

Era Of Influencer Marketing: A Review Report

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ABSTRACT:

Social media influencer marketing is a recent innovation in digital advertising. Social media influencers are those who use images, videos, and other posts on social media platforms to affect consumers' impressions of a company or product. Social media advertising is done extremely subtly, almost subconsciously, and has a long-lasting effect on the public. When executed well, it engages the user, is interactive, and creates a relationship with them rather than just appealing to their logical side. Influencer marketing is becoming more popular as a result of word-of-mouth marketing trends. Organisations are recognising the potential of influencers in influencing a purchasing choice as customers use social media platforms. The purpose of this paper is to provide a comprehensive overview of influencer marketing prospects and problems, as well as to determine the relative influence of influencer marketing on consumer purchasing behaviour. According to the study, peer influence had no impact on consumer behaviour, but attitudes toward influencers and a perception of behavioural control that permits an increase in domain knowledge did. According to the findings, credibility of influencers is significantly influenced directly by trustworthiness, information quality, and entertainment value, as well as significantly influenced indirectly by these factors and consumers' intention to make purchases. Additionally, a consumer's desire to make a purchase is directly influenced by the credibility and trustworthiness of an influencer.

Keywords: Digital marketing, social media, influencer marketing, perception, advertising, domain knowledge, trustworthiness, credibility.

INTRODUCTION:

The digital revolution has affected all aspects of our lives. From consuming news and social media updates through smartphones to ordering groceries online. To booking a cab, consumer today have a presence in the virtual world as oppose to the offline world. And that the way where consumers needs everything at the click of a button. Due to the immense propagation of social media, the concept of influencer marketing has emerged. Social media influencer marketing is a recent innovation in digital advertising. This trend indicates the rise of influencers an extension of word of mouth campaign. As majority of population engaged on social media platform, many organisations are realising power of influencers in affecting a purchase decision. According to the Keller fay Group, micro influencers are the marketing's biggest opportunity. These micro influencers are being used for customer acquisition and brand engagement, identifying the right kind of influencer who would have the strongest impact on a particular target group by promoting the right brand message remains a challenge. Higher return on investment, content that is more trustworthy, better engagement with the relevant target audience, near rea-time responses from consumers is resulting in the growing opportunity of influencer marketing. According to the findings, credibility of influencers is significantly influenced directly by trustworthiness, information quality, and entertainment

value, as well as significantly influenced indirectly by these factors and consumers' intention to make purchases. Additionally, a consumer's desire to make a purchase is directly influenced by the credibility and trustworthiness of an influencer.

Considerably reformation of advertising industry through social media.

The act of promoting and selling goods or services through individuals (influencers) who have the potential to have an impact on the reputation or brand is known as influencer marketing. Through their material, opinions, and unique perspectives, influencers, or those who influence, have a strong hold on users across social media. It transforms the concept of celebrity endorsement into a content-driven marketing campaign for the modern era. Because companies and influencers work together to create the campaign's results, that is influencer marketing's key differentiation. Many social media platforms are quite popular in India including Facebook, YouTube, Instagram, Twitter, Snapchat, etc. People keep on scrolling through their social media accounts most of the time. Whether they are working professionals or non-professionals, social media is something that connects all the people together. Platforms may differ for different fields but the intention would be the same. People always tend to follow their interest/passion irrespective of how busy they are in their everyday life. This is what keeps them going and motivated. Some people use

social media for various reasons. People might use platforms such as LinkedIn for building their network and other business reasons. Twitter is a platform where people keep posting formal information on a daily basis. Instagram and Facebook might be mostly for recreational purposes and other reasons might also be included here. On all these platforms, one thing that is common is that, along with people posting their wish, they will also be able to follow other people and their interests also. There are various categories such as Fitness, Travel, Lifestyle, Food, Technology, Entrepreneurship, Automobile, Finance, Gaming, Beauty-Skincare, Books, Luxury, Entertainment, Photography, Fashion, Make-Up, Art, Pet, Health, Parenting and many more. People follow certain people on these platforms who have gained a huge following because of their content and engagement. These personalities are called influencers because they do play an important role in influencing people about their decisions. Those that post the most intriguing material are climbing to the top of influencers' awareness in their industry thanks to the strength of social media and the capacity for anyone with a smartphone and internet connection to pump out viral content. Influencer marketing has been around for a while, but it has only recently gained popularity and grown to be a significant part of marketing plans for companies. Engaging with influencers on social media is still seen by marketers as a top marketing trend. Influencers are the people who have gained a trust and share a bond with consumers where the consumers get influenced by these influencers' decisions. They have a following based on a distinct niche with whom they are actively engaged. Their following size depends on the topics and contents covered by the influencer. One of the main reasons for an influencer to influence other people is mainly because of knowledge, authority, impact, or connection to their audience. Irrespective of any brands, the consumers usually follow the influencers mainly because of their opinions and their experience with the product. This following can have a positive and negative impact for the brand. PewDiePie, a well-known YouTuber, served as an early example of influencer marketing. He collaborated with the creators of a horror film set in the French catacombs beneath Paris to produce a number of videos in which he overcame problems there. It earned almost twice as many views as the movie's trailer and was the ideal fodder for PewDiePie's 27 million members. Influencers can be found anywhere, unlike celebrities. Anybody could

