



Impact of Influencer Marketing on Consumer Behaviour

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1. ABSTRACT :

In the constantly changing realm of digital marketing, influencer marketing has become a key approach for engaging consumers and influencing their behaviours. In today's highly competitive marketplace, tailored products and services are vital for achieving a competitive edge. Marketing plays a critical role in contemporary businesses, and advancements in communication technology offer a new foundation for marketing efforts. As social networks have developed, the marketing strategy of influencer marketing is experiencing rapid expansion. This was once considered daunting as companies risked losing control over their own messaging, but now they encourage users to take an active role in social media. This research paper examines the complex relationship between influencer marketing and consumer behaviour, seeking to uncover how influencers affect consumer choices and actions. The study's findings indicated a significant positive correlation between consumer purchasing behaviour and influencer marketing on Instagram. Influencers, e-marketing, social media, and consumer behaviour are among the key terms discussed in this article.

Keywords: Influencer Marketing, Consumer Behaviour, Social Media Marketing, E-Marketing, Marketing Strategies

2. INTRODUCTION :

The advancement of information-communication technologies has greatly transformed global human interaction, with the Internet playing a crucial role in facilitating globalization. Communication and user relationships have been transformed by the Internet, making it an essential medium for businesses. The competitive landscape of business has turned the world into a potential marketplace, and e-marketing has emerged as a crucial element of marketing in the 21st century. The scope of possible customers through e-marketing is unmatched by traditional marketing methods. Influencer marketing is gaining popularity, as it involves collaborating with influential individuals online to disseminate a brand's message through sponsored posts. Influencers, who have expertise, skills, and personality, can shape the perceptions of specific audiences, rendering them a vital component of the marketing strategy. The purpose of this study is to examine how influencers affect consumer behaviour, concentrating on the techniques and strategies for engaging influential individuals online to communicate a brand's message.

Influencer Marketing

Influencer marketing is a strategy that involves partnering with key individuals, referred to as influencers, to advertise products, services, or brands to their followers. These influencers generally have a loyal audience on social media platforms, blogs, or various online channels, and they hold credibility and sway within their specific niche or sector. This form of marketing utilizes the authority, expertise, or popularity of influencers to genuinely engage with their followers. Brands work together with influencers to produce sponsored content, including social media posts, videos, reviews, or endorsements, that highlight their products or services.

Evolution of Influencer Marketing in the Digital Age

Influencer marketing has undergone remarkable changes in the digital era, evolving alongside technological innovations, social media platforms, consumer behaviors, and marketing approaches. Here are the main features of its transformation:

- The rise of social media: Platforms such as Instagram, YouTube, and Facebook have empowered individuals to cultivate devoted followings based on their skills, passions, or personalities, which has opened doors for brands to partner with these influential individuals.
- Consumer Behaviour Shift: Consumers are more inclined to seek genuine and relatable content from trusted sources, with influencers acting as an essential link between brands and their audience.
- Diversification of Platforms and Content: Influencer marketing has broadened to encompass various content formats, including videos, live streams, tutorials, and reviews, facilitating more dynamic and engaging collaborations on social media channels like Stories, Reels, and IGTV.
- The Emergence of Macro and Nano Influencers: Although macro-influencers with large followings were once the primary focus, marketers have begun to appreciate the effectiveness of micro-influencers (who have fewer followers but greater engagement) and nano-influencers (who offer very specialized, authentic, and local influence) due to their capacity for deeper connections with their audiences.

- Professionalization and Brand Partnerships: Influencers are evolving from being hobbyists to becoming professional content creators, thereby attracting strategic collaborations with brands and agencies through well-defined media kits, pricing structures, and niches.

Importance of studying the impact of Influencer Marketing on Consumer Behavior

Influencer marketing significantly affects consumers' purchasing decisions. Exploring this effect aids in grasping the motivations, triggers, and trends related to consumer behaviour, providing valuable insights into the factors that shape their choices. Assessing the influence of influencer marketing supports the creation of more precise and effective marketing tactics. By identifying which influencers connect best with particular demographics, marketers can customize their approaches to more effectively reach and engage their target audience. Reviewing the results of influencer campaigns allows for evaluating their success. Trust and credibility are essential in influencer marketing, as they foster a connection with their audience, affecting buying choices. Examining the effects of influencer marketing reveals how collaborations with influencers enhance brand perception, visibility, and recall among consumers. Given that the world of influencer marketing is continually changing, understanding its effects allows marketers to adapt and innovate their strategies accordingly. This adaptability is vital for remaining relevant and effective in connecting with the target audience. Insights gained from analysing the effects of influencer marketing can provide a competitive advantage. Brands that understand how to effectively utilize influencers are positioned ahead of their rivals in attracting consumer attention and engagement. Conducting research on this subject not only enhances academic understanding but also provides practical insights applicable to real-world marketing situations, benefiting both businesses and marketers.

