

The Role of Digital Influencers in Informing Consumer Habits: The Mediating Role of

Credibility

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Abstract

Digital technologies have grown to transcend most facets of society. Therefore, businesses need to alter the way they conduct their operations to remain competitive. The current study highlights the role of influencer marketing in the contemporary marketplace. Despite the growing popularity of social media marketing through such themes as online marketing and celebrity endorsement, there are plenty of discrepancies on digital influencers, especially how social media influencers inform consumer habits based on their credibility. As such, the study aims to investigate the role of digital influencers in informing consumer habits. By employing a quantitative review of survey findings, the study determines that consumer habits are impacted by digital influencers, with the influences differing based on the preferences of the follower. Hence, for brands, enlisting the services of a digital influencer for marketing purposes offers the benefits of increased visibility and the likelihood of a high sales conversion rate on account of the trust that followers bestow on influencers.

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Topic: The Role of Digital Influencers in Informing Consumer Habits: The Mediating Role of Credibility

1.0 Introduction

The contemporary marketplace has instituted multiple shifts in the way businesses conduct their operations, especially due to the entrenchment of technology into all spheres of modern societies. One of the main effects of technology in recent times has been the emergence of social networks as the main channels of communication among people and between businesses and their customers – existing and potential (Arora and Sanni, 2019). Thus, social media has grown from the primal channel where people communicate daily to a critical marketing tool for businesses, as it promises a significant impact on consumer-brand relationships. It is interesting how people trust others; especially public figures more than they trust brands. Hence, when a public personality recommends a brand, their followers on social media sites trust their judgment, resulting in positive brand visibility (Wielki, 2020). As a result, organisations across the globe are increasingly enlisting these influencers to help push their products and there is an evident uptake of their recommendations by consumers (Thomas and Evi, 2020). There are currently only scanty studies focused on outlining the role of digital influencers in informing consumer habits. As a result, the research paper seeks to entrench an understanding of digital influencers' impact on consumer habits.

2.0 Literature Review

The marketing function within organisations has witnessed extensive changes over the past few decades. Despite the continued existence and utilisation of conventional marketing strategies involving radio, television and billboards, new approaches have come up mainly driven by technology. Today, social media and internet marketing are slowly becoming the main

marketing channels (Ibrahim, Aljarah and Ababneh, 2020). Within social media marketing, one of the new approaches that organisations are adopting is the use of digital influencers, who are people who have over time amassed a substantial following on social media sites and whose popularity brands seek to leverage to market their offerings (Saima and Khan, 2020). It is pretty commonplace for organisations to hire celebrities or public figures to endorse their products and services, mainly through traditional marketing channels. That said, as outlined by Lou and Yuan (2019), digital influencers differ from the conventional public figures in the sense that they have grown famous on social network sites owing to their knowledge and expertise in specific fields such as technology, food, travel, and sports. As Freberg et al. (2011) assert, digital influencers represent a contemporary form of independent, third-party endorsers who shape the perceptions of the audience through blogs and social media. They tend to be a leading figure in a certain field where they regularly post videos, photos, and blogs, on their topic of expertise on their social media profiles, and other users follow them under the content.

The confluence of digital influencers and brands is relevant since influencers create a name in a certain domain when they sponsor a brand in that field. Therefore, consumers are likely to more readily believe and accept their opinions (Saima and Khan, 2020). As outlined by Hall (2015), influencer marketing has developed into a modern form of celebrity endorsement that is affordable and efficient in reaching the target audience and accomplishing a brand's marketing goals. The positive influence that social media marketing has on consumers' purchase intention has already been pursued as a research topic through various studies (Arli, 2017; Gautam and Sharma, 2017; Hayes and Carr, 2017; Raji et al., 2020). Despite the growing popularity of the topic of social media marketing through themes such as online marketing, in addition to celebrity endorsement, the research on digital influencers is still scanty, especially

about how social media influencers inform consumer habits based on their credibility. As such, the study aims to investigate the role of digital influencers in informing consumer habits, and as a result, the study's objectives are;

1. To outline the effect that digital influencers have on consumer habits
2. Determine how the perceived authenticity of a digital influencer inform consumer habits

Furthermore, the gap identified in the existing literature can be effectively filled by answering the research questions below that are relevant to the study:

Q₁: Do digital influencers influence consumer habits

Q₂: Does the credibility of an influencer in terms of perceived authenticity and transparency influence the purchase intentions of consumers

