

# Sports Celebrity Endorsements: The Promotional Role of Key Opinion Leaders in the Upgrading of the Sports Industry

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**Abstract.** With the rapid development and transformation of the sports industry, celebrity endorsements play a crucial role. Celebrity endorsements can bring widespread recognition and exposure to sports brands, boosting product sales and market share. Their image and influence attract numerous sponsors and investors, injecting funds and resources into the sports industry. Additionally, celebrity endorsements can attract more fans and viewers to sports events, clubs, and brands, driving cultural dissemination and expanding social media influence in the sports industry. The collaboration between sports celebrities and brands makes the brand image more youthful and trendier and facilitates better connections with young consumers. This paper aims to explore the multiple positive impacts of celebrity endorsements on the sports industry through a literature review and case studies, analyzing the social responsibility of sports celebrities and the effects and facilitation provided by their influence in commercial endorsements. Based on this, the study concludes that the performance and fame of sports celebrities play a significant role in expanding brand recognition.

**Keywords:** Sports endorsements, brand sales, sports marketing, sports industry.

## 1. Introduction

As the sports industry continues to thrive, whether through watching sports events or actively engaging in sports activities, people's interest in the sports industry is steadily increasing. Sports consumption has become an integral part of modern lifestyle and consumer behavior. Simultaneously, in today's highly competitive sports market environment, sports endorsements have emerged as an effective marketing strategy. By collaborating with renowned sports celebrities, companies can leverage their influence and image to shape brand perception, enhance product awareness and customer identification, and ultimately drive sales growth. However, despite the continuous growth of the sports industry as a significant economic system worldwide and the widespread application of sports endorsements as part of the sports industry in the market, there is still a need for in-depth research on their specific impact on customer willingness to pay and the underlying mechanisms. This paper will primarily focus on whether certain types of sports celebrities, such as athletes who have achieved breakthrough honors, have a greater influence on consumer willingness to pay. The aim is to provide valuable marketing strategies and promotional methods for enterprises in the sports industry, further promoting its development and enhancing understanding of consumer behavior in sports consumption.

Previous research has provided some insights into the impact of sports endorsements on customer willingness to pay, primarily falling into three perspectives: (1) Brand awareness perspective. Scholars such as Biswas, A., Biswas, D., Till, B. D., & Busler, M. argue that sports celebrities typically have a wide fan base, and their endorsements can attract fans' attention, enhance brand awareness, and generate more interest [1,2]. (2) Emotional resonance perspective. Articles by Joe Phua, Seunga Venus Jin, and Jihoon (Jay) Kim suggest that consumers may establish emotional connections with brands due to their admiration or liking for athletes. This resonance can strengthen consumers' affinity towards the brand and increase their inclination to purchase related products or services [3,4]. (3) Social identification perspective. Phua, J., & Liang, Y. point out that consumers tend to choose brands or endorsers that align with their social identity and values in their purchase decisions. When the brand or product represented by the sports endorser resonates with consumers'

social identity, cultural background, or values, they are more likely to develop a sense of affiliation and increase their willingness to pay. However, research often selects specific countries or regions for investigation due to differences in nationality and cultural backgrounds, which may limit the representativeness of the sample [5,6].

This paper primarily focuses on discussing how sports celebrities enhance brand value and promote the upgrading of the sports industry through process tracing.

## **2. Current Situation and Trends in the Transformation and Upgrading of the Sports Industry**

### **2.1. Technological Innovation**

In recent years, the global sports industry has continuously expanded its economic scale, and the integration of sports with various industries has become an inevitable trend of the era. The constant progress and innovation in technology have had a profound impact on the development of the sports industry. The application of technologies such as virtual reality (VR), augmented reality (AR), and artificial intelligence (AI) allows audiences to participate in sports events in a more immersive way, transforming the viewing experience and greatly promoting the development prospects of sports in different fields. This makes the sports industry more efficient and intelligent and creates new business opportunities.

### **2.2. Media Development**

The role of media in the sports industry continues to strengthen. Traditional media platforms such as television and radio still play important roles, but the rise of digital media and social media has made the dissemination of sports events more convenient and globalized. Major clubs and sports stars have their own social media accounts, greatly expanding the audience base through online streaming, social sharing, personalized content subscriptions, and other means. This also provides a broader platform for promotion and marketing for sports brands and event sponsors [7].