3. REVIEW OF THE LITERATURE :

Influencer marketing, as noted by Sudha M. and Dr. Sheena K., represents a type of word-of-mouth marketing conducted via social media. An influencer can be any individual, collective, brand, or location that wields some level of influence. Influencers possess the ability to sway their audience and can be utilized by brands to enhance their reach, sales, or engagement levels. This strategy can also help to boost a brand's credibility or stimulate discussions around it. The increasing popularity of influencer marketing has led brands to recognize the necessity for a change in focus. Consumers tend to trust influencers more than traditional brands when it comes to the promotion of products. The effectiveness of influencer marketing is derived from three main components: reach, relevance, and resonance. Research by Felicia Kalu (2019) highlights that male millennials in the fashion industry often show less familiarity with conventional marketing methods. This generation is composed of individuals who are perpetually online, with their peers having a significant impact on their purchasing choices. They exhibit selectivity regarding the advertisements they engage with. Consequently, to connect effectively with this demographic via online advertising, brands should adopt influencer marketing strategies. Additional research into consumer behavior in the fashion sector indicates that blogs significantly influence younger women and can indirectly foster connections with a company's target audience. Positive feedback on a purchase provides these consumers with validation and, alongside a trustworthy source, helps the brand earn their confidence, fostering long-term relationships that can ultimately boost sales (Sudha M., Sheena K., 2017). Among millennials, Instagram stands out as the favored social media platform, as it features visual content in the form of images and videos that effectively evoke emotions (Felicia Kalu, 2019). However, influencer marketing might not directly influence purchasing intentions, according to Ida Kristin Johansen and Camilla Guldvik (2017). Several factors impact consumers' purchasing intentions: the influencer's trustworthiness, the quality of the content, the relevance between the influencer and the product, and the consumer's engagement level (Lê Giang Nam, Hoàng Thái Dân, 2018). Lisichkova, Othman, and Zeina (2017) found that key influencer characteristics, such as authenticity, trustworthiness, credibility, competence, expertise, legitimacy, and honesty, significantly influence followers. The relationship between popularity and actual influence is not particularly strong (Romero, 2011). Individuals tend to relate more to influencers than to celebrities. These ordinary figures inspire more trust among the audience, making consumers more inclined to buy products they endorse. Research conducted by Hwa and Cheah (2017) indicated that people are more likely to accept messages from brands endorsed by social media influencers they admire or perceive as similar to themselves. Additionally, as pointed out by Felicia Kalu (2019), the physical appearance of an influencer notably affects purchasing decisions, as consumers often wish to align with the influencer's image. Technology has ushered in a generation of tech-savvy consumers who demand higher levels of engagement and information prior to making purchases. Customers seek credible content and opinions that assist them in their product decisions. Therefore, brands should integrate influencer marketing into their overall marketing strategies. Nevertheless, brands must recognize that consumers can be influenced in various ways, and companies engaging with this strategy must also be mindful of the potential risks associated with working with influencers (Stefan, Maria, 2020).

4) RATIONALE OF RESEARCH :

The aim of the research was to evaluate the effectiveness and influence of influencer marketing. At the same time, the study sought to gain insights into how consumers perceive influencer marketing. It was essential to examine its effects on consumer behaviour and purchasing decisions.

By understanding the influence of influencer marketing and consumers' attitudes towards it, brands will have a clearer idea of where it can be utilized effectively. By considering consumers' perspectives, a brand can strategically plan its implementation to achieve profitable results.

5) METHODOLOGY AND DESIGN :

The primary data is collected from a sample of 30 willing participants, through a questionnaire. The methodology used is descriptive.

The necessary data was obtained by reaching out to more 40 individuals, out of which only 30 responded. The sample comprised of people of different diversities to ensure the conclusion to be unbiased.

