Understanding and Creating an Equation on the Impact of Celebrity Endorsements and Their Numerous Factors on the Growth of Alt-Coins

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Cryptocurrencies were first created in 2009, however were not deemed as a good investment by many until 2020. With the increase in market capitalization for numerous cryptocurrencies, it gave rise to thousands of new virtual assets. Due to the vast amount of these virtual currencies many developers were not able to promote the idea and goals of their smaller cryptocurrencies. This led to many developers incorporating marketing strategies, one being: celebrity endorsements; however with these endorsements, what are known as pump and dump schemes emerge. These studies have been conducted on attempting to understand how much of the growth is artificial rather than fundamental for these cryptocurrencies and if certain factors of a celebrity increases the effectiveness of the endorsement. This research was done both mathematically and physiologically; the mathematical aspect involved stratifying the celebrities and finding the association between social media following and market cap increase. It also included creating mathematical models to predict future increases in cryptocurrencies given certain factors of a celebrity and past historical data. The physiological aspect involved conducting a simple random sample (srs) and determining if their was statistical significance people preferred one factor over another within a endorsement. Numerous factors were being measured and numerous findings were discovered in the context of this project, including the significance of connotation and visual details.

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