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**THE IMPACT OF INFLUENCER MARKETING ON CONSUMER BEHAVIOR**

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**ABSTRACT**

Influencer marketing is a type of social media marketing that involves using influential individuals, often referred to as influencers, to promote a product or service to their followers on social media platforms. Influencer marketing can be a highly effective way to reach new audiences, build brand awareness, and increase sales. However, it also requires careful planning, targeting, and measurement to ensure that the right influencers are chosen and that the campaign objectives are achieved. This study aimed to examine the impact of social media influencers on consumers' brand recognition and purchase intentions. The findings of the study reveal that consumers were more likely to consider purchasing a product if it was recommended by an influencer they followed. The study also found that influencers' endorsements positively impacted brand recognition and credibility. Based on the findings, it is recommended that brands collaborate with influencers on social media platforms to increase brand recognition and positively influence consumers' purchase intentions. Additionally, brands should consider creating more engaging and interactive content to improve consumers' engagement and interest in their products. It is also suggested that further research be conducted on the long-term effects of influencer marketing on consumer behavior.

***KEYWORDS: Influencer marketing, purchase intentions, social media.*****INTRODUCTION**

As a direct consequence of the growth of mobile devices and the popularity of social media platforms, there has been a considerable rise not only in the number of people who are deemed to be influencers but also in the number of people who are exposed to the material that these influencers produce. The technique of using popular individuals on social media, commonly known as "influencers," to promote a company's goods or services is referred to as "influencer marketing," and the word "influencer" is used interchangeably with

"influencer." such users of social media platforms like Instagram, TikTok, YouTube, and Twitter who have a substantial following and are recognized as "influencers" have the potential to target this audience with commercial endorsements via the use of such platforms.

The hosting of competitions, the publication of branded content, and the production of branded goods are all examples of this strategy. The goal of influencer marketing is to use the power of influential people in order to raise brand awareness, improve sales, and attract new customers. This may be accomplished by using the power of influencers. Influencers may be placed into one of four categories: nano, micro, macro, or mega, depending on the number of people that they are able to contact and the quantity of cooperation that they get. A sizeable portion of these users rose to popularity as a direct and immediate consequence of the widespread adoption of social media among individuals of all ages, but especially among persons in their younger years. The articles that they post are mostly responsible for this phenomenon for the most part. On social media, you'll come across a lot of people who will try to convince you that influencers are nothing more than online friends who will try to sell you products and services.

The worldwide market for influencer marketing is projected to reach \$15 billion by 2022, with a compound annual growth rate (CAGR) of 23% between 2019 and 2022. This increase will be driven by the rising popularity of micro-influencers. As a method of connecting with customers in a manner that is more genuine and interesting, influencer marketing is gaining popularity among businesses of all sizes and in all fields. This is because influencer marketing offers several advantages. Sponsored content and product reviews are only two examples of the many various guises that influencer marketing may take. There are also many more possibilities. On the other hand, the realm of influencer marketing is not free of difficulties. The business sector is plagued by a severe lack of regulation, as well as a lack of uniformity in its operations.

As a direct result of this, there has been a rise in the practice of "influencer fraud," which refers to the employment of fictitious influencers that have followers that have been purchased to promote various companies. Another obstacle is the need that businesses constantly modify their product and service offerings to accommodate the ever-shifting tastes of their clientele. In spite of these limitations, it is projected that influencer marketing will continue to gain popularity as a technique for companies to engage with the audiences they target and to enhance the number of conversions they obtain. This is because influencer marketing is seen as a more effective way for businesses to interact with their customers. The return on investment (ROI) that may be produced via the use of influencer marketing is becoming an increasingly important statistic for firms. "Influencer marketing" refers to the technique of employing well-known people in an effort to boost both the visibility of a business and the number of products sold via various social media platforms.