The questionnaire comprised of 10 questions, consisting of either answers in the form of multiple choice or rating from 1 to 5.

The questionnaire was articulated in colloquial language, for the ease of understanding. The questions were framed to understand from sample's social media presence, to, the influencers they follow (or not) and their impact on their buying behaviour.

6) RESEARCH OBJECTIVES :

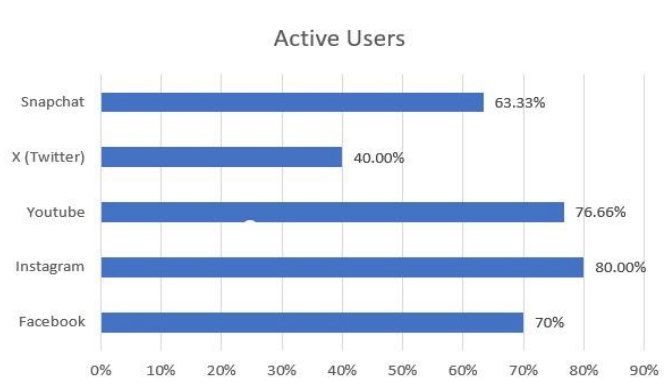
- To understand the power of influencer marketing
- To study the outlook of consumers towards influencer marketing
- To study the buying behaviour of consumers who follow influencers
- To determine the extent of impact of influencer marketing

7) ANALYSIS AND INTERPRETATION :

The analysis and interpretation of the data collected from each question are as follows:-

Q1) Choose every social media platform on which you are active.

- Facebook
- Instagram
- YouTube
- X (Twitter)
- Snapchat
- None of the above
- All of the above



The purpose of the question was to learn about the different social media platforms that the respondents were using. The information can be utilised to wisely choose which social media channels to target in order to increase engagements by determining which one provides the most traffic.

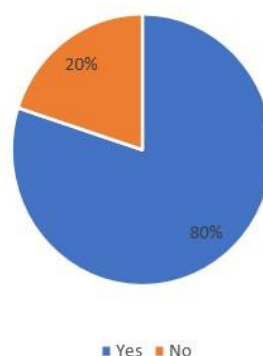
From the above depicted data, it can be interpreted that Instagram is the most widely used social media platform, hence the most appealing to the majority of the responders with 24 out of 30 responders being active on it, making it the platform with 80% users amongst the responders.

Instagram is followed by the video sharing app, YouTube with 76.66% users amongst all the responders. Facebook being one of the oldest social media platforms has been successfully managed to appeal 70% active users amongst the 30 users. Whereas, X and Snapchat have enveloped 40% and 63.33% of active users.

Brands while planning and executing influencer marketing can scheme about which social media platform to invest in depending on various criterias like number of platforms to be invested, the budget, etc, so as to get desirable outcome. Making a decision based on data, increases the probability of getting expected results.

Q2) Do you follow any influencers on social media?

- Yes
- No



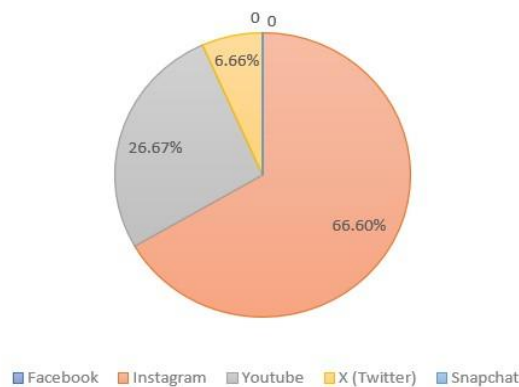
The purpose of the question was to determine whether or not respondents were aware of the idea of influencers and influencer marketing, as well as whether or not they followed any influencers.

According to the data gathered from this questionnaire, 80% of the respondents followed influencers on social media platforms. As a result, these individuals can be identified by brands as the target audience for their influencer marketing. With such strong influencer following, a brand can use influencer marketing to reach its target audience in a much easier and cheaper way.

For marketers, influencers can be used to raise awareness about their brands, to influence their purchase - benefitting their brand.

Q3) Among the following, on which social media platform do you follow the MOST no. of influencers on?

- Facebook
- Instagram
- Snapchat
- (X) Twitter
- YouTube



The goal was to determine which social media channels are most used by survey responders for content consumption and influencer following.