qualify. Their significant online and social media audiences are what give them influence. An influencer could be a well-known fashion photographer on Instagram, a knowledgeable cybersecurity writer who tweets, a reputable marketing executive on LinkedIn, etc. There are significant people in every field; you just need to identify them. There are those who have hundreds of thousands, if not millions, of followers. However, a lot of them will appear more common. They could have fewer than 10,000 followers in some circumstances. Nevertheless, they will have earned a reputation as the leaders in their industry. They are the ones who people turn to when they need answers. They are the individuals who, according to their area of knowledge, publish on social media about their specialised subjects in the most interesting ways. The most amusing videos, the most instructive internet chats, and the nicest photos are all shared by them.

Influencer Marketing in Numbers:

- By 2023, the influencer marketing market is projected to be worth about \$20 billion.
- 2019 saw the launch of more than 240 new influencer marketing-focused companies and influencer platforms.
- 59 percent of respondents say they have a separate budget just for content marketing, and 75 percent say they now plan to set aside money for influencer marketing.
- Influencer marketing is considered an efficient method of marketing by 90% of survey respondents.
- Most brands employ the same influencers throughout various campaigns.
- Instead of paying influencers with money, brands still frequently offer free product samples or discounts on more expensive items.
- The ROI from their influencer marketing is measured by 67% of our respondents.
- Conversions and sales are the most popular indicators of influencer marketing success.
- For 83% of businesses, influencer marketing expenses come out of the marketing budget.
- Respondents are still concerned about influencer fraud, but less so than in the past.
- The number of responders who have encountered influencer fraud has significantly decreased.
- 67 percent of respondents said they preferred campaign-based influencer marketing to always-on influencer marketing.

Influencers: Who all are they?

Depending on the social media platforms where they are creating their content and their level of popularity, there are several types of social media influencers available. Like how some influencers work on Instagram, others on Twitter, and yet others on YouTube. They are using these social networking sites for business purposes and influencing many ways. According to Blakemore et al. (2020), one way to tell who is an influencer on a social media site is if they have more than 10,000 followers and, in the case of Instagram, a blue checkmark to the left of their name. There are five different types of social media influencers, depending on the number of followers they have:

- Mega-influencers (followers count: 1 million and above) Due of their large fan bases, they find it challenging to relate to their viewers personally. In addition, they have much lower engagement rates than the other influencers. A celebrity's Instagram engagement rate is only 0.04 percent on average.

- Macro-influencers (followers count: 100K to 1 million) Their engagement rates are considerably lower than those of nano- and micro-influencers, and because they have larger followings, they can have a harder time developing a personal connection with them. On Instagram, macro-influencer engagement rates hover at 5.3 percent on average.
- Micro-influencers (followers count: 10K to 100K) As a result of their smaller audiences, these influencers also frequently have high engagement rates and can relate to them on a more personal basis. The average engagement rate for micro-influencers on Instagram is 7.6%.
- Nano-influencers: (followers count: 1K to 10K) They frequently communicate with their fans on a more personal level and have strong engagement rates. In actuality, nano- influencers on Instagram have an average engagement rate of 10.1%.

As a result, the influencers' ability to demand payment from businesses depends on how many followers they have. In addition, the influencers' follower counts are correlated with how good they are at reaching their target audience.

Influencers and Celebrities: Are they Different?

Someone who is well-known, especially in the entertainment sector, which includes writing, music, and movies, is known as a celebrity whereas an influencer is someone who has gained wide popularity because of their social media presence. People who appreciate and respect celebrities' work on other conventional venues also follow them on social media. Because of their work in their particular expertise and their content, influencers attract a following. The following for celebrities is usually from various age groups and includes various geographical locations whereas the following for the influencers is usually the people related to the particular niche. The following is huge for the celebrities but the engagement ratio is very less as the people admire them for their talent and not for their interests. When it comes to influencers, their engagement rate is very high as people follow them only because of their interest in that particular field.

RESEARCH METHODOLOGY:

This study is descriptive in nature because it examines the available information. Consumer behaviour is a dependent variable in this study, whereas the impact of social media influencers is an independent variable. Intent to buy, purchasing decisions, frequency of purchases, and influencer trust are all used to quantify influence. Both quantitative and descriptive research has been done. The researcher has employed both primary and secondary sources of information. Secondary data has been gathered from journals, marketing-related white books, websites, and other research papers. A structured questionnaire has been used to gather primary data, and Pune adolescents between the ages of 14 and 25 were selected for the sampling. The data sample size is 210. The method of sample collection is convenience sampling. MS Excel is used to edit and code the obtained data. Understanding the data is accomplished via differential statistics. Findings are reported based on observations.

