

Impact of Social Media Influencers on Consumer Buying Decisions

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ABSTRACT

Social media was introduced to digitally connect people who otherwise may not be having chance to have continuous meeting and interaction. From Six degrees to Facebook, the world changed in the way people connect and socialize. Social media as an industry has grown that not only provides people the ability to connect but are now providing jobs opportunities that were never imagined. From content writer to influencers, social media has given opportunity to earn name, fame and money and act as a platform for online shopping as well. One of the social media marketing form is Influencing where an individual having master knowledge of their field of their field uses it to promote the brand and product of others. The purpose of this study was to examine how social media influencer impact buying behavior of customers. This data for the study is collected from 210 social media users through online questionnaire survey. This research focuses majorly on two independent variables namely attitude and credibility of influencers and test its impact on purchase intention due to social media influencers. A linear regression modelling was done which showed that there is significant influence of creditability and attitude of social media influencers on Consumer's buying behavior. The study can be useful to the marketers, advertisers and brand managers to identify the right influencers and embedding sponsorship ads by placing their products and services in the contents of these social media influencers.

Keywords: Social Media Influencers; Testimonial advertising; Credibility; Behavioral responses.

1. INTRODUCTION

Nowadays, Consumer buys good and services on the basis of recommendations of the people they trust. The influencers and the celebrities are the ones who initiate the feeling of trust in the people following them, due to which many consumers watching the lifestyle of these influencers try to adopt the habits in their routine but they forget about their living standard, their own choices and their basic necessities that is on top of their priority list. Before

studying the part of social media influencers on consumer and the choices they make in the online environment, it is important to understand the types of to select the right influencers for product placement. Social media influencers can be classified in many ways.

The typology of social media influencers (<https://grin.co/blog/types-of-social-media-influencers/>). Bloggers and Vloggers: They are the individuals who practice their text related content to

circulate their blog frequently. They are dynamic on innumerable platforms of social media to endorse their content. Vloggers share their information in the form of video. To advertise the content platforms like YouTube and Instagram are used by them. Reality TV Stars: Many contenders of various shows like Big Boss, Roadies, etc., have fascinated loads of supporters on various social media platforms. They often work together with cosmetic, electric, and fashion brands. Micro-Influencers: They generally have a few thousand or even a lesser number of followers. However, their fan community is highly engaged and because of that they motivate their followers easily and make them taking any desired action. It helps them to attract their viewers to a particular brand. Nano-Influencers: The mounting call for influencers has led to increasing in nano influencers. Same as micro-influencers, they have a small but very promised social media following. Generally, Nano-influencers have a few thousand followers (sometimes even less than that). Activists: They are generally motivated by a bureaucratic or social cause. The idea they have is to announce some sort of the constructive change in society by influencing others. Brands should be very careful while working with them because on current issues they have deep-seated views and they share their views on social media. Journalists: They are effective media identities that can alter the way individuals see a specific brand. Recognizing such writers and collaborating with them will have an amazing effect on your reach of posts shared. Photographers: They frequently segment their work on social media through photos. They are very useful for travel, fashion, and lifestyle brands. Thought Leaders: Social

media users follow entrepreneurs and top-level decision-makers to know the latest developments and trends in their industries. Their followers always entrust with the recommendations they give. Mainstream Celebrities: These contain movie stars, athletes, sportspersons, musicians, models, and other current public figures of conventional media. These are often appointed as brand ambassadors and become the appearances of these brands.

2. LITERATURE REVIEW

Review on the existing literature about social media influencers has been done prior to conduct the primary research. Social media is on rapid increase earlier people used to post their photos or chat through social media but nowadays social media is used as a marketing tool, Pranas and Suryawardani (2020), did a study to find out whether marketing through e-commerce affect the shopping decisions of the consumers. The researcher found out that marketing through e-commerce do affect the shopping decision of the consumer. As the quantity of blog posts and bloggers are increasing rapidly, this rapid growth is causing variations in people purchasing habits (Serman and Sims 2020).

Social networking sites have developed more than just being a communication channels used by individual consumers to create content, allot materials, share ideas, express views. These sites have resulted in authority shift between consumers and more product owners and through these influencers, a vast generation of information has been evolved. The study suggested the importance of clearly understanding the usage of mobile devices

and the social networking sites in ways they access and use it (Heinrichs and Lim, 2011)

Social media influencers can be a influential way to connect with potential customers and increase customer acquisition rate. People are increasingly using social media to gather information so as to make a rational decision on their purchases. Opinion leaders are now the influential members of online groups and they have been proved to be a foundation of guidance for people who are looking for some professionals in terms of their purchasing decision. The result of this paper revealed that opinion leadership is positively affected by apparent originality and uniqueness and it also showed that opinion leadership has a noteworthy influence on the intention to continue interacting in the account, (Casalóa, Carlos et.al. ,2020)

Donnellan et.al (2020) pointed out that the wonderful growth in Internet usage around the globe during the last ten years, marketing teams now must better understand the impact of social media on consumer buying strategies. With Internet penetration to continue to grow during the next decade, marketing executives will need to prioritize understanding the changes related to consumer buying patterns, this paper concluded at analyzing consumer buying pattern using repetition and theory from the mere revelation effect. Those individuals have built a following around what they are passionate about, on the other hand, are a lot more likely to only promote products they have thoroughly vetted as they'll lose their following otherwise. This is why their audience trusts them.