Determining this would assist the brands in creating influencer marketing plans tailored to the platform that generates the highest volume of traffic appropriate for their offering.

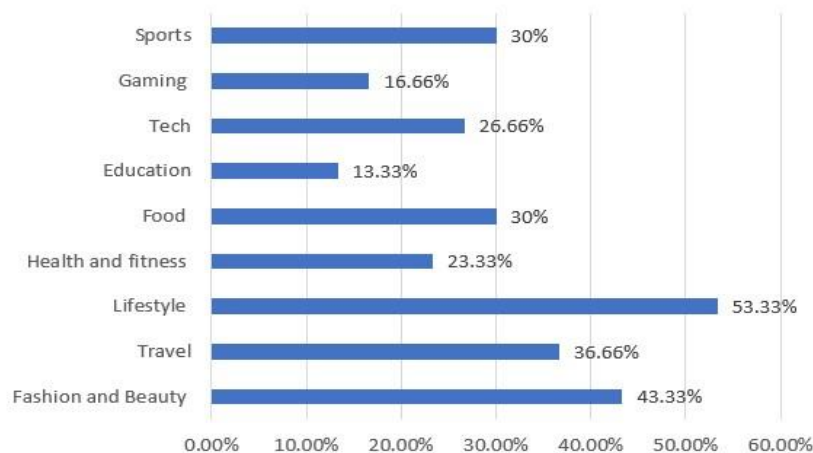
Customers are in the spotlight, and brands need to follow their lead if they want to participate in interesting conversation.

Marketers must determine which are the most widely used platforms in order to reach their target audience, establish a connection with them, and introduce new brands and products to emerging communities by means of an influencer's reliable relationship with his community.

As it can be determined from the above-mentioned data that Instagram is the platform where the majority of the responders, i.e., 19 out of 30 (66.66%) follow the most of the influencers; followed by YouTube with 9 responders having follow the highest influencers on the platform. X on the other hand has only 2 responders, meanwhile, Snapchat and Facebook have no responders who follow the most influencers on these social media platforms.

Q4) Select the categories represented by influencers that you follow.

- Fashion and Beauty
- Travel
- Lifestyle
- Health and fitness
- Food
- Education
- Tech
- Gaming
- Sports

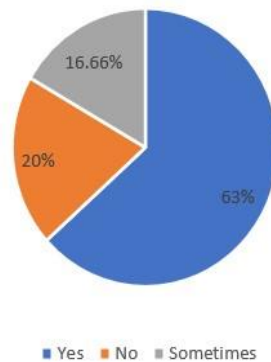


To make most of influencer marketing, it is important for brands to identify the most favourable verticals where people gravitate towards digital influencers because they value the content created by them in relevance to these verticals and this gives an opportunity to brands to incorporate their messages into the content produced by the influencers.

Brands should allow the influencers to stay true to themselves when they are working on sponsored content if they want to capture the trust of their followers for the brand.

Q5) Do you research before buying something or before availing a service?

- a) Yes
- b) No
- c) Sometimes



The purpose of this question was to learn about the respondents' pre-purchase habits for any goods or services they may use. Before making a purchase, do they like to learn more about a product through reviews and product descriptions, or do they want to use the product directly and not look for feedback from other users?

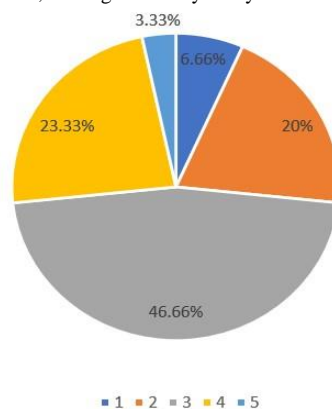
The data collected suggests that 63.33 % of the respondents prefer researching before making a purchasing decision whereas 20% of the respondents would research occasionally. And 16.66% would rather just buy the product/service without any research.

Q6) How likely is it for influencers to affect your decisions?

Influencers have a following that is distinct and niche and who are likely to be influenced by the opinion of the influencer due to their command or expertise over that niche.

On the other hand, some people follow influencers not for the brands they support, but rather because they are celebrities or because of the material they create. Their opinions on the brands and the products they offer might not have an impact on these followers.

