

PROJECT DISSERTATION

ON

**IMPACT OF INFLUENCER MARKETING ON
CONSUMER BEHAVIOUR**

Submitted By

Alice Katiyar

(2K18/MBA/060)

Under the Guidance of

Dr. Meha Joshi

Assistant Professor



DELHI SCHOOL OF MANAGEMENT

DELHI TECHNOLOGICAL UNIVERSITY

Bawana Road Delhi 110042

CERTIFICATE

This is to certify that the dissertation report titled “Impact of Influencer Marketing on Consumer Behaviour”, is a bonafide work carried out by Ms. Alice Katiyar of MBA 2018-20 and submitted to Delhi School of Management, Delhi Technological University, Bawana Road, Delhi-42 in partial fulfilment of the requirement for the award of the Degree of Masters of Business Administration.

Signature of Guide

Dr. Meha Joshi

Signature of Head(DSM)

Prof. Rajan Yadav

Place: New Delhi

Date: 31-05-2020

Seal of Head

DECLARATION

I, Alice Katiyar, student of MBA 2018-20 of Delhi School of Management, Delhi Technological University, Bawana Road, Delhi – 42, hereby declare that the dissertation report “Impact of Influencer Marketing on Consumer Behaviour” submitted in partial fulfilment of Degree of Masters of Business Administration is the original work conducted by me.

The information and data given in the report is authentic to the best of my knowledge.

This report is not being submitted to any other University, for award of any other Degree, Diploma or Fellowship.

Place: New Delhi

Alice Katiyar

Date: 31-05-2020

ACKNOWLEDGEMENT

It is pleasure to acknowledge many people who knowingly and unwittingly helped me, to complete my project. First of all, let me praise God for all the blessings, which carried me through all those years.

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I extend my sincere gratitude to all my teachers and guide who made unforgettable contribution. Due to their sincere efforts I was able to excel in the work entrusted upon me.

Alice Katiyar

TITLE OF THE PROJECT

IMPACT OF INFLUENCER MARKETING
ON CONSUMER BEHAVIOUR

EXECUTIVE SUMMARY

With growth and evolution of internet, and introduction of social media has emerged newer opportunities of marketing for brands – E-marketing. This has transformed the way we communicate and there has been a rise in individuals creating fresh and relatable content frequently on social media.

People have learned the secret of advertisements, that the commercials lie and celebrities are paid to promote brands and products, that they generally do not use or care about.

This brings people to trust the review of their peers than marketing messages properly curated by brand through advertisements or celebrity endorsements. It sure does open eyes of consumers for the brand, but influencer marketing can actually push them to make a decision in favour of the brand.

Influencer Marketing is a blend of traditional and modern tools of marketing. It takes the idea of brand endorsements by celebrities and places it into modern day marketing campaigns that are content driven. The campaigns are a collaboration between brands and influencers with the objective of creating content to impact and shape perceptions and influence the purchasing decisions of consumers.

An Influencer is an individual or group of individuals who can influence the purchasing decisions through their knowledge and expertise, their position and their relationship with their followers. Their size of their audience is dependent on the size of niche they are creating their content in.

In this paper, we try to identify the role influencer marketing in impacting consumer behaviour and whether or not it should be vital part of a brand strategy or not.

For this we have collected data from primary sources through survey and analysed it through various tool to gain an insight on impact of influencer marketing on consumer behaviour.

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CHAPTER 1

1.1 Introduction - The concept of Marketing

American Marketing association defined marketing as “the activity, set of institutions, and process for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. (1)

Philip Kotler, world’s marketing expert, defines marketing as “the analysis, planning, implementation, and control quality of carefully formulated programs designed to bring voluntary exchanges of values with target markets for the purpose of achieving organizational objectives. (2)

Understanding the above definitions brings us to some conclusions –

- The core function of marketing is to capture the attention of your target market.
- Then persuading the same target consumers to purchase your product or avail your services.
- This includes providing the target audience/consumer with a specific low-risk action that is easy to take.
- Marketing is a process of understanding the customer needs, conversion of those needs into product and services.