OBJECTIVES:

1. To research which social media influencer category has the largest following.
2. To appreciate how customer purchase intention is impacted by social media influencers and the products they promote.
3. To comprehend the degree of faith that different genders in Gen Z have in social media influencers

In total, 210 samples' worth of data were collected, coded, and modified in MS Excel. The information was compiled into frequency tables. To comprehend the various data aspects, descriptive statistics are required.

There are 210 people in the entire sample, 92 of whom are men and 118 of whom are women. Youth between the ages of 15 and 25 make up the sample size, which is again divided into three age groups. The age range of the responders, which is close to 90%, is 18 to 25. Students make up the majority of the respondents. Only three of the 210 respondents in the sample stated they don't use social media.

The article itself discusses the enormous influence social media currently has on young people's lives. According to the research, Instagram, WhatsApp, and Youtube are very popular among young people. This further confirms the idea that the majority of social media influencers are frequently active on Instagram and Youtube due to the platforms' greater reach.

On social media, about 75% of respondents follow celebrities or social media influencers. The research shows that the average number of influencers followed is seven, and that roughly 20 percent of samples follow seven or more influencers. The majority of respondents stated that when using social media, they frequently come across influencer-led product ads.

It shows the volume of contemporary advertising and endorsements as well as the integration of social media advertising with traditional media. To attract new customers, small and newly developing firms have been focusing on the brands of social media influencers. Although there are more commercials and endorsements, the number of people who really consider or purchase the products remains quite low. The percentage of persons who really look at the product or service is depicted in the figure below.

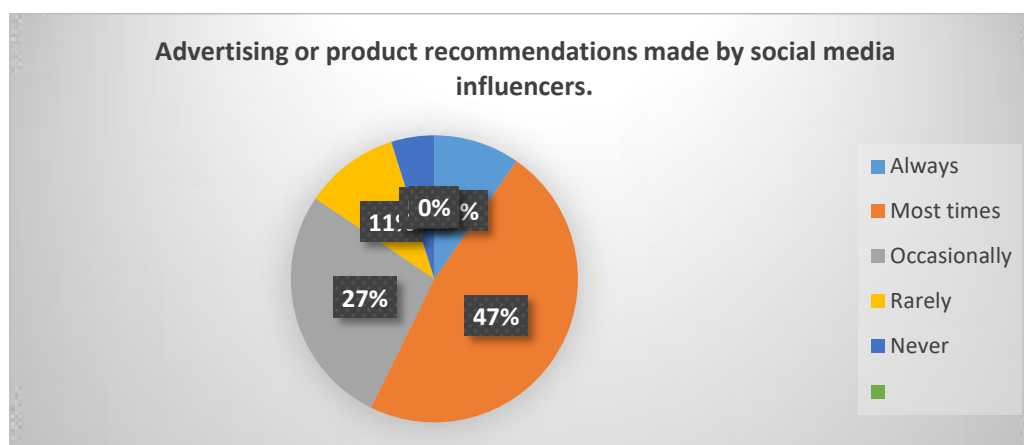


Fig 1: Advertising or product recommendations made by social media influencers

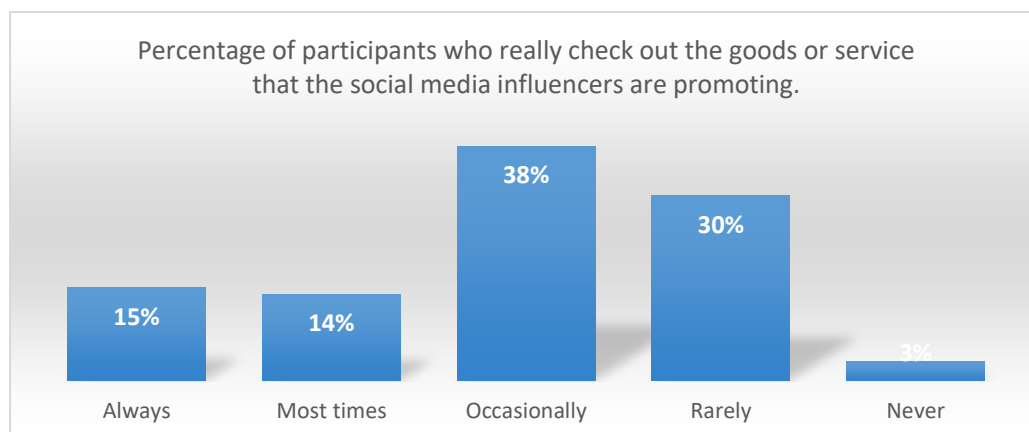


Fig 2: Percentage of participants who really check out the goods or service that the social media influencers are promoting.