The option provided was to rate on a scale of 1-5, 5 being extremely likely and 1 being extremely unlikely.

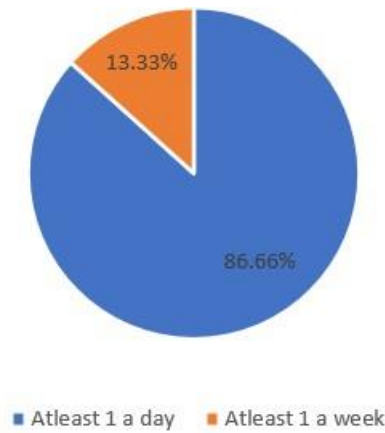


The data suggests that a majority 46.66% of respondents were neutral and rated 3 on a scale of 5, whereas 23.33% rated 4 and 3.33% rated 5 on scale of 5, admitting the favourable likeliness for influencers affecting their purchasing decision. However, 20% of respondents rated 2 and 6.66% respondents rated 1 depicting unlikeliness of their purchasing decision to be affected consciously by the influencers.

It can be determined from the above data that often consumers are motivated, then they would make a purchase on an influencer's recommendation by clicking on a shared link or image.

Q7) How often do you discover a new brand or product from an influencer? a) At least 1 in a day

- a) At least 1 in a week

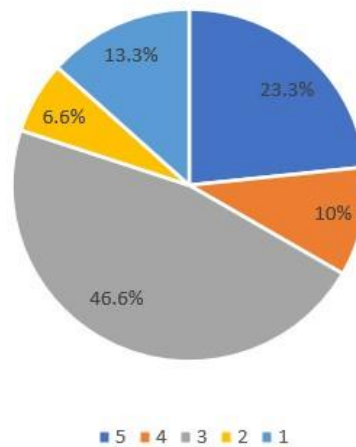


As many as 87% (26) claim to find at least one new brand or product from an influencer weekly, and 13.33% (4) claim to do so every day, demonstrating how frequently consumers discover new products and brands through influencers.

Marketers can understand for consumers looking for inspiration on what to buy, influencers are excellent resources. Yet, one cannot deny that with mass brand bombardment, a brand can easily get forgotten if no lasting impression is left by the influencers used for marketing and the tactic/way of promotion.

Q8) How likely are you to avail a service or purchase a product because it was trending?

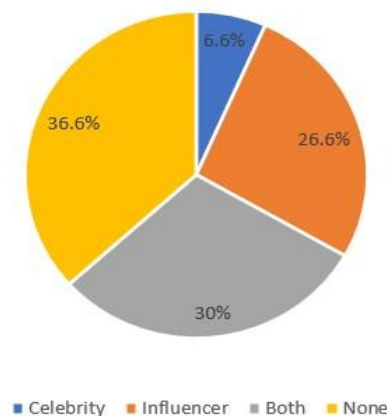
This question seeks to understand respondents purchasing behaviour to the social media trends and how likely are they affected by 'FOMO- Fear of Missing Out' The option provided was to rate on a scale of 1-5, 5 being extremely likely and 1 being extremely unlikely.



Based on the data collected, on a scale of 1 – 5, with 5 being extremely likely and 1 being extremely unlikely, 33% respondents have agreed that they have purchased something because it was trending. 47% remain neutral and around 20% have never made a purchasing decision based on the trend.

Q9) For a purchase decision, who is more likely to influence you?

- b) Celebrity
- c) Influencer
- d) Both
- e) None



From the data, it can be observed that 6.6% of the responders will get influenced by a celebrity for a certain purchase, whereas, 26.6% would get influenced by influencers. On the other hand, 36.6% will not get influenced by either of these and 30% can get influenced by both.

This leads us to the conclusion that, among those whose purchasing decisions are impacted by others, influencers have a stronger effect on the decisions made by a broader group. Because of this, it's critical for firms to use influencer marketing if they want to stay competitive.

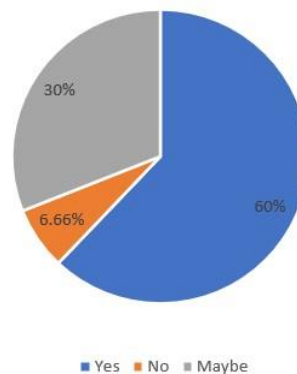
Additional logic supporting this: It's a common misconception that celebrities who endorse items don't actually use them themselves.

