correlation matrix.

	(1)	(2)	(3)	(4)	(5)	(6)
(1)Empathy						
(2)External attribution	0.489					
(3)Moral decoupling	0.413	0.570				
(4)Moral rationalization	0.585	0.757	0.763			
(5)Celebrity Attitude	0.509	0.343	0.477	0.549		
(6)Brand attitude	0.415	0.261	0.542	0.446	0.709	
Square root of AVE	0.841	0.781	0.874	0.821	0.908	0.914
AVE	0.708	0.610	0.764	0.675	0.825	0.836
CR	0.906	0.822	0.906	0.796	0.933	0.938

Table 4: Results of hypotheses testing.

Hypotheses	Coefficient	Standardized coefficient	S.E.	p-value
H1: Empathy → Moral decoupling	.228	.174	.103	.026
H2: Empathy → Moral rationalization	.466	.281	.105	.000
H3: External attribution → Moral decoupling	.548	.489	.099	.000
H4: External attribution → Moral rationalization	.903	.637	.107	.000
H5: Moral decoupling → Attitude toward the celebrity	.087	.134	.077	.259
H6: Moral rationalization → Attitude toward the celebrity	.236	.460	.063	.000
H7: Attitude toward the celebrity → Brand attitude	.759	.715	.078	.000

4.2. Tests of hypotheses using a structural equation model

Before testing hypotheses, we checked whether the culpability of the celebrity was considered to be low. The culpability of the celebrity was 3.49, which is below the midpoint of 4. Considering that average of external attribution is 5.06, it can be concluded that the scandal is one with low culpability of the celebrity.

A structural equation model was adopted using AMOS to verify the hypotheses of this study. Analysis results showed that the statistical fit of the structural equation model was acceptable (GFI=0.886, AGFI=0.845, NFI=0.923, IFI=0.962, CFI=0.962, RMSEA=0.068). In addition, all hypotheses were statistically supported except for Hypothesis 5, as indicated below in Table 4.

Additionally, a mediation test was conducted to determine whether moral rationalization was a mediator in the relationship between empathy and consumer attitudes toward the celebrity and/or the relationship between external attribution and consumer attitudes toward the celebrity. This test was conducted using the Hayes SPSS Process with the application of Model 4 (Hayes, 2013). A mediation test for moral decoupling was not conducted since the relationship between moral decoupling and celebrity attitude was not statistically significant. In addition, 5000 bootstraps with a 95% confidence interval were performed. The results of these tests showed that empathy and external attribution were indirectly related to consumer attitudes toward the

celebrity ($b=.1328$, $LLCI=.0661$, $ULCI=.2111$; $b=.2005$, $LLCI=.1228$, $ULCI=.2868$). The results of these tests also showed that moral rationalization was a mediator, as suggested in the research model.

5. Discussion

The results of this study showed that a consumer's empathy toward a celebrity endorser involved in a scandal and the consumer's use of external attribution to justify the scandal were positively related to moral decoupling and moral rationalization, respectively. In addition, moral rationalization was found to be positively related to the individual consumer's attitude toward the celebrity endorser, which also enhanced brand attitude. Interestingly, even though moral rationalization was found to be statistically related to the consumer's attitude toward the celebrity, moral decoupling was not statistically related. Considering that previous research had found that both moral rationalization and moral decoupling enhanced consumer responses such as attitude toward the celebrity and/or brand (e.g., Bhattacharjee et al., 2013; Lee et al., 2015), the results of this research may not be consistent with those of previous research.

However, it should be noted that this inconsistency may stem from the fact that this research was conducted using a scandal in which the celebrity had low culpability (e.g. a scandal involving the release of a personal video online by

a third party), while previous research focused on scandals involving immoral actions committed by the celebrities themselves (e.g., tax evasion, drunk driving, steroid use, etc.). When there is a scandal involving the immoral actions of a celebrity, consumers tend to adopt moral decoupling or moral rationalization in order to maintain their support for the celebrity; this results in positive consumer responses such as a positive attitude toward the celebrity endorser and an improved brand attitude (Bhattacharjee et al., 2013; Lee et al., 2015). However, the release of a personal video is not related to an immoral action by the celebrity, and thus may facilitate different justification processes from those observed in previous research. Although the celebrity is the victim of the scandal, the actual celebrities involved in almost the same scandal in Korea had to suspend their careers for an extended period of time because negative information related to the actual celebrities was not justified by consumers. However, a recent societal trend of giving greater weight to the voices of victims and trying to support them seems to have changed consumers' perceptions regarding this type of scandal. That is, when consumers are confronted with this type of scandal, they don't need to engage in moral decoupling because the scandal or morality of the celebrity is not related to their performance. This may be the reason why moral decoupling did not influence consumer attitudes toward the celebrity endorser in this study.

Interestingly, the results of this study revealed that consumers who affectively empathized with the celebrity tended to adopt moral rationalization over moral decoupling. Affective empathy is defined as adopting the emotions of others; in our study, this may have helped participants identify with the celebrity. People tend to protect themselves against threatening information by adopting a self-serving bias (Alicke & Sedikides, 2011). That is, people tend to exaggerate the importance of positive information and minimize the importance of negative information. In our study, consumers who affectively empathized with the celebrity were able to view the scandal as not that serious by lowering their moral standards and engaging in moral rationalization. This is why empathy had more of an impact on moral rationalization than moral decoupling.

The implications of this research are as follows. First, previous research studies on the justification processes used by consumers in response to scandals involving celebrity endorsers or corporations have suggested that consumers' reasoning strategies are based on how strongly they perceive the relevance between the celebrity's performance and his/her immoral actions (Bhattacharjee et al., 2013; Lee et al., 2015) and/or the severity of the immoral actions (Bhattacharjee et al., 2013). Previous studies have focused heavily on scandals in which the celebrities involved were considered to be highly culpable for their immoral actions. This study expands the scope of available research by presenting a scandal in which the celebrity endorser has a lower degree of culpability and can be considered a victim.

Using this type of scandal as a focal point, this research divided the justification process into moral decoupling and moral rationalization based on the work of Bhattacharjee et al. (2013), and suggested empathy for a celebrity endorser and the external attribution of the scandal as the antecedents of the justification process. The findings of this research are expected to deepen experts' understanding of the persuasive impact of celebrity endorsers and provide practical implications for companies to assess the potential risk of scandals when employing a celebrity as a brand endorser.

Furthermore, this research implies that companies do not necessarily have to withdraw an advertising contract from a celebrity endorser involved in a scandal, since some consumers will actively justify the negative actions of the celebrity using moral decoupling or moral rationalization in order to maintain their support for said celebrity. It is not uncommon for some companies to terminate their advertising contract with a celebrity involved in a scandal because they believe the negative information related to the celebrity endorser may adversely affect the endorsed brand. However, this research suggests that the termination of an advertising contract is not necessarily the best strategy companies can use to respond to a scandal.

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