### **2.3. Entertainment and Diversification**

The sports industry is gradually becoming more entertaining and showing a trend towards diversification. In addition to traditional events like the Olympics and World Cup, there is a growing number of individual and team sports events emerging. Furthermore, the rise of emerging fields such as esports and virtual sports has attracted a large number of young audiences and investments. Currently, sports, as an important component of global culture, has the appeal to transcend borders and races, and its cultural influence continues to expand. People's attention to sports stars has been increasing, and the sports culture and spirit they represent are widely disseminated and expressed through various forms such as movies, music, and fashion.

### **2.4. Embracing Sustainable Development Perspectives**

The increasing demand for health, fitness, and leisure is driving the sports industry towards the transformation into the realms of health and leisure. Society has shown high levels of concern for the sustainable development of the sports industry, and concepts such as green initiatives, environmental protection, and social responsibility have been introduced in aspects such as sports venue construction, event organization, and brand collaborations. This promotes the sports industry to transition towards sustainable development [8].

### **3. Sports Celebrity Endorsements: Analysis of the Impact on Brands**

#### **3.1. Increased Brand Awareness and Recognition**

Athletes are often seen as representatives of perseverance and hard work, having built up their physical fitness and positive image through long hours of practice and competition. When they endorse brands related to sports, health, and vitality, they appeal to consumers' desires and expectations, increasing brand awareness and recognition. As prominent figures in sporting events and media coverage, sports celebrities have many opportunities for exposure. By partnering with them, brands can leverage their influence to increase brand awareness and recognition. Compared to ordinary celebrities, sports celebrities are more likely to attract sports fans' attention and become the focus of public attention due to their achievements and activities in the sports field.

#### **3.2. Shaping Brand Image and Values**

Sports celebrities often represent specific values and qualities, such as teamwork, hard work, and perseverance. Brands can use their image to shape their own brand image and values, attracting consumers who share similar values. At the same time, the performance and success of sports celebrities in the arena can bring positive image effects to the brand, winning more trust and favor from consumers.

#### **3.3. Expanding Market Share and Acquiring Customers**

The influence of sports celebrities is not limited to local markets, as they often have a certain level of recognition and fan base worldwide. Brands endorsed by sports celebrities are usually associated with the sports industry, which helps establish a stronger professional image in that field. Consumers associate the brand with the achievements and professionalism of sports celebrities, thereby increasing the brand's influence and recognition in the sports industry. This presents a valuable opportunity for brands to expand their market share in specific areas by leveraging sports celebrity endorsements. Therefore, through partnerships with sports celebrities for endorsements, brands can enter new markets and attract more consumers and customers by harnessing their influence [9].

#### **3.4. Boosting Product Sales and Commercial Monetization**

As public figures, sports celebrities' images and actions often become the highlights of advertising and promotional activities. By collaborating with sports celebrities for endorsements, brands can closely link their image in advertisements with the products, stimulating consumer desire to purchase. The success and charisma of sports celebrities also attract more consumers' interest in the brand's products, thereby increasing product sales. Sports celebrity endorsements can also lead to more business collaboration opportunities for brands, such as brand licensing and sponsorship, providing channels and opportunities for commercial monetization.

### **4. Case Study 1: Michael Jordan and Nike**

#### **4.1. Overview**

The NBA is one of the most popular basketball leagues globally, with a massive fan base and audience. According to official NBA data and market research, the global number of NBA fans exceeds one billion. Michael Jordan, one of the most famous basketball players in American history and one of the greatest players in NBA history, has achieved numerous honors and accomplishments throughout his career. His collaboration with Nike has been extremely successful and groundbreaking. Starting from the launch of the first signature shoe for Jordan, the Air Jordan 1, by Nike in 1984, this line of sneakers became a hugely popular product in the basketball shoe market and continues to be sought after worldwide, giving birth to the famous AJ sneakers. Nike has also given Jordan the best benefits: he receives a 25% profit share for every pair of Air Jordans sold, along with corresponding

equity. Initially, Air Jordan generated \$70 million in sales within just three months, quickly surpassing \$150 million.

## **4.2. Analysis of Success Factors**

By examining the case of Michael Jordan endorsing Nike, it can be observed that the influence of sports celebrities on consumer willingness to pay is not limited to a single viewpoint but encompasses brand awareness, emotional resonance, and social identification. Regarding the success of Jordan's endorsement of Nike, three key factors can be analyzed.

### **4.2.1 Reason 1: Popularity of the Sport**

Basketball, with its low requirement for facilities and equipment, is a sport that can be enjoyed by people of all ages, making it a globally popular team sport. Sports with higher popularity often have larger market sizes. According to Statista, the global basketball-related market was valued at over \$46 billion in 2019. This number includes various aspects such as ticket sales, merchandise, sponsorship contracts, and advertising revenue, highlighting the immense market potential of basketball as a sport. Basketball stars like Michael Jordan, with their successful careers and stories, have gained widespread exposure and attention globally, expanding their influence beyond the realm of basketball. Many people not only have an interest in basketball but also become curious and interested in brands and products associated with Jordan.