## **INFLUENCE MARKETING**

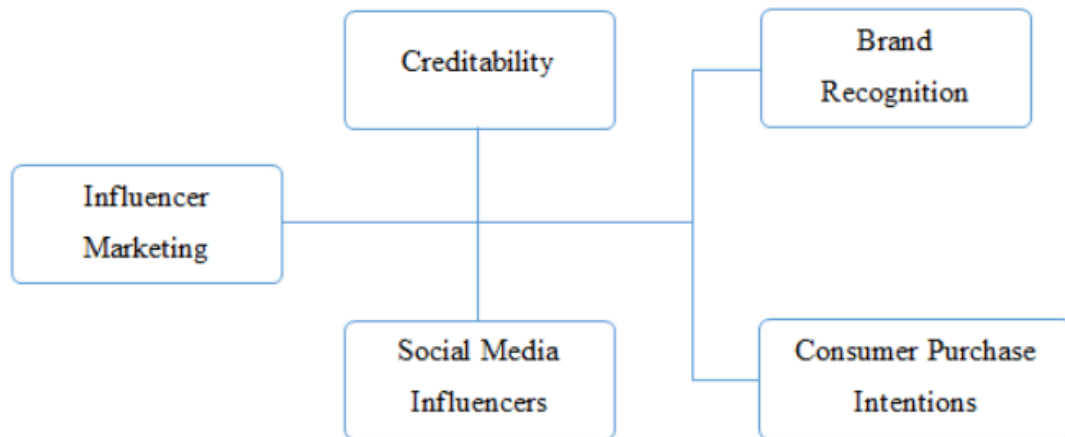
As a creative method that has grown more popular as a way of gaining attention on social media, marketing that is based on influence is becoming more common. Influence marketing is a kind of marketing that involves the promotion of businesses, goods, or services via the influencing of the ideas and actions of important individuals.

## **INFLUENCE MARKETING AND BRAND RECOGNITION**

Many times, the ultimate aims of influence marketing efforts are to raise the level of brand awareness among customers as well as to improve the reputation of the company in their thoughts. The degree to which the perceptions that consumers have of a brand that is being promoted have a direct effect on the degree to which those perceptions are consistent with how the brand is represented by the influencers who are promoting the brand has a direct impact on the degree to which those perceptions are congruent with how the brand is depicted by the influencers who are promoting the brand. This, in turn, has an immediate influence on the customers' intention to make a purchase.

## **INFLUENCE MARKETING AND PURCHASE INTENTION**

Numerous pieces of study have conclusively proved that persuasive marketing methods have a considerable impact on the purchasing choices made by clients. On the other hand, prior to making a purchase, the vast majority of customers do an internet search to learn what other customers have to say about the product that is the subject of their interest. Some clients, prior to settling on a single recommendation, do research on a number of other items and their prices. There is an increased likelihood that customers will have a positive perception of the influencers if all three of the parameters outlined below are met: source attractiveness, source familiarity, and product compatibility. On the other hand, studies have demonstrated that the legitimacy of the source has a very little effect on the way an influencer thinks. In addition to this, social media influencers that go on trips greatly improve their connections with their followers. This is because the information that these influencers provide is significantly of a higher quality and more trustworthy after the trip.



## RATIONALE OF THE STUDY

There are several research gaps in the existing literature on influencer marketing. Firstly, most of the research has only evaluated the impact of influencer marketing on consumers' purchase intentions and not on brand recognition. Secondly, the impact of influencer marketing on consumers' purchase intentions has been studied in various locations, but there is a lack of research on its impact specifically in the Mumbai suburban region. Thirdly, the impact of influencer marketing on consumers' purchase intentions has been mainly studied in specific industries such as food, travel, and beauty, and there is a need for research that covers all industries. Finally, there is a lack of focus on identifying the best social media platforms to be used for influencer marketing. Addressing these research gaps can provide insights into the effectiveness of influencer marketing and help brands to make informed decisions about their marketing strategies.

## OBJECTIVE

1. To examine different social media platforms frequently used by influencers.
2. To examine the impact of influencers on the purchase intention of consumers.

## RESEARCH APPROACH

When doing research, one may choose to draw conclusions using either the deductive or inductive method on their own, or both techniques may be used together. In order to develop hypotheses that can be verified by further investigation, deductive research depends on previous assumptions that may be validated or invalidated by the evidence that is gathered. It has been shown by Bell et al. to be the approach that best illustrates the relationship between theory and research, and it is often used in the process of scientific investigation. Researchers, armed with their theoretical skills, first come up with one or more hypotheses,

which are subsequently operationalized by connecting them to various concepts or models included inside an analysis.

On the other hand, the inductive technique starts with the collecting of data via observations or experiments before going on to the analysis of the findings. This is done before drawing any conclusions about the data. The objective of this research is to first acquire knowledge about the history of the problem at hand and then, using that knowledge as a foundation, develop a theory (ibid). It is also about drawing reliable, broad conclusions based on generalizations that are derived from real facts and putting those generalizations into conclusions.

When there is a wealth of previous literature in the topic that can be utilized to construct a theoretical framework and tested hypotheses, Saunders et al. argue that it is best to use the deductive technique 22. This is because the deductive method allows for more accurate predictions. Nevertheless, the inductive technique shines when the area is unique and there is little literature that is already accessible.