If the goal is to enhance the reach of product or service which ultimately results into a bigger sale of the product/service then marketing is what will help you to achieve the goal. All that comes under the category of convincing the customer which results into selling of product/service, comes into marketing. Marketing includes advertising, coupons, social media, sales and even how a product is displayed or presented to the customer.

It is essential for an organization to form a suitable mix of marketing activities in order to sustain dynamic environment, and competition. The primary objectives of companies and brands through marketing is to :

- create awareness, directly or indirectly, amongst the current and potential buyers about products and services
- persuade them to develop a favourable response towards it, and

- remind and encourage customers to take action in order to boost sales

How is traditional marketing evolving?

Traditional marketing is declining, as print media circulation lessens and televisions are adopting more streaming services without ads. But when looked closely, the very basics of any type of campaign is same, and that the fundamentals of marketing (product, price, place, promotion) are the pillars of any marketing campaign. This way we understand that the traditional marketing is not actually dying, it is evolving.

Digital Marketing: The Evolution of Traditional Marketing

Imagine spending money on huge billboards, cold calling, television commercials and radio ads without having a way to monitor its reach and performance. In a way these things worked well when we were connected through newspapers, TV and radios. But ultimately it involved a lot of efforts, cost and most importantly very less or no tracking of its impact. One of the biggest drawbacks of the Traditional Marketing was its one sided communication in which a brand tells a stranger (consumer) about its product. All this changed with the widespread use of internet. In a world, which is now fuelled by World Wide Web, it shouldn't come as a surprise that everything is done through the internet. From shopping to ordering the food, internet has been an integral part of our lives. If you go by the stats, as of 2019 December –a whopping 4.5 Billion people have access to the internet. Internet has penetration range of 58.7 percent.

The way we buy and the way we shop has changed with internet. Digital marketing can be explained as utilization of multiple channels over internet to connect with the target audience where they spend most of their time i.e. internet. Everything from websites, email marketing, influencer marketing and online brochures come under digital marketing. Enhancing the reach of your business and being able to track it in parallel has never been this easy and cost-efficient.

1.2 What is Social Media Marketing ?

Social media marketing is the strategies adopted to generate traffic and capture attention of the audience on social media channels like Facebook, Instagram, YouTube etc. by means of creating content, running social media campaigns that is tailored to various social media platform, with the goal of driving user engagement in the form of likes, reactions, comments, sharing, tags, retweets, and even purchases.

Listing below are few popular social media channels, which can be used by brands as a platform to carry out digital marketing activities –

- Instagram
- YouTube
- Twitter
- Facebook
- Snapchat
- TikTok

Influencer marketing is a part of social media marketing that goes beyond traditional marketing of advertisements and which has successfully created engagements with their followers over past few years. Engagement is the extent of a customer's attention and active involvement with a communication. (3)

1.3 What are influencers?

Influencers are individuals who have gained a following with the content they create online based on their understanding and expertise on the subject matter. They have the power to influence the buying behaviour of their followers with their opinions and reviews on the brand/product/service.

1.4 What is influencer marketing?

Influencer marketing created brand awareness through leaders in various segments to convey brand's message to the larger audience or the potential market. It is paid collaborations between influencers and brands to market the brand or its products or services to help them gain increased brand visibility.



Influencers can be anyone as ordinary as our next door neighbour, or a celebrity. What makes them highly influential, is the no. of people who follow them, who seek for their opinion. Influencer marketing is capable of developing niche markets and can generate awareness specifically to the targeted market of the brand who are likely to have genuine interest in the brand/product.

Influencer marketing is often coupled with two other marketing strategies: social media marketing and content marketing. Generally, an influencer campaign has some form of social media segment, where influencers are supposed to spread the word through their social channels. Many influencer campaigns also carry a content element where you give them the curated content, or they create content for themselves.

While the early days of influencer marketing were all about celebrities and social media stars, people quickly realized the power of influencers in reaching and impacting your target audience. A powerful influencer marketing strategy would always include macro and micro influencers, brand advocates and ambassadors, employees, and celebrities, as needed to authentically carry brand message.

