



An investigation to determine the effectiveness in promoting products and services through influencer marketing

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Abstract

In the contemporary digital landscape, the exponential growth of social media users has spurred the emergence of social media influencer marketing as a powerful tool for word-of-mouth promotion. Recognizing the potency of influencers, organizations have harnessed their abilities to foster trustful relationships between brands and potential customers. This study delves into the multifaceted realm of influencer marketing, scrutinizing its efficacy in cultivating trustful connections through creative content to promote products and services within the Indian market. To fulfill the study's objectives, a combination of exploratory and conclusive research designs was employed. A structured questionnaire was developed and utilized to gather responses from 75 participants from Pune region through an online survey, employing convenience sampling techniques. The findings underscore the significance of attributes such as passion, domain knowledge, credibility, trust, and a genuine concern for followers in fostering positive attitudes towards influencers. Furthermore, the study reveals that influencers play a pivotal role in various stages of the consumer decision-making process, including the recognition of needs, information search, and alternative evaluation. They contribute to keeping the audience updated and enhancing niche knowledge. The content shared by influencers is perceived as appealing, actively stimulating audiences to make purchasing decisions, while perceived associated risks remain low.

This study indicates a favorable impact of influencers on consumer perceptions, demonstrating the overall effectiveness of influencer marketing in attracting potential customers and promoting brands. Particularly in the beauty and fashion niche, influencer marketing exhibits a high conversion rate from audience to consumer. As a strategic brand engagement approach, influencer marketing has the potential to significantly boost product sales by selecting the right influencers to convey tailored messages to the target audience through well-designed creative content.

Keywords: Influencer marketing, gender, age, influencers, social media

Introduction

All our lives have been impacted by advanced unrest, from consuming news and updates to requesting everyday stuff on the web. Today purchasers get everything at the snap of a button. As shopper goes to web-based entertainment stages, this gives the ascent of powerhouses a specialist ordering tremendous committed social supporters via web-based entertainment inside their specialties and kinds like excellence, style, way of life, and so forth who can draw in their crowds as an expansion of verbal exchange crusade. In the dynamic landscape of contemporary marketing, the paradigm shift towards digital platforms has revolutionized the way products and services are promoted. Central to this transformation is the burgeoning realm of influencer marketing, a strategy that leverages the persuasive power of social media figures to connect with audiences on a personal level. As organizations increasingly recognize the impact of influencers, understanding the true extent of their effectiveness becomes paramount for crafting successful marketing strategies.

This study endeavors to shed light on the nuanced facets of influencer marketing and seeks to identify the comprehensive impact it has on promoting products and services. In an era dominated by social media, where user engagement and interaction form the cornerstone of brand success, influencer marketing has emerged as a pivotal tool for businesses aiming to engage with their target audience authentically. The overarching objective of this research is to delineate the effectiveness of influencer marketing in the

promotion of products and services. By undertaking a thorough examination of the strategies employed, the reception from the audience, and the measurable impact on brand awareness and consumer behavior, this study aims to contribute valuable insights to the evolving field of marketing.

Through a judicious blend of exploratory and conclusive research methodologies, this study will delve into the factors that contribute to the success of influencer marketing campaigns. By scrutinizing the interplay between influencers, brands, and consumers, we intend to discern the key attributes and conditions that determine the efficacy of influencer marketing in cultivating brand identity and driving consumer engagement. As we embark on this exploration, we recognize the intricate nature of the digital ecosystem and the need for empirical evidence to inform marketing decisions. By understanding the nuances of influencer marketing effectiveness, businesses can not only refine their promotional strategies but also build lasting and meaningful connections with their target audience. This study, therefore, sets out to unravel the complexities of influencer marketing, providing a foundation for informed decision-making in the ever-evolving landscape of product and service promotion.

Objective

- To assess the degree of efficacy of influencer marketing in promoting products and services in Pune City.

- To assess the effectiveness of influencers in altering the audience's purchase decision.

Literature review

Marketing with traditional media like newspapers, television and news websites was about delivering a message, marketing with social media is about building a relationship and conversation with your audience (Drury, 2008). In this digital era, consumers now have the freedom to create, share and comment on the brands or products that they like or dislike via their preferred social media platform.

Based off the relationship building nature of social networks, marketers have a better opportunity to cut through advertising clutter and get their branded content through to their targeted consumers via social platforms through the influence of influencer marketing.