### **4.2.2 Reason 2: Achievements in Competition**

Jordan's exceptional skills and top performances in basketball naturally attracted the attention of a large fan base. According to NBA official data, the 1998 NBA Finals, led by Jordan with the Chicago Bulls against the Utah Jazz, was one of the highest-rated finals ever, attracting over 72 million viewers worldwide. Consumers have a natural desire for success and excellence, so the honors Jordan accumulated made him an authoritative and appealing endorser, stimulating consumers' desire to purchase the products he endorsed.

### **4.2.3 Reason 3: Public Recognition**

Good character traits often receive more recognition and attract fans' attention. Fans' admiration for celebrities also stems from their longing for a better life. When a celebrity faces moral issues and damages the trust of fans, it can lead to a crisis of trust for the brands they endorse. In addition to his outstanding performance on the basketball court, Jordan is also renowned for his character and leadership abilities. His resilience and determination inspire people to pursue their goals and make him a role model in the eyes of many. This widely recognized and respected character image has gained consumer trust and favor for the products Jordan endorses [10].

## **5. Case Study 2: Messi's Joining of Miami International**

### **5.1. Overview**

Lionel Messi is an Argentine football player regarded as one of the greatest players in modern football due to his outstanding skills, speed, and creativity. Messi showed exceptional football talent at a young age and joined the Barcelona Youth Academy at the age of 13. In 2004, he made his debut for the Barcelona first team and quickly became a key member of the team. During his time at Barcelona, Messi won numerous championships and individual honors, including 10 La Liga titles, 4 UEFA Champions League titles, and 6 Ballon d'Or awards. He became one of the most successful and influential players in Barcelona's history. In 2023, Messi announced his departure from Barcelona, causing a sensation in the global football community. Subsequently, Messi chose to join Miami International and became a member of the Major League Soccer (MLS) team Miami. Within 24 hours of Messi's transfer announcement, Miami International's official social media accounts gained over 4.5 million new followers, increasing from 1 million to 5.5 million. Messi's decision to join Miami caused a global uproar in the football world. This transfer is not only a significant breakthrough for

Major League Soccer in the United States but also marks a new chapter in Messi's career. Furthermore, his arrival brings tremendous commercial value and global attention to Miami, with the potential to drive the development of professional football in the United States and attract more star players.

## **5.2. Analysis of the Reasons for Success**

The commercial value that Messi's addition can bring to North American football leagues can be analyzed mainly from the following aspects.

### **5.2.1 Popularity and recognition**

As an internationally renowned player, Messi's joining of Miami International will attract more global attention and media exposure to the North American football leagues. This will drive more fans and viewers to engage, increasing the viewership ratings and ticket revenue. Additionally, Messi's addition will also attract more top-tier players to join MLS and potentially draw more investors' attention to the development of MLS teams and youth training systems. This will provide more opportunities and resources for nurturing future football stars, enhancing the overall competitiveness and visibility of the league.

### **5.2.2 Strong box office appeal**

Messi's arrival will attract a large number of fans to attend matches, especially his die-hard supporters. Based on the experience in the UEFA Champions League and Barcelona, Messi's matches are usually hot-ticket events that sell out instantly. Over the past few years, MLS has seen a steady growth in its audience numbers. Messi's arrival will further fuel this trend, increasing the average attendance at team matches and attracting new audiences.

### **5.2.3 Build up the image of the city**

Messi's addition to Miami also carries significant endorsement effects for the entire city. Firstly, Messi's arrival will further elevate Miami's global recognition and image, positioning it as a city that attracts top talent and major sporting events. Secondly, Messi's joining will drive the growth of football tourism, attracting more fans and visitors to Miami for matches and benefiting the city's hospitality, dining, and tourism industries economically. Lastly, Messi's on-field performance and positive image will influence the younger generation in Miami, encouraging their participation in football and enhancing the overall sports atmosphere of the city.

## **6. Problems with Sports Celebrity Endorsements for the Development of the Sports Industry**

### **6.1. Problem 1: Excessive Dependence**

Sports celebrity endorsements often play an important role in the sports industry, but relying too heavily on sports stars to drive product sales can lead to potential problems. On one hand, brands may become overly reliant on the influence of individual celebrities. This excessive dependence can leave brands in a difficult situation when celebrities face negative events or retire, impacting their promotion and image-building efforts.