The trust can be easily gained with authentic content. People trust the influencers on these platforms because they value the content created by them. Planning effective strategies in collaboration with these influencers allows brands to smartly incorporate their message in that content.

If a brand seeks engagement with consumers, they should meet consumers where they are, where they are spending their most of the time. This means approaching them on social media platform, the middle of the content they are consuming. And when these influencers share their experience about the brand/product, can cause a lasting impact on the mind of the individual which can shape their perceptions about the brand and may even lead them to make a purchase decision.

In today's digital era, people access information about a product before they even get to its website. Social media has revolutionized the way brands interact with consumers by creating an environment where consumers receive instant information. They turn to their peers online for product recommendations, search information via search engines, and read product reviews. Therefore, it makes sense for a brand to collaborate with influencers. They can share information effectively thus moulding the perceptions and impacting their purchasing behaviour. Successful brands take advantage of social media to stay connected with their consumers by through online dialogue.

1.5 Objectives of the study

- To understand the power of influencer marketing
- To study the outlook of consumers towards influencer marketing
- To study the buying behaviour of consumers who follow influencers

CHAPTER 2

Literature Review

Influencers are individuals who have certain influence over their audience and can be adopted by brand to increase reach, sale or engagement. It can be used to increase credibility of the brand or to create social conversations for the brand. Influencer marketing derives its value from 3 sources namely reach, relevance and resonance. Influencer marketing is a form of word-of-mouth marketing which is done on the social media platform. (Sudha M., Sheena K, 2017)

According to Felicia Kalu (2019) research on the impact of purchasing behaviour of a male millennial in reference to fashion industry, confirms that the millennials are not much accustomed to traditional marketing. This generation consists of individuals who are online all the time and their peer groups have a greater role in influencing them. For brands to reach them through advertising on the internet, they should adopt influencer marketing.

Another research studying the consumer behaviour in fashion industry revealed that blogs have a great impact on younger women and can be used to build relationships indirectly with company's target customer base. The positive comments on a purchase gives them validation in addition to the reliable source helping the brand gaining their trust, developing long term relationships and thus, leading to higher sales. (Sudha M., Sheena K, 2017). The most popular social media platform among millennials is Instagram because it contains graphics in form of images and videos, having the ability to tap the emotions (Felicia Kalu,2019)

Influencer marketing may not have a direct effect on purchase intentions (Ida Kristin Johansen, Camilla Guldvik, 2017). The purchasing intention of consumer is significantly impacted by following factors –trust of influencer, content quality, relevance between influencer and the product and consumer's involvement. (Lê Giang Nam, Hoàng Thái Dân, 2018). Lisichkova, Othman, Zeina (2017) observed that authenticity, trustworthiness & credibility, competence & expertise, and legitimacy & honesty are the most important characteristics of an influencer that can have an impact on his/her followers.

The correlation between popularity and influence is not high. (Romero, 2011). People feel more similar to influencers than celebrities. They have greater trust on these individuals and thus are more motivated to purchase the product endorsed by them. (Schouten, Janssen &

Verspaget, 2020). Hwa, Cheah. (2017), showed in their research that individuals are more likely to accept meanings from brands endorsed by social media influencers they admire or with whom they perceive a resemblance. It was observed by Felicia Kalu (2019) in his research that the physical appearance of the influencer was a significant factor affecting their purchasing behaviour because they wanted to resonate the influencer.

Technology has prompted the rise of the web-savvy client who requires greater engagement and information before purchasing products and services. The customers want valid content and opinion that aids them when making decisions on products.(Kl, Ben. 2019). Thus brands should include influencer marketing in their marketing strategies. However, consumers need not only be positively influenced, and companies that choose to implement this strategy should also be aware of the risks involved in working with influencers (Stefan, Maria, 2020).

CHAPTER 3

3.1 Research Methodology

The research design of this research paper is Descriptive studies.

Descriptive studies are adopted by researchers under many circumstances when-

- The researcher aims at understanding characteristics of individuals in certain demographics like age, location etc.
- The researcher aims to understand the proportion of such individuals who have behaved in a certain manner, projecting a pattern.

