

## "I Am a Digital Human": Effectiveness of Using Virtual Influencers as Fashion Brand Endorsers

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Introduction. The advancements in technology have produced new, non-human alternatives to traditional celebrity endorsers for fashion brands. Virtual influencer (VI) is a human-like, digital character, which is designed using computer graphics and motion capture technology to simulate the human's realistic features, characteristics, and personalities (Jalan, 2022). A VI has a fictional profile and acts on social media by posting fictional narratives with photos showing his/her virtual daily life and interacting with people. For example, Lil Miquela, who is one of the most famous VIs to date, is a Brazilian-American 19-year-old character created by a Los Angeles startup. Several famous VIs including Miquela, have endorsed fashion/beauty brands, appearing in the advertising campaigns (e.g., Miguela for Calvin Klein and Prada, Shudu for Balmain, Imma for SK-II). The benefits of using VIs as brand endorsers include that VIs can look as attractive as they are designed to be, look new and innovative, are free from time/space constraints, and their activities can be fully controlled by the creator (i.e., "scandal-free") (Ewe, 2021). However, there are also negative views on VIs, as they create unrealistic beauty standards and are not authentic- VIs are not able to experience the things they promote (e.g., the feel of clothing) (Santora, 2021). Despite the increasing adoption of VIs by fashion brands as endorsers, this is still an underexplored area of research.

Literature Review and Conceptual Framework. Previous studies on virtual influencers have investigated consumers' responses to VIs mainly through qualitative research methods. Using an in-depth interview approach, Jang and Yoh (2020) studied perceptions of VIs among consumers in their 20-30s: Consumers viewed VIs positively due to the attractive appearance, wide utilization, innovative use, freshness, and time and cost savings, while perceived negatively due to the unrealistic appearance and antipathy against replacing a human's role. Consumers also had specific images of the brand advertised by VIs (e.g., innovative, differentiated, trendy, high-value, professional, and future-oriented). Batist and Chimenti (2021) also identified perceived images of VIs such as attractiveness, authenticity, controllability, anthropomorphism/ humanization, and scalability through focus group. The perceived images of VIs generate positive brand benefits (e.g., purchase intentions) similar to those produced by human celebrity endorsers (Thomas & Fowler, 2020).

The purpose of this study was to examine the effectiveness of using virtual influencers as fashion brand endorsers. Specifically, first, we measured how consumers perceive VIs in terms of five characteristics: attractiveness, innovativeness, curiosity, authenticity, and controllability. Second, we tested the following hypothetical relationships: the impacts of the five perceived characteristics of VIs on consumer's attitudes toward the advertisement featuring VIs [H1a-e]  $\rightarrow$  attitudes toward the brand [H2]  $\rightarrow$  behavioral intentions toward the brand [H3]. Third, we tested Page 1 of 3

© 2022 The author(s). Published under a Creative Commons Attribution License (<u>https://creativecommons.org/licenses/by/4.0/</u>), which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited. ITAA Proceedings, **#79** - https://itaaonline.org the moderating effects of consumer innovativeness [H4] and market mavenism [H5] in the relationship between the brand attitudes and intentions. The uncanny valley theory (Masahiro, 1970) framed our study. This theory suggests that as humanoid objects appear more humanlike, they become more appealing, but only up to a certain point. Upon reaching the "uncanny valley" (i.e., the object is highly humanlike), people's affinity descends into a feeling of uneasiness or a tendency to be scared.

**Method and Procedures**. Using an online survey method, data were collected from 252 Gen-Z consumers aged in 18-25 through Amazon MTurk. In the first part of the questionnaire, participants (Ps) were given a description of VIs and pictures of VIs featured in several fashion brand advertisements (e.g., Lil Miquela x Prada ads). Then, Ps were asked to respond to established variable measures using 7-point scales. The sample questions measuring perceived characteristics of VIs included: "*VIs are sophisticated*" [attractiveness]; "*VIs are cutting-edge*" [innovativeness]; "*VIs make me feel 'wow'(surprised)*" [curiosity]; "*VIs seem real to me*" [authenticity]; and "*VIs seem easily controllable by the creator*" [controllability]. Additionally, one open-ended question asked Ps to provide specific reasons for their overall positive or negative ratings on perceptions of VIs. Brand attitudes were measured in terms of brand distinctiveness, innovativeness, expertise, popularity, and credibility. The last section contained demographic questions. Structural equation modeling was used to test the proposed relationships.

