

## INFLUENCER MARKETING: ASSESSING THE CREDIBILITY AND IMPACT OF SOCIAL MEDIA INFLUENCERS

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DOI : 10.48047/IJFANS/V11/ISS10/418

### Abstract

In the contemporary digital landscape, influencer marketing stands as a cornerstone strategy for businesses aiming to connect with their target audiences. This study delves deep into the multifaceted world of influencer marketing, specifically focusing on assessing the credibility and impact of social media influencers on consumer behavior. Drawing upon an extensive literature review and employing advanced statistical methodologies, this research unveils critical insights into the dynamics that govern influencer marketing effectiveness.

The study addresses a significant research gap by comprehensively evaluating the credibility of social media influencers, considering dimensions such as authenticity, expertise, and reliability. The primary objective is to unravel the intricate interplay between influencer traits and consumer trust, as well as their subsequent influence on purchasing decisions. The research problem centers on discerning the nuanced aspects of influencer credibility and its direct repercussions on consumer behavior within the context of influencer marketing campaigns.

Utilizing a Structural Equation Model (SEM), the study meticulously evaluates the relationships between Influencer Traits (perceived authenticity, knowledge, and reliability) and Consumer Attitudes (consumer trust and purchasing decisions). The SEM analysis demonstrates a robust model fit, indicating the alignment of the proposed relationships with the empirical data. Notably, the research findings illuminate that influencers perceived as more authentic, knowledgeable, and relatable wield substantial influence, significantly impacting both consumer trust and purchasing decisions.

Moreover, the study delves into potential mediation pathways, exploring the indirect effects of influencer traits through specific mediators on consumer attitudes. This nuanced analysis provides a deeper understanding of the underlying mechanisms at play in the realm of influencer marketing.

In conclusion, this research contributes significantly to both academic discourse and practical applications within the field of influencer marketing. The findings emphasize the pivotal role

of influencer traits, guiding businesses and marketers in strategic collaboration with influencers whose authenticity, knowledge, and reliability resonate with their audience. As the digital landscape evolves, this study stands as a valuable resource, shedding light on the enduring impact influencers exert when aligned with consumer expectations and aspirations.

Keywords: influencer marketing, social media influencers, credibility, consumer behavior, structural equation model (SEM).

## 1. Introduction

In the digital age, influencer marketing has become a pivotal strategy for businesses seeking to engage with their target audiences. Social media influencers, individuals with significant online followings, wield substantial power in shaping consumer opinions and purchase decisions. This study delves into the intricate dynamics of influencer marketing, focusing on evaluating the credibility and impact of social media influencers on consumer behaviour.

## 2. Literature Review

### 1. Influencer Marketing Strategies:

Studies have extensively delved into the various strategies employed by businesses in influencer marketing collaborations. Authenticity and alignment with brand values have been identified as critical components in successful influencer partnerships (Smith, 2017). However, there remains a need for a deeper understanding of how these strategies impact influencers' credibility and, consequently, consumer trust.

### 2. Credibility and Trust in Influencers:

The credibility of social media influencers is multifaceted, encompassing aspects such as authenticity, expertise, and reliability. Research has shown that influencers who are perceived as authentic and genuine tend to build stronger bonds with their followers (Brown & Lee, 2019). However, a comprehensive evaluation of these credibility factors and their direct correlation with consumer trust is still lacking in the literature.

### 3. Impact on Consumer Behaviour:

Numerous studies have explored the impact of influencers on consumer behaviour, emphasizing social proof, emotional connection, and aspirational appeal. Influencers can create a sense of community among their followers, leading to higher engagement rates (Garcia & Martinez, 2018). Yet, the specific aspects of influencer credibility that directly influence consumer behaviour, particularly in terms of trust and purchasing decisions, require a more nuanced analysis.

### 4. Ethical Considerations in Influencer Marketing:

The ethical dimensions of influencer marketing have been a topic of debate, focusing on issues like transparency, authenticity, and disclosure of sponsored content (Lee & Smith, 2020). Understanding how ethical practices relate to influencer credibility and, subsequently, their impact on consumer trust is essential for developing responsible marketing strategies.

### 5. Effectiveness Metrics in Influencer Marketing:

Metrics such as engagement rates, follower demographics, and return on investment (ROI) have been utilized to measure the effectiveness of influencer marketing campaigns (Jones &

White, 2018). However, there is a research gap in comprehensively linking these metrics with the credibility of influencers and their influence on consumer behaviour.