3.0 Research Methodology

3.1 Research Philosophy

Philosophical paradigms within research are defined as the clusters of beliefs that govern what is studied in certain research, how the study is undertaken, and how the findings will be interpreted. As outlined by Creswell (2014), research philosophy encompasses a researcher's general orientations about the world. Within the research onion, the philosophical underpinnings of research form the basis within which the theory relevant to the study will develop and inform the methodological choices in the study (Saunders, Lewis and Thornhill, 2019). Of importance to the current study is the interpretivism perspective of research which posits that all elements of research are socially constructed, and as such, the current study adopts an interpretivist philosophy owing to the acknowledgement of the impact of human interest in the study

(Saunders, Lewis and Thornhill, 2019). Influencer marketing stands out as a quintessentially social construct; hence its review calls on an interpretivist philosophy.

3.2 Research Approach

The study adopts a deductive approach, and the justification for its use is that the study aims to test hypotheses instead of developing new theories. Furthermore, the current study is not aimed at making generalisations and will adopt a primary approach to collecting data (Saunders, Lewis, and Thornhill, 2019). The justification for utilising a primary approach to collecting data is that there are currently no studies done that focus on the effect of digital influencers on consumer habits under the mediating role of credibility. Hence, it is only right that novel data inform the deductions made from the study.

3.3 Research Method

The research method employed for the study is a quantitative one owing to its effectiveness when conducting empirical research. That is because it provides for testing research hypotheses, as is the case with the current study. Furthermore, it makes it possible to leverage software tools in analysing the obtained data.

3.4 Research Design

A quantitative survey stands out as the most appropriate way of conducting the study. Specifically, an online survey was utilised on account of the face-to-face restrictions occasioned by the Covid-19 pandemic. Furthermore, an online survey is fast, cost-effective, and convenient for both the researcher and respondent.

3.5 Data Collection

3.5.1 Sampling frame

The first step in collecting the data involved limiting the scope and creating a sampling frame from which data would be collected. The scope and the sampling frame were limited to students and academic staff from the university. The reason for the approach was to provide local control over the results obtained. Furthermore, university students and academic staff in the university are also well acquainted with social media and digital influencers.

3.5.2 Data collection

The questionnaire was uploaded on survey monkey, allowing respondents to select their preferred answer in each question. A link to the survey was copied and uploaded to university forums and social media groups, where the researcher requested the respondents to fill the short questionnaire to help complete the course. The first 200 respondents to complete the survey were selected, allowing simple random sampling to be used. Due to the architecture of survey monkey, incomplete surveys were not included in the final study.

3.5.3 Data analysis

The proposed data analysis involves a descriptive analysis of the questions followed by a small inferential analysis involving correlation analysis to determine the association between consumer habits and influencer marketing.

3.5.4 Ethical considerations

The main ethical considerations made for the current study include obtaining consent from the respondents. In that regard, a message was sent on the social media forums and groups to outline the study and asks only the willing participants to engage in the study. The respondents were also informed that participation is voluntary and was without remuneration. Finally, the anonymity of

the respondents would be guaranteed since no names would be collected to ensure a truly blind survey.

4.0 Results

As indicated, to determine the correlation of digital influencers and consumer habits, a survey questionnaire was issued to the university students, from which the sample set comprised 200 respondents. Out of the 200 respondents, 114 (57 per cent) were female, while 86 (43 per cent) were male. From the survey results, 75 per cent of the respondents indicated that they were conversant with the terms 'influencer marketing, and 'digital influencer', The majority of the respondents were between the ages of 18 and 28, which confirms the assertion that the majority of the users of social networking sites, and to whom most influencer marketing is targeted, fall into the Generation Z. Moreover, among the respondents, the largest population (93 per cent) indicated that they have a Facebook account, in addition to (76 per cent), who indicated they are active users of YouTube. That said, the largest interactions with influencers were determined to be on Instagram (88 per cent) and YouTube (45 per cent), but the distinction arose whereby most of the respondents relied on YouTube reviews of products – especially technology products, to inform their buying decisions.