The objective of this type of study is to find answers to the who, why, what, and how of the topic of study and accurately portray the characteristics of the groups of individuals

I have chosen descriptive method of research design because my research paper includes knowing the behaviour of customer and their reaction to influencer marketing and how brands can create a visibility for their products and services and gain increased customer responsiveness. 104 people were chosen for the study. Collected data will be analysed as per need of objectives and hypothesis.

3.2 Data Collection from Secondary Source

Relevant information was collected from multiple secondary sources such as advertisements, blogs, articles and has been used at appropriate places in this report.

The information collected also included:

- marketing campaigns of brands
- influencers

3.3 Data Collection from Primary Source

The primary data is concerned with analysis of causes and how these create an impact over the respondents. It is gathered in a manner to seek reasons behind the research questions. The questionnaire is explained in a more detailed manner in chapter

3.4 Data Analysis

After getting the questionnaire filled from the selected respondents, the data was visually represented through bar charts and pie charts. To analyse the data in a useful and meaningful manner, simple statistical tools like percentages and advanced tools like correlation were used.

3.5 Questionnaire Development and Pretesting

It is a method is selecting samples for the survey. The methods of sampling are –

1. Probability – where each unit of population has a equal chance of being included in the sample.
2. Non- Probability – The sample is selected through methods based on objective of the research topic and convenience of the researcher.

3.6 Sample of the research

The sample of the research takes into account the people who are ready to participate when a particular academic research is conducted, through giving their perspective with respect to a certain theory. Keeping in mind that there were resource and time constraints, it was necessitated to identify a specific population to act as a sample in an attempt to form relevant segments.

The plan calls for two decisions.

- (a) Sampling Unit: - who is to be surveyed?

The population of this study comprises of people exposed to influencers/ influencer marketing in different cities of India, for instance, New Delhi, Gurgaon, Bengaluru, Lucknow, Kanpur etc.

- (b) Sampling Size: - How many people should be surveyed?

After collection of the responses, 104 completely filled questionnaires were eligible for the analysis.

3.7 Tools and Techniques analysis

- Questionnaire was developed with the help of google forms.
- Bar chart
- Pie-chart
- Histogram
- SPSS – reliability test, correlation

CHAPTER 4

Data Analysis & Interpretations

This chapter deals with the analysis of the data collected through survey done via questionnaire floated through google forms. The data was evaluated to answer the problem of this research, that is– Does influencer marketing has a impact on consumer behaviour or not? There were total 104 respondents who took the survey. Data gathered was organic and accurate according to the current trend and technology which helped in understanding the research problem in a elaborate manner.

4.1 Survey analysis

The reliability test of the survey questionnaire used for collecting data is done to understand the opinion of participants to the research and to evaluate whether the information provided by survey questionnaire is credible or not.. The reliability statistic was performed using SPSS software, evaluating the Cronbach Alpha. Cronbach Alpha for 7 items of the questionnaire was 71.8% which showed that the information is credible since any value which is higher than 50% is considered to be sufficient.