Thilina (2021) in his study, concluded that for fashion related products, quality of the content shared by influencers is dependent on the attitude and credibility of those influencers. The study shows that both attitude and credibility of social media influencers has an effective relationship on purchase intention of consumers. These findings do provide enough evidence regarding the postulation that attitude and credibility of social media influencers must be studied in order to examine the impact of influencers on buying decisions of consumers.

3. RESEARCH GAPS AND OBJECTIVES OF THE STUDY

Nowadays, Consumer buys good and services on the basis of recommendations of the people they trust. However, in Indian context, every individual doesn't follow social media influencers on different social media platforms. And due to trust issues, it is not easy for social media influencers to influence the users. Although social media influencers are gaining the acceptance and popularity in online purchase, still there is a need to analyze which factors makes them an impactful influencer. The primary objective of the study is to find the impact of creditability and attitude of social media influencers on buying behavior of consumer. The study also focuses to identify the category of social media influencers having the most influence on consumers.

4. DATA AND METHODOLOGY

To accomplish the research objective, primary data was collected from 210 social media users of Bangalore and Lucknow through a structured questionnaire. The survey link was sent through email and WhatsApp. Probability sampling is used in case to produce results that are representative of the whole population. The Target Population was respondents of age 20-50 years. The research is only limited to Instagram, Face book and YouTube users and to 4 categories of product, namely home & living, mobiles, cosmetics and clothing. The questionnaire consists of two section, in the first section questions related to the demographic details of the respondent were asked. The second section consist of questions related to the various factors like credibility, attitude and buying behaviour of social media users. To measure credibility, six questions were asked, to measure attitude of social media influencers on social media three questions were asked and for measuring buying behaviour only one question was asked. Data collected was analysed using SPSS. Descriptive analysis was done using bar graph and pie chart. Regression modelling

analysis was used to know the impact of credibility and attitude of social media influencers on consumer buying behaviour.

5. FINDINGS

5.1 DESCRIPTIVE STATISTICS:

The results indicate that majority (53.8%) respondents were female while the rest were male. Majority (68.6%) of the respondents belong to age group 20-30 years, 17.1% of respondents belong to age group of 30-40 years, 14.3 % respondents are from age group 40-50 years. The data on most used application reveals that 51.9% of the respondents use Instagram, 24.8% respondents use YouTube, 17.1% use Face Book while 7.1% respondents use other social media platforms. The other characteristics of influencers that can impact the consumers buying decision can be authenticity, experience in the field, community management techniques, engagement through content creation, etc. Though I have considered two characteristics i.e. credibility and attitude of social media influencers in influencing the buying behaviour of social media users.

Table 1: Agreement of respondents regarding attitude of social media influencers

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
You will buy the product from influencers if the influencers give the good response to you?	60	89	47	12	2
Before you buy the product, you need to ask the influencers about the product information	48	75	54	24	9

Do you think the influencers who communicate with their followers are more trustworthy	56	85	49	17	3
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Note: Extracted from Questionnaire

It can be noticed from table-1 that 60 respondents strongly agreed that they will buy the product from influencers if the influencers give the good response to them, 48 respondents strongly agreed that before

buying the product, they need to ask the influencers about the product information. 56 respondents strongly agreed that they think the influencers who communicate with their followers are more trustworthy.

Table 2: Agreement of Respondents Regarding Credibility of Social Media Influencers

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
Would you likely recommend any influencer to your family/friends?	59	79	46	18	8
Does Social media influencer persuade you to dress/buy like the picture they post?	51	83	47	20	9
Do you find the information provided by the influencers credible enough	45	98	46	12	9
Your favourite influencers are important to you before buying any new product	41	68	52	32	17
Do you think Influencers will not purposely endorse a brand that will harm you?	47	63	56	30	14

If your favourite blogger/online personality recommends a brand, you are more likely to try it?	42	75	52	28	13
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Note: Extracted from Questionnaire

From table 2, it can be noticed that 59 respondents strongly agreed that they are likely recommend any influencer to their family/friends. 51 respondents strongly agreed social media influencer persuades them to dress/buy like the picture they post while 4.28% of the respondents strongly disagree to the same. 45 respondents strongly agreed that the information provided by the influencers credible enough. 41 respondents strongly agreed that their favourite influencers are important before buying any new product. 47 respondents strongly agreed that Influencers will not purposely endorse a brand that will harm them. 42 respondents strongly agreed that when their favourite blogger/online personality recommends a brand, they are more likely to try it.