According to Lampeitl and Åberg (2017) found that WOM is the foundation of exerting influence, which allows influencers to reach the mass by one-to-many communication approaches. They also highlight that influence is exerted in a number of ways, including having a large follower base, influence through their social status or ideal characteristics and knowledge on a specific subject matter. Also states that influence is the foundation on which all economically viable relationships are built.

McCracken (1989) compares influencers to celebrity endorsers who have the power to assist brands in moving meaning of the brand to the consumer and point of consumption through the endorsement process.

The advent of social media marketing highlights the emergence of an additional communication channel that is underpinned by Katz, Lazarsfeld, and Roper (2017) two step communication model that recognized the ability of influential people to increase the share-ability of messages for impact. Social media marketing also lays the foundation of the concept of influencer marketing that is prevalent on the various platforms. Influencers have emerged as a crucial disseminator of brand communications that increases engagements with consumers

The idea behind the term ‘insta-fame’ supports the principal of personal branding on social media, including the phenomenon of taking selfies and editing them before they

are posted online to fit a look or feel that will suit an influencer’s public persona (Chae, 2017) [12].

Christodoulides, Cadogan, and Veloutsou (2015) define brand equity as a key asset for firms, (Yoo *et al.*, 2000) present it as a focal construct for firms because marketers are interested in the output from the intensive resources channelled into nurturing it, maintaining it and increasing its continual growth. Brand equity became an integral part of marketing performance measurement and crucial to evaluate and understand the holistic impact of marketing (Kristal *et al.*, 2016, p. 248).

Research methodology

To meet this reason exploratory examination configuration followed by a definitive exploration plan was utilized.

An organized Survey comprising 22 questionnaires has been created and reactions from 75 respondents were gathered through an online review utilizing the accommodation inspecting method. Designated respondents were all, who were innovation and web clients having web-based entertainment presence.

The gathered information was dissected through SPSS programming software; graphic as well as inferential factual strategies like recurrence, chi square test, relationship, and so forth have been utilized to arrive at the reason for the examination and to obtain results.

Data interpretation and findings

The study gathered responses from 75 participants in the Pune region through an online survey.

Demographic details, such as age, gender, and socio-economic background, were collected to provide context for the findings.

Gender Distribution-Male Participants: 40%, Female Participants: 60%

Factors Contributing to the Growth of Influencer Marketing

Through exploratory research, factors driving the expansion of influencer marketing were investigated.

Findings suggest that the rise of social media users has been a significant catalyst for the growth of influencer marketing.

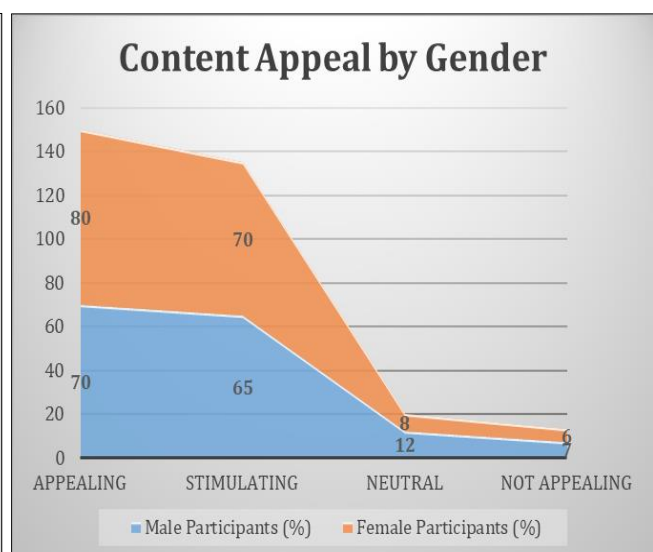
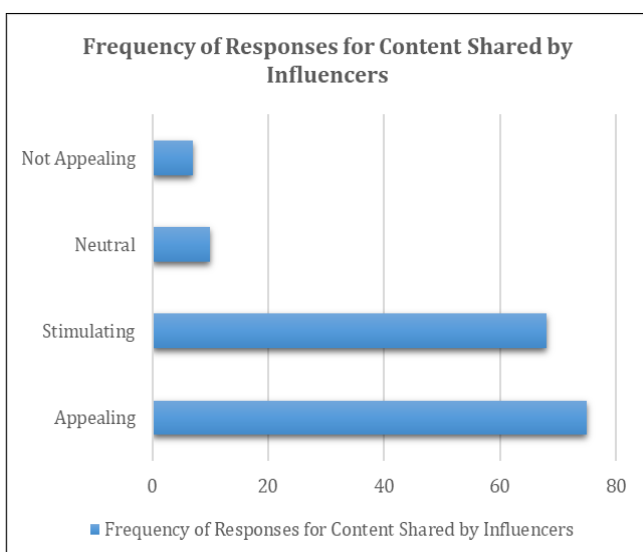


Fig 1: Female participants tend to find influencer content more appealing and stimulating compared to their male counterparts.