On the other hand, there are risks associated with celebrity endorsements for brands. A celebrity's image and reputation can be affected by personal behavior, controversial events, or changes in public opinion, which can have a negative impact on a brand's image. Over-reliance on celebrity endorsements can put brands in a potentially unstable position, making them vulnerable to external factors.

### **6.2. Problem 2: Issues with Credibility and Authenticity**

Sports celebrity endorsements can sometimes raise concerns about credibility and authenticity. In some cases, these endorsements may only be superficial partnerships that lack genuine trust and

shared values. The values expressed by the endorsed product may not align with the celebrity's own image or may not resonate with them. In such situations, consumers may question the authenticity of the endorsement, leading to doubts and reducing their trust in the product or brand.

Additionally, some celebrity endorsers may simultaneously endorse multiple competing brands or products, representing different brand images. This can also lead to consumer scepticism regarding the credibility of the endorser. Consumers may perceive the endorser as simply endorsing for monetary gain, diminishing their authority and credibility as a spokesperson [11].

### **6.3. Impact of the Digital Age and Emerging Technologies on Endorsement Models**

The development of the digital age and emerging technologies may disrupt traditional sports celebrity endorsement models and result in a shift in audience demographics. With the prevalence of social media and self-media, consumers have more diverse and convenient ways to access information. They can obtain real-time sports news and interactive content by following athletes, sports brands, or relevant self-media accounts. This has somewhat diminished the influence of traditional celebrity endorsement advertisements.

At the same time, the advent of the digital age allows brands to utilize big data and individual behavior analysis for precise targeting and personalized marketing. By analyzing data on athletes and their audiences, brands can better understand the needs, interests, and consumption behaviors of the celebrity's fan base, enabling them to develop targeted endorsement strategies and promotional campaigns.

## **7. Recommendations and Future Development**

### **7.1. Strengthening Long-Term Planning and Evaluation of Endorsement Collaborations**

Establish long-term partnerships: Sports celebrity endorsements should aim to establish long-term partnerships with brands rather than engaging in one-time collaborations solely for short-term commercial benefits. Long-term collaborations can enhance customer loyalty, help sports celebrities better understand brand values and target audiences, and improve the effectiveness of endorsements.

Regular evaluation of endorsement effectiveness: In long-term collaborations, it is important to establish a mechanism for regular evaluation of endorsement effectiveness. Various methods, such as market research, user feedback, and sales data, can be used to periodically assess the impact of endorsement activities. Based on the evaluation results, strategies can be adjusted in a timely manner to optimize the effectiveness of endorsement collaborations.

### **7.2. Enhancing the Influence and Social Responsibility of Sports Celebrity Endorsements**

After analyzing the two cases of Jordan endorsing Nike and Messi joining Miami, it is recommended that brands consider the following aspects when selecting sports celebrity endorsements:

Athletic performance: Athletes who excel in their respective sports can bring more positive impact to the brand. Consumers are more likely to trust and recognize athletes who have achieved success in their fields.

Athlete's visibility: Consider the athlete's visibility and adaptability on a global scale based on the brand's target market and internationalization strategies.

Visibility of the sport: Sports with higher popularity often have a wider consumer audience. For example, basketball fans naturally pay more attention to basketball stars. According to Nielsen Media Research, in the U.S., in 2018, advertisers spent a whopping \$1.02 billion on football advertising and \$1.1 billion on basketball.

Positive character and social image: Sports celebrity endorsers should not only excel in the field but also possess positive character traits and a positive social image. Their behavior and statements are crucial to the brand's image. Choosing athletes with high moral standards, a sense of social responsibility, and positive influence can enhance the brand's trustworthiness and attractiveness.

## 8. Conclusion

More and more products are utilizing sports celebrity endorsements, and these representative cases provide valuable references for other brands. However, due to limited data, this study has some limitations. The fame and influence of sports celebrities may change over time, so the research findings are only valid for a specific period and may not apply in the long term. Therefore, the applicability and generalizability of the research results need further validation and analysis in different regions.

There are also deficiencies in how to further enhance the fit between sports celebrities and product projects. Further exploration is needed on how to match different products, project characteristics, and the characteristics of sports celebrities.

Based on this study, it is recommended that brands select suitable sports celebrity endorsers based on product characteristics and target audience to enhance brand awareness, influence, and market competitiveness. Targeted promotion strategies should be used to establish close connections and identification with consumers. Additionally, differences in the recognition and interest of sports celebrities among consumers in different regions, cultures, and markets could be further explored in future research.

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