Case Processing Summary

		N	%
Cases	Valid	104	100.0
	Excluded ^a	0	.0
	Total	104	100.0

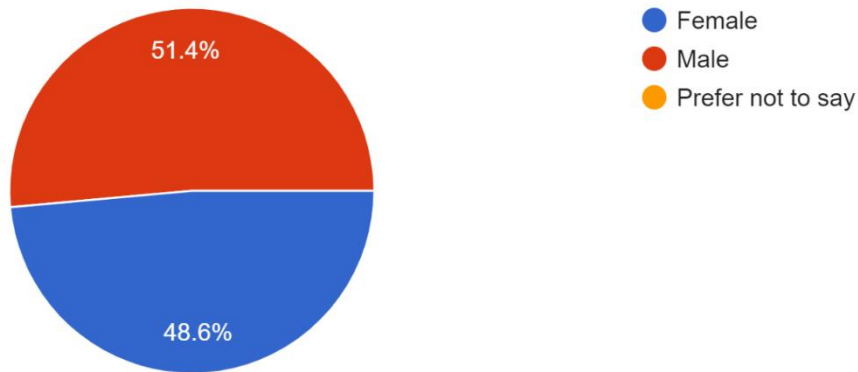
Reliability Statistics

Cronbach's Alpha	N of Items
.718	7

4.2 Demographic Analysis

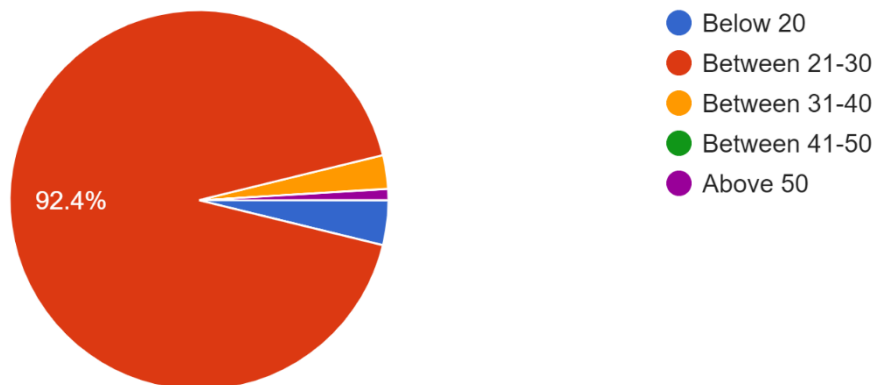
The demographic findings through this survey are -

Gender :



The gender distribution of the questionnaire survey can be determined from the above mentioned data. The number of male responses was 54 (51.4%) whereas the number of female responses was 51 (48.6%). This shows that males are as good as the females when it comes to being exposed to influencer-based marketing by various companies and brands.

Age :



From the above data, we can figure out that 92.4% of the respondents belong to the age bracket of 21-30, 3.8% fall under the age bracket of below 20 years, and 2.9% fall under the age bracket of 31-40 years and 1% of the remaining fall under the age of 50 and above years. This clearly depicts that the millennial's and the present generation's point of view would be gathered majorly through this survey.

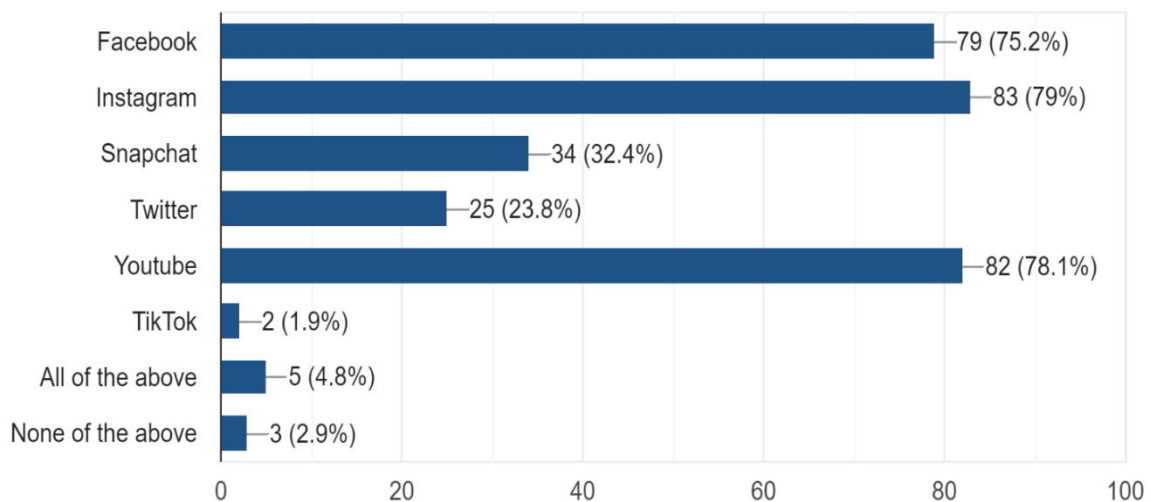
4.3 Questionnaire Data Analysis:

The analysis of the data collected and result obtained is -res

1) *Select all the social media platforms that you are active on.*

The question was asked in order to understand the various social media platforms that the respondents were active on. The options provided to respondents were –

- Facebook
- Instagram
- Snapchat
- Twitter
- YouTube
- TikTok
- None of the above
- All of the above



Inference :

This question will help us identify which social media platform generates the maximum traffic which will be useful in deciding which social media platforms to target to generate engagements.