Because the celebrities are receiving payment, the public is aware that they are endorsing the brand. This causes viewers to act superficially and breed mistrust in one another.

Thus, there are fewer people who follow celebrities with diligence and would buy whatever they are promoting, irrespective of opinions of others. Unlike celebrities, influencers can be anywhere and can be anyone. They have followers worldwide, which is what makes them influential. They seem like ordinary people just like us and may have fewer followers, but yet they would have developed a reputation of high-knowledge and experts in their fields. And depending on their expertise, they create engaging posts on social media, make engaging videos, and run online discussions which are highly informative. This gives the brands an opportunity to create awareness about themselves by getting influencers to talk about them in their social media posts or stories. They are the ones who have built trust among their online community and their followers trust them for honest reviews on the brands they are sponsoring. This consciously or subconsciously affects the choice of consumers, whenever they are making the purchase decision. Influencers also help in brand-recall by creating multiple posts, with different content, promoting the brand, and also, with multiple influencers promote that particular brand whereas this option of different content becomes limited when it comes to advertisements, especially with celebrities as it can be costly to the company. Also, influencer marketing helps in preventing ad-fatigue, and overcome the problem of ads being skipped online by the viewers.

Q10) Do you believe with influencer marketing, brands can effectively target interested groups?

- a) Yes
- b) No
- c) Maybe



This question was to find out the respondent's perspective regarding the ability and influencer marketing's accuracy in successfully targeting demographics.

People are tuning in to their favourite Instagram influencer, or YouTube star, for recommendations on their purchasing decisions. The data gathered suggests that 60% respondents agree that influencer marketing can effectively target the desired demographics, whereas 30% disagreed to this and 6.66% were not sure and were of the opinion – maybe. Influencer marketing helps in targeting the demographics, sometimes even influencers who have only 10,000 followers, can generate huge business to the brands. This is because they are specifically targeting those interested 10,000 people and these people are the potential consumers, and command devising the marketing strategies.

8) FINDINGS :

From the research, it can be observed that influencers have huge impact on consumers and their buying behaviour. Following are the major findings of the research.

- Instagram is the most widely used social media platform with 80% active users amongst the responders, followed by the video sharing app, YouTube with 76.66% users amongst all the responders. Facebook had 70% active users. Whereas, X and Snapchat have enveloped 40% and 63.33% of active users.
- Instagram is the platform where the majority of the responders, i.e., 19 out of 30 (66.66%) follow the most of the influencers; followed by YouTube with 9 responders. X on the other hand has only 2 responders, meanwhile, Snapchat and Facebook have none.
- On the likelihood of influencers affecting their purchasing behaviour, 46.66% of respondents were neutral and rated 3 on a scale of 5, whereas 23.33% rated 4 and 3.33% rated 5. However, 20% of respondents rated 2 and 6.66% respondents rated 1 depicting unlikelihood of their purchasing decision to be affected consciously by the influencers.

- According to the data collected, 60% of respondents believed that influencer marketing can successfully target the desired demographics, while 30% disagreed and 6.66% were unsure or thought it might work.

9) SIGNIFICANCE, CONCLUSION AND RECOMMENDATIONS :

Today's consumers are able to make informed choices because they have access to information they research before making a purchasing decision, and influencers have ability to mould their opinion. The larger reach has made influencer marketing lucrative to influencers and brands. For influencer marketing to be successful, it must be authentic, it must be consumer generated content and influencer frauds should not be done.

The research helped in making observations which would play a key role in planning and executing of digital marketing strategies. As the findings suggest that influencers have a huge impact on consumers' buying behaviour at the same time, have concluded the platforms and the traffic they attract; all of this can be kept in mind while strategizing to reach target audience.

Brands are highly recommended to not undermine the value and impact of influencer marketing. It is important to keep the interest of consumers in mind, and accordingly plan out to reach them via influencers. Brands should be wary of the influencers they are using as; they should be selective of the influencers who go with their brand's image. Marketers should also be very careful while picking social media platform to run their influencer marketing campaign.

Lastly, the study indicates that consumers' decisions to buy a product are heavily influenced by influencers. Being relatable creates openness between the brand and consumer, while being knowledgeable reflects insight and awareness of the beauty world in a larger context.

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