Although there is a variety of published material on the subject of influencer marketing, it is difficult for us to discover research that investigate the effects of this kind of advertising, particularly on the youngest customers of the fashion and beauty sectors. In addition to this, not a lot of research has been done on influencers in addition to regular social media users. We make use of an inductive approach since this is often how case studies that are based on qualitative research methodologies handle the relationship that exists between theory and facts.

## **RESEARCH METHODS**

There are two research methods respectively called quantitative method and qualitative method used to collect, process and analyze data. What differentiates these two methods are the way they collect data and the way they analyze it.

Regarding the quantitative method, it uses numerical data and is presented in the form of numbers and statistics. This method is used when the data can be measured or analyzed in numbers. On the other hand, the qualitative method uses non numerical data and is mostly presented in words. This method is used when the goal is to go deeper in the research and when it is impossible to measure or use numbers to translate information. Moreover, it is used to have a better “understanding of human behavior and functions”.

Regarding our study we chose to do a qualitative study. In fact, regarding our area and our field of study with influencer marketing within the beauty and fashion industry the goal here is to go deeper in the subject and

understand the consumer behavior related to it. “Qualitative methods provide in-depth reports of underlying processes and can help frame hypotheses that test specific functional relationships”. Here, we want to understand the relationship between the influencers used by the companies and their followers to put in light potential effects it can have on consumer behavior.

## **RESEARCH DESIGN**

Qualitative research gives the opportunity to genuinely reveal the perspectives of the interviewed people and there is a much greater interest in the interviewee’s point of view, which is interesting for this research as our aim was to understand how influencers can have an impact on their followers' consuming behavior. This implies that it is the perspectives and knowledge of people we interview that is required to understand the influencer/follower relationship and how this relationship impacts the consumers behavior.

The interviews are given to heterogeneous people. As our goal is to have the point of view of the user of the networks/followers but also of the influencer, we interviewed 7 followers in order to learn more about their vision of the influencers, and what they bring to them. We also interviewed 3 influencers to learn what constitutes their role and what they think of their relationship with their followers and with the companies they work with and if they have an opinion about their own influence on the social networks. Finally, we interviewed 2 companies in the fashion and beauty industries to better understand how they work with influencers and what it brings them. During these interviews, the focus is on the main goal of the influencer marketing regarding each point of views (Company, influencer, consumer) and on the behavioral impact of this strategy on the teenagers and young adults.

A case study design was used in this thesis. The case study is the fashion and beauty industry, and within this case, three entities are considering: fashion/lifestyle influencers, brands using those influencers as a marketing strategy and users of social media following fashion/lifestyle influencers. This design enables to examine relationships between different variables as well as understanding broader issues or allowing generalization to be challenged. The variables in this study are the use of influencers as a marketing strategy on one hand, and consumer behavior on the other hand.



**Figure 1 Case study in the fashion and beauty industry**

## ANALYSIS AND DISCUSSION

Today, there are many platforms for sharing and interacting between people but the most popular is Instagram. Indeed, this social network allows influencers to post visual contents which pleases users enormously and generates engagement as Duggan and Smith had explained. For followers, this craze for sharing photos and videos of their favorite personality influences their use of social networks. Indeed, followers think that their use of social networks and especially Instagram would be lower if influencers did not exist. This shows us that Influencers have an impact on the use that followers make of social networks.

Thanks to social media, the interactions between consumers, brands and followers are easier and quicker. In our case the followers interact with followers and brands by liking, commenting and sharing their contents with other people. Influencers try to involve a lot of their followers even if they don't directly interact with them as they are numerous. By involving them they create engagement which is what brands want. Indeed, if the consumers are engaged it allows brands to learn about them and adapt their response and offers.

By interacting with influencers, the followers also interact with brands and help to spread marketing messages as well as encourage others to do the same thing.

Information is spread very quickly thanks to social media as there are no geographical or temporal barriers. When influencers post content on Instagram, the followers can interact with them and share the content with others. The followers help to diffuse the marketing message posted by influencers and brands. It is an

electronic version of the word-of-mouth; people share the content to others which then share also the content. The goal here is to spread an idea, an opinion, a brand image to as many as possible in order to involve them as well and to encourage them to buy. Thanks to social media the influencers and the brands obtain more visibility and reach their goal in terms of sales or engagement.