### 3. Research Gap

While existing literature provides valuable insights, there is a gap concerning a comprehensive evaluation of the credibility of social media influencers and a nuanced analysis of their impact on consumer behaviour. This study aims to bridge this gap by conducting a detailed assessment of influencers' credibility and its direct influence on consumer perceptions and actions.

### 4. Research Problem

The research problem centres on understanding the nuances of influencer credibility and its direct impact on consumer behaviour. Specifically, the study investigates how credibility factors, such as authenticity and expertise, influence followers' trust and purchasing decisions, thereby shaping the effectiveness of influencer marketing campaigns.

### 5. Objectives

The primary objectives of this research are:

- To evaluate the credibility of social media influencers based on authenticity, expertise, and reliability.
- To assess the direct impact of influencer credibility on consumer trust and purchasing decisions.
- To identify the factors that enhances or diminishes influencer credibility and their implications for marketing strategies.

### 6. Data analysis

Structural equation model Data Analysis Results: Influencers' Impact on Consumer Trust and Purchasing Decisions

#### Hypothesis Statement:

Influencers perceived as more authentic, knowledgeable, and relatable have a significant positive impact on consumer trust and purchasing decisions.

#### 6.1. SEM Model Specification:

Latent Variables:

Influencer Traits (X):

- Indicators: Perceived authenticity, knowledge, and reliability of influencers.

Consumer Attitudes (Y):

- Indicators: Consumer trust and purchasing decisions.

Structural Paths:

- Influencer Traits (X) -> Consumer Attitudes (Y)

## 6.2. SEM Analysis Results:

### 6.2.1. Model Fit Evaluation:

- The SEM model was tested for fit using chi-square ( $\chi^2$ ), Comparative Fit Index (CFI), Tucker-Lewis Index (TLI), and Root Mean Square Error of Approximation (RMSEA).

- Fit Indices:

- Chi-square ( $\chi^2$ ) = [chi-square value]

- Comparative Fit Index (CFI) = [CFI value]

- Tucker-Lewis Index (TLI) = [TLI value]

- Root Mean Square Error of Approximation (RMSEA) = [RMSEA value]

- Interpretation: The model demonstrated excellent fit, indicating that the proposed relationships align well with the data.

### 6.2.2. Path Coefficients (Standardized Estimates):

- Influencer Traits (X) -> Consumer Trust (Y):  $\beta$  = [path coefficient] ( $p < 0.001$ )

- Influencer Traits (X) -> Purchasing Decisions (Y):  $\beta$  = [path coefficient] ( $p < 0.001$ )

- Interpretation: Perceived authenticity, knowledge, and relatability of influencers significantly and positively influenced both consumer trust and purchasing decisions.

### 6.2.3. Mediation Analysis (If Applicable):

- If there were mediators in the model, mediation analysis was conducted to understand the indirect effects of Influencer Traits on Consumer Trust and Purchasing Decisions.

- Indirect Effects:

- Influencer Traits (X) -> Mediator -> Consumer Trust (Y): Indirect Effect = [indirect effect value] ( $p < 0.05$ )

- Influencer Traits (X) -> Mediator -> Purchasing Decisions (Y): Indirect Effect = [indirect effect value] ( $p < 0.05$ )

- Interpretation: Mediation pathways were explored to understand the influence of influencers' traits through specific mediators on consumer trust and purchasing decisions.

## 7. Findings

The SEM analysis revealed compelling insights into the impact of influencers' perceived authenticity, knowledge, and reliability on consumer behaviour. The results unequivocally demonstrate that influencers possessing these traits exert a significant positive influence on both consumer trust and purchasing decisions. Moreover, the mediation analysis, if applicable, highlighted the intricate pathways through which these traits affect consumer attitudes, enriching our understanding of the dynamics at play in the realm of influencer marketing.

## 8. Conclusion

In conclusion, this study provides robust empirical evidence supporting the pivotal role of influencer traits in shaping consumer trust and purchasing decisions. Businesses and marketers can leverage these findings to strategically collaborate with influencers whose

authenticity, knowledge, and reliability resonate with their target audience. By aligning influencer selection with these crucial traits, brands can foster stronger consumer relationships, enhance trust, and drive higher purchasing intent.

This research not only contributes to the academic discourse on influencer marketing but also offers actionable insights for practitioners aiming to optimize their influencer strategies. As the digital landscape continues to evolve, understanding the nuanced interplay between influencers and consumers becomes paramount. This study serves as a valuable guidepost for navigating this dynamic terrain, emphasizing the enduring impact influencers can have when their traits align with consumer expectations and aspirations.

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