Stardom and Perceived Talent

Olivier Gergaud\textsuperscript{1} and Victor Ginsburgh\textsuperscript{2}

Abstract

We analyze the famous Celebrity 100 which is an annual list of the world’s most powerful celebrities compiled and published by Forbes Magazine since 1999. The lists provide an interesting collection of indicators such as earnings, and statistics on impact in the media (press, internet, television and radio).

We take advantage of the information contained in the E-Poll surveys published along with the 2006 and 2007 lists. The E-Poll surveys contain information on the way each celebrity is perceived on average by the population. This second source of information tells us whether the celebrity is seen as ‘primarily’ or ‘secondarily’ talented, cute, intelligent and so on. The data make it possible to analyze the complex relationship between a series of perceived attributes and economic success.

What makes a star successful? What makes his/her success permanent or short-lived? To answer these questions we estimate a regression model to study differences in earnings that we observe between celebrities. We also implement a zero-truncated negative binomial analysis to isolate the determinants of the number of appearances in the Forbes lists. We use robust to outliers estimation methods to control for the natural presence of a non-negligible fraction of outlying observations in this dataset. Then we adopt an identification strategy to control for the fact that perceived talent is potentially endogenous with respect to (influenced by) the level of earnings. We typically find that talent-related variables matter more than cuteness-related and tend to make economic success last longer.

Keywords: Superstars, Economic success, Talent

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\textsuperscript{1}Université de Reims and Reims Management School. Address: 57 bis, rue Pierre Taittinger, 51096 Reims Cedex, France. Tel.: +33 (0) 326.08.22.35, Fax: +33 (0) 326.91.38.69, E-mail: olivier.gergaud@univ-reims.fr.

\textsuperscript{2}ECARES, Université Libre de Bruxelles, CP 114 - 50, avenue F.D. Roosevelt 1050 Brussels, Belgium. Tel: +32 2 650 38 46, Fax: +32 2 650 40 12, E-mail: vginsbur@ulb.ac.be