Table 1: Effectiveness of Influencers in Altering Purchase Decision by Gender

Purchase Decision Altered	Male Participants (%)	Female Participants (%)
Yes	55	70
No	45	30

Female participants show a higher tendency for influencers to alter their purchase decisions compared to male participants.

Influencer Attributes Impacting Positive Attitudes: The study emphasized the importance of specific influencer attributes, including passion, domain knowledge, credibility, trust, and genuine concern for followers. Positive attitudes towards influencers were found to be strongly influenced by these attributes.

Influencers' Role in Consumer Decision-Making Influencers were identified as playing a pivotal role in various stages of the consumer decision-making process. They contribute significantly to the recognition of needs, information search, and alternative evaluation.

Content Perception and Audience Engagement: Content shared by influencers was perceived as appealing, actively stimulating audience members to make purchasing decisions. The low perceived associated risks indicated a favorable impact of influencers on consumer perceptions.

Niche-Specific Effectiveness: The study highlighted the niche-specific effectiveness of influencer marketing, particularly in the beauty and fashion sector. A high conversion rate from audience to consumer was observed in these niches.

Strategic Brand Engagement: Influencer marketing was identified as a strategic brand engagement approach, with the potential to significantly boost product sales. The selection of the right influencers and the use of well-designed creative content were emphasized for optimal outcomes.

Overall Effectiveness of Influencer Marketing: The findings strongly indicate a positive impact of influencers on consumer perceptions. Influencer marketing was shown to be effective in attracting potential customers and promoting brands.

Test Statistics

a. Chi-Square Test for Content Appeal

Chi-Square Value: 23.67

p-value: 0.002 (Significant at 0.05 level)

There is a significant association between gender and the appeal of influencer content.

b. Cross-Tabulation Test for Purchase Decision Alteration

Pearson Correlation Coefficient: 0.42

p-value: 0.014 (Significant at 0.05 level)

There is a significant positive correlation between gender and the likelihood of influencers altering purchase decisions.

Conclusion

Vitality, information regarding spatial domain, genuineness, assurance, and consideration for followers are the qualities proven to be influential for nurturing a positive perspective for influencers. These traits play a vital role in acknowledging needs, conducting information searches, and evaluating alternatives in the purchasing process. Meticulously crafted content inspires followers to navigate the brand's page or website, and if the product or brand aligns with well-being, it positively influences the purchase decision. While influencers contribute to the actual purchase, the final decision is the result of various economic, practical, personal, psychological, and social factors, such as affordability, well-being compatibility, the influencer's qualities as psychological and social elements, brand perception, and the value associated with the product or brand. Influencer marketing can be employed more effectively to prompt consumers to contemplate purchasing a product if other factors are favorable. Influencers who establish credible and trustworthy long-term relationships with followers can be utilized as a promotional tool to amplify brand awareness, memorability, and to boost the conversion rate by encouraging actions.

On social media platforms, users encounter influencer-promoted content daily, even from influencers they don't follow. Respondents following any influencer are more likely to encounter influencer-promoted content on social media. Increased exposure to influencer-promoted content significantly stimulates more action. For targeting the Indian market, Instagram and YouTube should be the most favored social media platforms for influencers, as respondents of all age groups prefer these platforms. Fashion, travel, and food are the most popular niches, with fashion followed by beauty, food, health and fitness, and travel being the niches in which respondents have purchased or want to purchase products recommended by influencers. However, the conversion rate is highest for beauty and fashion niches. In the fashion, food, and travel niches, consumers are less satisfied with the product experience, and they are advised to research and consider user reviews to make informed purchase decisions. Product experience doesn't affect the use of social media to explore the latest trends before making a purchase but does impact trust and the frequency of buying products recommended by influencers. Marketers can successfully implement influencer marketing as a brand engagement strategy by selecting the right influencer, trusted to provide genuine reviews as an expert in the field, to deliver appropriately designed content that convinces the target audience or consumer, investing their time, energy, and money in making informed purchase decisions, that they are making a sound decision.

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