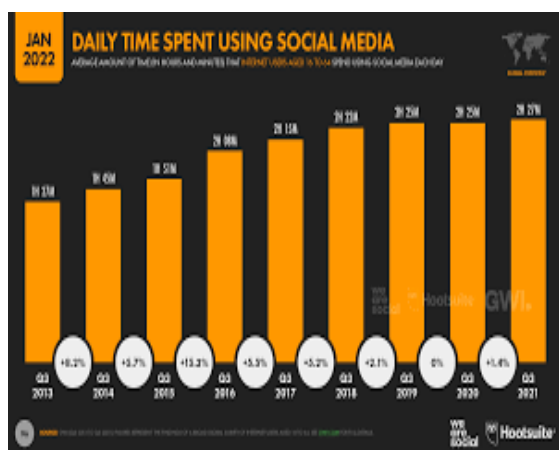


Fig 3: Percentage of usage of social media platforms in 2022. (Source: DataReportal)

It's clear from Facebook's statistics and social media rating. It is both the second-most popular social media app and the social media platform with the most active users. Globally, users of the Facebook app log 19.6 hours per month on average. It ranks just behind YouTube and is tied with TikTok. With 2.56 billion active users in 2022, YouTube will rank second on the list of the most popular social media sites, accounting for 88 percent of Facebook users. It may seem difficult to get your video seen given that 720,000 hours of video are published to YouTube every day globally. Consider these YouTube data as well, though: Every day, 1 billion hours of video are seen on YouTube, and 90% of users claim to find new businesses and goods there. With two billion and 1.478 billion active members, respectively, WhatsApp and Instagram are the third- and fourth-most popular social networking networks. By the way, both are

owned by Facebook's parent company, Meta (previously Facebook). WeChat, China's equivalent of WhatsApp, and TikTok, which have 1.26 billion and one billion global users, respectively, are farther down the list. With 988 million users worldwide, Facebook Messenger comes in second.

LIMITATIONS AND FUTURE SCOPE:

Although influencer marketing is a relatively new idea that is examined in the current study, the study's conclusions cannot be applied generally due to the qualitative character of the research. Additionally, it would be fascinating to examine the viewpoints of millennial customers from urban and rural areas and investigate the influence of celebrities and influencers. Future studies could concentrate on examining the character qualities of the most popular influencers in order to create a personality archetype. Marketing professionals could then link the influencer's personality to the brand personality. Since only samples from Bangalore were used in the study, no generalisations can be made. Students make up the bulk of the respondents. A potential mediator in this process that cannot be examined in this study is buying power. The scope of the study can be expanded to include a few additional product categories as the effect of social media and influencer marketing tactics grows. In-depth research can be done on the relationship between influencer antecedents and impact.

CONCLUSION:

Many businesses are currently using influencer marketing, which is a relatively new marketing tactic, to help consumers' perceptions of their brands change for the better. The effectiveness of influencers as brand advocates can be determined by the positive correlation between various influencer traits and customer purchase intentions. The most effective instrument for influencing business marketing tactics is social media. Data demonstrates that influencer marketing has a wider audience reach than conventional marketing techniques. The majority of Gen Z consumers use social media, and they follow a variety of social media influencers. The endorsement of influencers creates a favourable attitude toward the brand, which influences the consumer's desire to make a purchase. A few of the factors that determine the influence of influencers include knowledge, popularity, and fan base. According to research, influencers may be used effectively to target Gen Z. For marketers, this presents the most cost-effective possibility for successful results. Influencers should exercise caution when selecting a brand to partner with or a product to recommend, and they should uphold the integrity and authority of the material they publish. Influencers should keep in mind that today's consumers are technologically savvy and will lose trust in them if they are given misleading information because, in the end, the price and perceived worth of the product are what matter most to them. Today's consumers are able to make informed selections and conduct in-depth research before making a purchase because they can quickly obtain the information with a simple Google search. Therefore, customers would easily move to another influencer since there are plenty of options online if influencers share false or inaccurate material. Therefore, it is essential for the influencers to uphold reputation, quality, and trust throughout time. A long-term successful relationship between the customers and the companies through the influencers can only be created if the consumers trust the influencer and the material offered in his or her postings is both informative and interesting. Without a doubt, an influencer's qualities alone are insufficient to have a significant impact on a consumer's decision to purchase a product without hesitation or thought. But when paired with other circumstances, these characteristics may increase or decrease the purchasing intention. The need for a product, perceived value, price, brand perception, and other factors, in addition to the influencer's attributes, all affect buy intention. Therefore, while a buyer may not be able to buy a product solely based on an influencer's traits, they may contemplate doing so when the time is right and the other circumstances are favourable.

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