5.2 REGRESSION MODELLING

The author found that credibility and attitude of social media influencers are the factors of the study and it was further investigated using regression modelling where the dependent variable was buying behaviour of social media users. And the independent variables were credibility and attitude of social media influencers, following two hypotheses were framed:

- H0: There is no significant influence of credibility of social media influencers on Consumer's buying behaviour

Table 3: Regression Analysis of Credibility of Social Media Influencers and Buying Behavior of Consumers.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.658 ^a	.432	.430	.79646
a. Predictors: (Constant), credibility				

R: The value of R is 0.658 which indicates a positive relation between credibility of social media influencer and buying behavior of consumers. R²: The value of R² is 0.432. This value indicates that 43.2% of the variance in Buying behavior of consumer can be predicted from the credibility of social media influencers.

Table 4: ANOVA of Regression Analysis of Credibility of Social Media Influencers and buying Behavior of Consumers

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	100.538	1	100.538	158.491	.000 ^b
	Residual	131.943	208	.634		
	Total	232.481	209			

a. Dependent Variable: buying behaviour

b. Predictors: (Constant), creditability

The P (.000) value is less than 0.05 hence null hypothesis (H₀) is rejected and the alternative hypothesis (H₁) is selected which implies that there is significant influence of creditability of social media influencers on Consumer's buying behavior.

- H₀: There is no significant influence of attitude of social media influencers on Consumer's buying behaviour

Table 5: Regression Analysis of Attitude of Social Media Influencers and Buying Behavior of Consumers

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.612 ^a	.374	.371	.83644

a. Predictors: (Constant), attitude

R: The value of R is 0.612 which indicates a positive relation between attitude of social media influencer and buying behaviour of consumers

R²: The value of R² is 0.374. This value indicates that 37.4% of the variance in Buying behaviour of consumer can be predicted from the attitude of social media influencers.

Table 6: ANOVA of Regression Analysis of Attitude of Social Media Influencers and Buying Behavior of Consumers.

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	86.958	1	86.958	124.291	.000 ^b
	Residual	145.523	208	.700		
	Total	232.481	209			

a. Dependent Variable: buying behaviour

b. Predictors: (Constant), attitude

The P (.000) value is less than 0.05 hence null hypothesis (H0) is rejected and the alternative hypothesis (H1) is selected which implies that there is significant influence of attitude of social media influencers on Consumer's buying behaviour

The author found out that the majority of respondents are influenced by bloggers and vloggers, followed by experienced social media influencers. Trust plays a major role in influencing the decision of the followers. The majority of respondents agree that they prefer social media for recommendation and actively seek out social media influencer's review before making purchase decision and has purchased less than 5 products after looking at promotions by influencers on social media, they also have spent up to Rs 1000 on products after being influenced. The majority of the respondents belonged to the student category and most of them spent 2-4 hours daily on social media.

The study reveals that credibility of influencers and the information provided by them is credible and therefore this is the major reason behind customer following them and which in turn, influence their buying behavior. The study also shows that how the attitude of influencers is towards their followers, the influencers are more likely to influence the buying behavior if they have good response and behavior towards their follower's problems and queries.

This study is helpful to social media influencers in a way as they will get to know what factors they have to consider while posting any content on social media about any product/service and how they can use this study to attract more followers and retain them.

6. CONCLUSION AND MANAGERIAL APPLICATION

The objective of this study was to examine the role of social media influencers on consumer buying behavior. From this study it was found that the credibility and attitude of social media influencers affect the buying behavior of consumers. It was found that the respondents get persuaded by the picture/post of social media influencers and influencers in turn persuade them to try the products they use. Regression analysis resulted in showing that two variables attitude and credibility of influencers have the significant impact towards purchase intention influenced by social media influencers. Thus, the social media influencers can try to communicate to more with the followers as it increases the trust of the people on influencers. The social media influencers in order to increase their responsiveness towards followers, this helps the followers to believe in the influencer and their content. The social media influencers should refrain from the promotion of fake and low-quality products as it may hinder their credibility and it might lead to losing a lot of followers and must reveal to its followers if it is paid endorsement.

7. LIMITATIONS AND FUTURE SCOPE

The study is focused on social media influencers that influences the purchase behavior of the consumers. The factors that influence its usage in online purchase have been identified. However, the scope of the study is limited to Indian customers and only 210 respondents were considered, which may not be a representative of the large population size of online shoppers in India. Future studies can also be done on a cross national basis to understand the overall growth of influencer marketing across the world. The firms using influencer marketing might be made swifter and simpler to have better customer engagement and better shopping experience by connecting with the influencers online to influence consumers by sharing their own set of experiences and opinions. Companies will benefit from an even deeper collaboration with influencers, which presents new opportunities. World influencers prices are starting to grow enormously, so companies are increasingly using cooperation with micro-influencers. Similarly, communication is the first interaction between companies and consumers in the value creation process. It is important for marketers to invest a substantial amount of time in conducting a genuine and real-time dialogue with customers to promote their products. Tailored promotional content ideally resonates well with the target audience, and can simultaneously lead to an increase in the rate of reach. Thus, future studies can be done to get better insights on the same.

Cooperating with influencers with high numbers of followers might not be the best marketing choice for promoting divergent products, as this decreases the brand's perceived uniqueness and consequently brand attitudes or consumers could react

negatively to influencers' posts when they do not appear with the products, they endorse, future studies can also be done in this area.

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