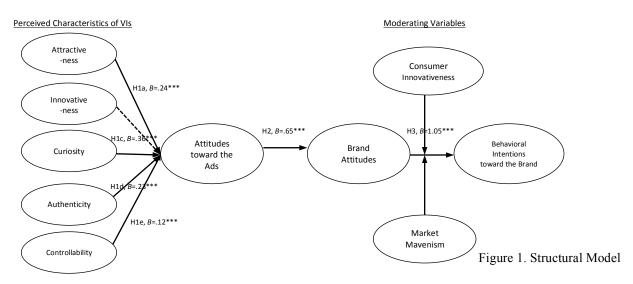
**Participant Characteristics.** Ps were women (52.9%) and Caucasian (64.4%) with an average age of 22.1 years. Ps (40.4%) indicated that they already knew about VIs. Social media platforms (e.g., Instagram) were the main sources mentioned concerning exposure to VIs.

**Results.** The structural model exhibited a good fit with the data ( $\chi^2/df=1.51$ , CFI=.96, NNFI=.96, IFI=.96, RMSEA=.051). For the perceived characteristics of VIs, innovativeness (m= 5.66) was scored the highest, followed by attractiveness (m= 5.46), controllability and authenticity (m= 5.07 for both), and curiosity (m= 4.92). The results of the hypothesis testing showed that perceived curiosity (H1c,  $\beta=.36$ , t=6.62, p<.001) had the strongest positive effect on attitudes toward the advertisement, followed by attractiveness (H1a,  $\beta=.24$ , t=5.02, p<.001), authenticity (H1d,  $\beta=.23$ , t=3.59, p<.001), and controllability (H1e,  $\beta=.12$ , t=2.40, p<.001). Innovativeness had no significant impact. As hypothesized, attitudes toward the advertisement positively influenced brand attitudes ( $\beta=.65$ , t=11.26, p<.001) supporting H2, and brand attitudes positively influenced behavioral intentions toward the brand ( $\beta=1.05$ , t=9.49, p<.001) supporting H3 (see the structural model in Figure 1). A moderation analysis using a chi-square difference test revealed that both consumer innovativeness ( $X^2(1)=6.70$ , p<.01) and market mavenism ( $X^2(1)=6.54$ , p<.01) moderated the effect of brand attitudes on intentions, supporting H4 and 5.

**Discussion and Implications.** The more Gen Z consumers perceived VIs as attractive, authentic, controllable, and curious, the more positively they reacted to the advertisement featuring VIs as well as to the brand (and vice versa). Notably, our survey participants' answers to the open-ended question showed contrasting views on VIs. Some consumers viewed VIs positively because VIs are new and unique and have practical uses for the brand; however, many consumers reacted negatively to VIs in particular to the unrealistic ideal VIs create, and regarded VI's close resemblance to humans as creepy. Particularly for the endorsement of fashion

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products, consumers wanted to see real humans with real bodies (i.e., those with realistic proportions). However, consumers recognized the fashion brand endorsed by VIs as professional, recognizable, different, and innovative (i.e., brand attitudes). These positive brand attitudes influenced consumers' behavioral intentions toward the brand, such as a willingness to spread the word about the brand name and its product. Fashion brands can consider adopting VIs as endorsers to be seen as "trend-setting, digital-savvy, futuristic, and unique" brands. At the same time, however, marketers should be aware of the possible risks of using very human-like virtual models that can provoke uncanny feelings (e.g., strangeness, creepiness) in consumers. Considering both the benefits and risks associated with VIs, using a mix of human models and virtual models as endorsers is considered more effective than the use of virtual models alone.

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