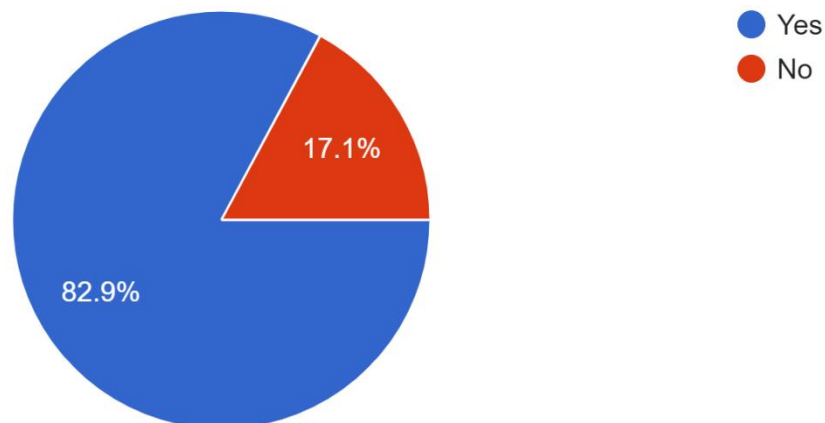
From the data collected through this question, it can be interpreted that Instagram, being the most popular, appealed to a majority of the total respondents 79% (83). This is followed by YouTube which envelops around 78.1% (82) of the respondents.

Facebook appealed to 75.2% (79) of the respondents whereas 32.4% (34) of the respondents were active on Snapchat and 23.8% (25) were active on Twitter. TikTok had the least no. of active users among the respondents with only 1.9 % (2) users. However, around 4.8 % of the respondents were active on all the social media platforms whereas around 2.9% of the respondents were not active on any social media platform.

2) ***Do you follow any influencers on social media?***

The question was asked to know the awareness of the concept of influencers and influencer marketing among respondents and whether they followed any influencer not. The options provided were –

- Yes
- No



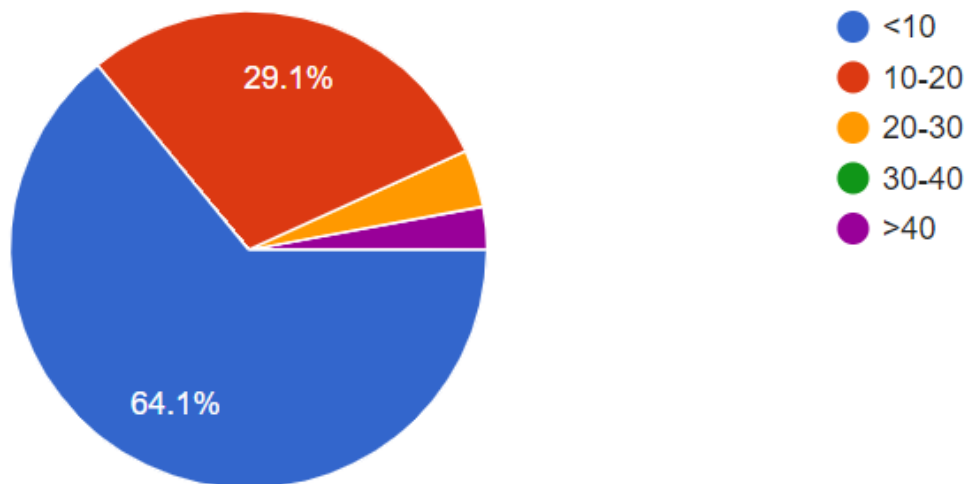
Inference :

From the data collected through this questionnaire, it can be interpreted that 82.9% of the respondents followed influencers on social media platforms and thus, they can be identified as target audience by brands for their influencer marketing campaigns as today almost everybody is on social media, and keeping updates on activities of others, thus consciously or sub-consciously getting influenced by the choices of others.