Social media marketing is a very powerful tool. By connecting a lot of people while removing geographical and temporal barriers, social networks like Instagram play an important role for brands and influencers. Indeed, thanks to a single platform, like Instagram, companies can interact and engage consumers. Influencers share content on the network and create commitment from their followers. By sharing, liking and commenting on the posted content, followers spread marketing information and give visibility to brands. Finally, we can say that brands, thanks to influencers, use social media and the interactions created as a tool to promote ideas, products and services.

## **PRINCIPLES OF INFLUENCE**

Cialdini identified six variables that serve as the foundation for the principles of influence. These considerations are used in the practice of influencer marketing, and they contribute to a better understanding of the impact that influencers have on customers. When we interviewed influencers, one of the questions we asked was to describe what influence means to them. They are all in agreement that having influence means being able to change the typical actions and decisions that their followers make, such as encouraging them to engage in the same activities and invest in the same goods. When we look at the six different principles of influence, we can see that a person's level of influence changes depending on how many of the principles they apply. When it comes to the interviewees who are considered to be influential, the bulk of the principles are followed by them. Indeed, influencers generate in their audience this sensation of being beholden to them by providing material, suggestions, and promo codes and by engaging their followers to reply to their tales or with competitions for example. This emotion relates to the idea of reciprocity and consistency. Influencers create this feeling in their audience by engaging their followers to answer their stories.

In addition, with relation to the concept of social proof, influencers acquire credibility and are seen as individuals with competence by their followers as a result of their popularity on social media platforms and the vast number of people who follow them. Concerning the concept of scarcity, when influencers publish offers on social networks, such offers are often restricted in time or number; as a result, the influencers have a greater impact on the purchasing decisions of their followers. In conclusion, the majority of individuals who follow a certain person do so because they find that person to be someone with whom they have similarities,



and in terms of the last principle, which is "liking" someone, this makes them more inclined to support that person.

## THE CREDIBILITY OF INFLUENCER

Influencer marketing is a powerful tool for brands and can have an important impact. But if brands want of this impact to be beneficial for them, they have to choose carefully the influencers they want to work with. In this subsection is discussed how the influencers are perceived by the follower according to four factors, in order to determine whether the credibility of the influencer has an impact on the brands the influencers work with.

In the SMIV model, there are three criteria that are mentioned to determine the amount of persuasiveness influencers have on their followers. These three factors are the attractiveness of the influencer, their trustworthiness, and their level of knowledge. Our results indicate that younger followers, in general, are more likely to trust what influencers will say or exhibit on their social media platforms because they qualify them as being experts in a certain subject. This is the case because younger followers classify influencers as being experts in a specific industry. This may be explained by the fact that young individuals have a greater susceptibility to being taken in by falsehoods. On the other hand, more experienced followers do not see influencers as being experts in any topic.

Because of this facts, we are able to draw the conclusion that the presence or absence of knowledge among influencers does not affect the decision of their followers about whether or not to follow them or engage with them. As a result, a company does not need to prioritize expertise when selecting influencers with whom they wish to collaborate. In order to work with influencers who are relevant to the product they want them to promote, they take into account the kind of material the influencer publishes on social media rather than looking at the influencer's overall following. The trustworthiness of influencers is the second component that contributes to the credibility of these individuals.

Based on our results, it's clear that followers' attitudes about influencers range from trust to distrust, depending on the nature of the latter's history. Accordingly, the influencers who were interviewed believe that they are completely trustworthy, although they did acknowledge that there are some influencers who are not concerned with the effect that they have on communities. When a business begins working with an influencer, that person essentially becomes a direct messenger for the firm. For this reason, companies give considerable consideration to this aspect of the relationship. The attractiveness of influencers is the third and last criteria that is utilized to assess the degree of persuasiveness each influencer has. Our research has shown that those who follow influencers do so because they find those influencers attractive; in some cases, they follow

influencers specifically because of their beauty. Again, the businesses are fully aware of this reality, and when hiring influencers, they take it into consideration as one of the criteria.

## CONCLUSION

In conclusion, the analysis of the survey data has provided valuable insights into the use of social media platforms by influencers and their impact on brand recognition and consumer purchase intention. The data revealed that Instagram is the most frequently used social media platform by influencers, followed by YouTube and Facebook. This highlights the importance of Instagram in influencer marketing strategies. The use of various strategies by influencers, such as sponsored posts, product reviews, and giveaways, can greatly influence consumer behaviour and purchase intention. The study also found that influencer promotions on social media have a significant impact on brand recognition, as indicated by the high percentage of respondents who agreed or strongly agreed with this statement. Furthermore, the data indicated that consumers are more likely to try a brand's products if they are endorsed by an influencer they follow. This suggests that influencer marketing can be an effective tool for brands to increase their sales and market share.

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