Conversely, Instagram stood out as the main channel for interactions with fashion influencers. The respondents who were younger than 26 (70 per cent) indicated that they follow at least one influencer online, compared to (45 per cent) for respondents older than 27 years of age. Crucially, despite the age of the respondents, the overwhelming reasons for following influencers is the access to both interesting and attractive content (95 per cent of respondents), a source of inspiration (82 per cent), product reviews (58 per cent), motivation (42 per cent), and relaxation (35 per cent). Concerning the content of the digital influencers' posts, 75 per cent of

the respondents perceive fashion and makeup to be an especially attractive topic, while 58 per cent of the respondents pointed to fitness and lifestyle as their most preferred content. Some of the other topics for which there was a significant following includes travel (32 per cent) and food (26 per cent). Interestingly, 45 per cent of the respondents indicated that they were actively considering motivation content in the wake of the pandemic to cope with the increased anxiety.

In evaluating the impact that the digital influencers have on respondents, the majority (58 per cent) indicated that they would buy a product that an influencer recommends, while 46 per cent indicated that they would use services that an influencer recommends. In addition, 36 per cent of the respondents would change their lifestyles based on an influencer's recommendations, while 28 per cent of the respondents indicated that they choose a holiday destination based on an influencer's recommendations. On the question of whether influencers affected the lives of the respondents, 48 per cent said that they strongly agreed, 10 per cent indicated that they strongly disagreed, while 15 per cent of the respondents indicated that they were not at all affected by influencers. For those who strongly agreed with the assertion that they had been significantly affected by digital influencers, 43 per cent had made a purchase decision, 36 per cent had changed their lifestyle, while 28 per cent adopted a fitness regimen based on the recommendation of a digital influencer.

5.0 Discussion

Based on the survey findings, the two pertinent research questions that formed the basis of the study have been answered. Consumers - especially below the age of 30, perceive digital influencers as an integral part of the digital experience, and the influencer has grown in stature in the sense that they now actively drive the decisions of their followers. Thus, it is evident that digital influencers impact consumer habits on the first research question. That said, the

influences differ based on the follower's preferences, in the sense that, for those whose interest is in fashion and beauty, such as the female respondents of the study, influencers are likely to shape their choices on fashion and beauty products. Conversely, for those whose interests are in technology, digital influencers whose focus is tech reviews are likely to influence their purchasing decisions regarding acquiring technology products. Influencers seemed to have an ability to inform the lifestyle decisions of the respondents, which is indicative of a viable area of focus for business, especially those operating in the health and wellness and food industries. The second research question sought to determine how the perceived credibility of an influencer in terms of perceived authenticity and transparency influences the purchase intentions of consumers.

The influencer's credibility based on the audience proved to be a key determining factor on how well they received the information from the digital influencers and their actions once they received the information. From the study, the key indicators of the credibility of an influencer, according to the respondents, include trustworthiness, and impartiality especially in evaluating products. Furthermore, the quality of the information they uploaded and how regularly they uploaded content also stood out as key indicators of the credibility of an influencer and are essential determinants of how readily followers will take on board the recommendations of an influencer. Furthermore, per the findings of Dao et al. (2014) and Gautam and Sharma (2017), the entertainment value that an influencer's content offers acts as a key indicator of how well followers will take on board what they recommend. The relevance of the findings to organisations is that by determining the factors that determine how effective an influencer is at driving purchase decisions among their followers, they can be more assured of the right influencers to invest in and the kind of results they would expect to obtain. Conversely, for

influencers, the study determines that those who intend to establish lasting relationships with brands should offer regular, trustworthy, and entertaining content to their followers as a way of increasing their engagement and the likelihood of followers taking on board what they recommend.

6.0 Conclusion

The conclusion drawn from the study's findings is that digital influencers actively influence consumer habits. Furthermore, the study indicates that the influence is hinged on the perception of the credibility of the influencers by their followers. For brands, enlisting the services of a digital influencer for marketing purposes offers the benefits of increased visibility and the likelihood of a high sales conversion rate on account of the trust that followers bestow on influencers. That said, influencers should be cognisant of the need to remain credible by offering honest reviews, not based on the monetary compensation they present but based on the actual qualities of the products they are reviewing. Otherwise, the trust and loyalty they enjoy from their followers can be quickly eroded due to a lack of authenticity and loss of credibility.

7.0 Recommendations

The field of influencer marketing is a developing one since it is based on a rapidly evolving technology. Thus, for future studies on the topic, one of the considerations would be to undertake a systematic review of the published literature thus far to determine the level of development of the topic. Furthermore, future primary studies should include a more substantial sample population to entrench a broader understanding of the concept based on more diverse population size perceptions.

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