3) *On an average how many influencers do you follow across various platforms?*

This question was asked to gain an insight on social media usage pattern of the respondents. This helps us in identifying approximate no. of brands that the target audience is exposed to, including their competitors in campaigns between the brands and the influencers. The options provided were –

- <10
- 10-20
- 20-30
- 30-40
- >40



Inference :

From the data gathered through the survey, it can be observed that 29.1% respondents followed no. of influencer in the range of 10-20 whereas 64.1% respondents followed less than 10 influencers . around 3.9% of the respondents followed 20-30 influencers and 2.9% respondents followed more than 40 influencers.

Following high no. of influencers can be a sign of greater activity on social media, and keeping up with what is happening around the world, what is trending, and what people are doing. The more an individual is active and consuming greater content, the

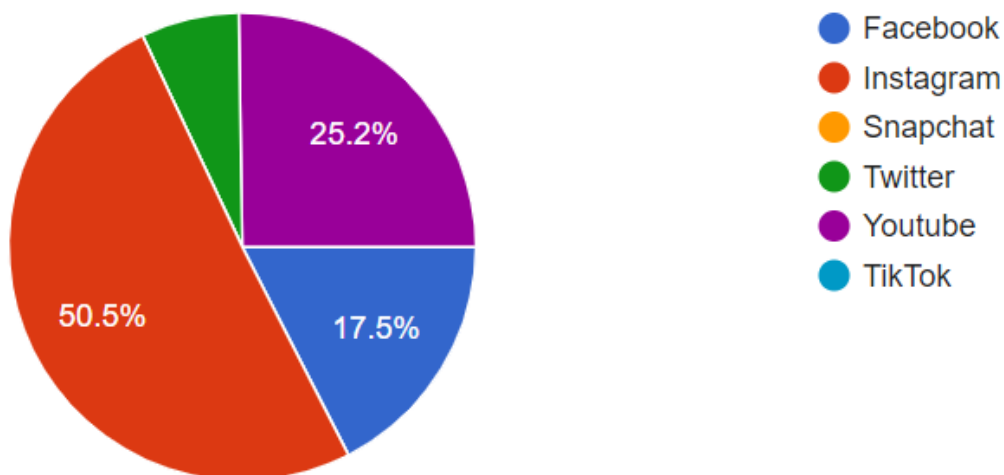
more likely he will be exposed to multiple influencer marketing campaigns by various brands. This also helps brand in identifying strategies adopted by competitors.

4) Among the following, on which social media platform do you follow the MOST no. of influencers on?

This question tries to identify the social media platforms on which the respondents to the survey consume maximum content and follow the most no. of influencers.

Identifying this would help the brands in formulating their influencer marketing strategies to the platform that derives the most traffic suitable for their product. The options provided were –

- Facebook
- Instagram
- Snapchat
- Twitter
- YouTube
- TikTok



Inference :

Consumers have centre stage, and to be a part of engaging conversations, brands have to play by the consumer's rule. The marketers need to identify the most popular

platforms where they can target their audience and connect with them and to plug into newer communities with new brand and new product through the trusted relationship of influencer with his community.

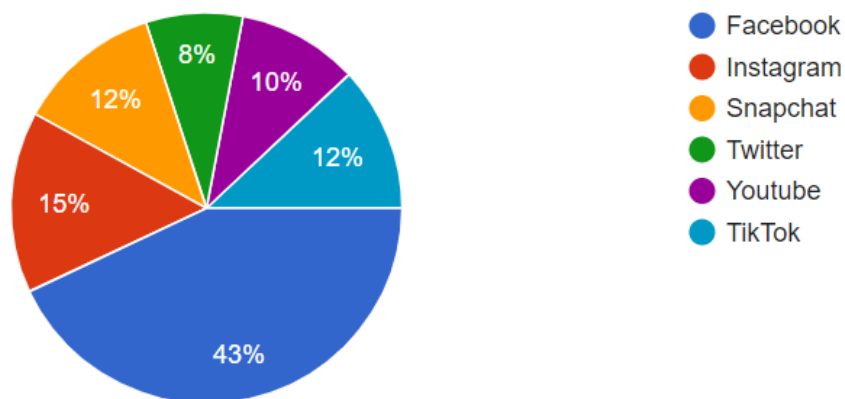
As it can be observed with the data collected on this question, maximum no. of respondents, around 50.5%, follow majority of influencers on Instagram, followed by, YouTube with 25.2% respondents following influencers in the platform. TikTok is a fairly new social media platform, with 17.5% of the respondents admitting to follow influencers on this platform. However, twitter had only 6.8% votes.

Thus it would be safe to conclude, Instagram and YouTube, are the platforms, which are immensely popular among the people to follow influencers.

5) Among the following, on which social media platform do you follow the LEAST no. of influencers on?

This question was asked to identify the platforms on which the least no. of respondents would engage on. This would help the brands in identifying the social media platforms that attracts least no. of engagements by brands. The options provided were –

- Facebook
- Instagram
- Snapchat
- Twitter
- YouTube
- TikTok



Inference :

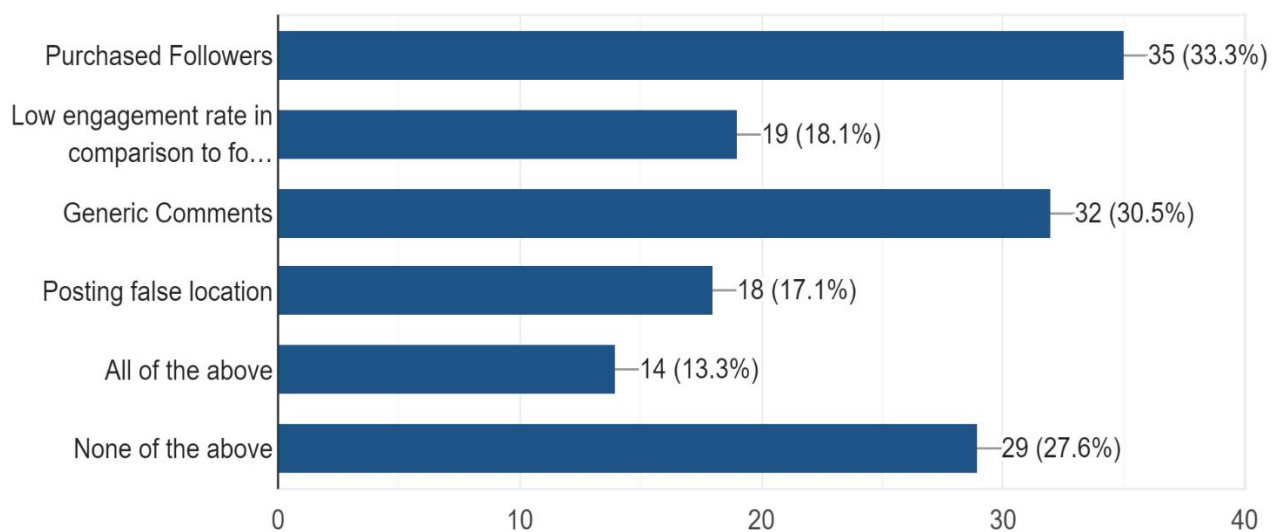
The data shows that on Facebook was the least popular choice for people to follow influencers. Around 43% of respondents believed that they followed the least no. of followers on Facebook whereas 15% of respondents felt the same about Instagram, 12 % for Snapchat and TikTok, 10% for YouTube, 8% for Twitter.

Identifying the least likely platform would enable the brands to channel their resources to appropriate platforms that would generate results.

6) *Select the type of influencer frauds that you have witnessed.*

This question was asked to know the frauds by influencers, to which the respondents have been victim to or have witnessed. With this question we try to identify the shortcomings of influencer marketing. The options provided were –

- Purchased Followers
- Low engagement rate in comparison to followers
- Generic comments
- Posting false location
- All of the above
- None of the above



Inference :

Influencer fraud is widespread and can jeopardise online presence and marketing campaigns by the brands. Fraudulent influencers can be bad for image of the brand. It is important that influencers grow organically, and build a audience, who want to know the opinion of the influence

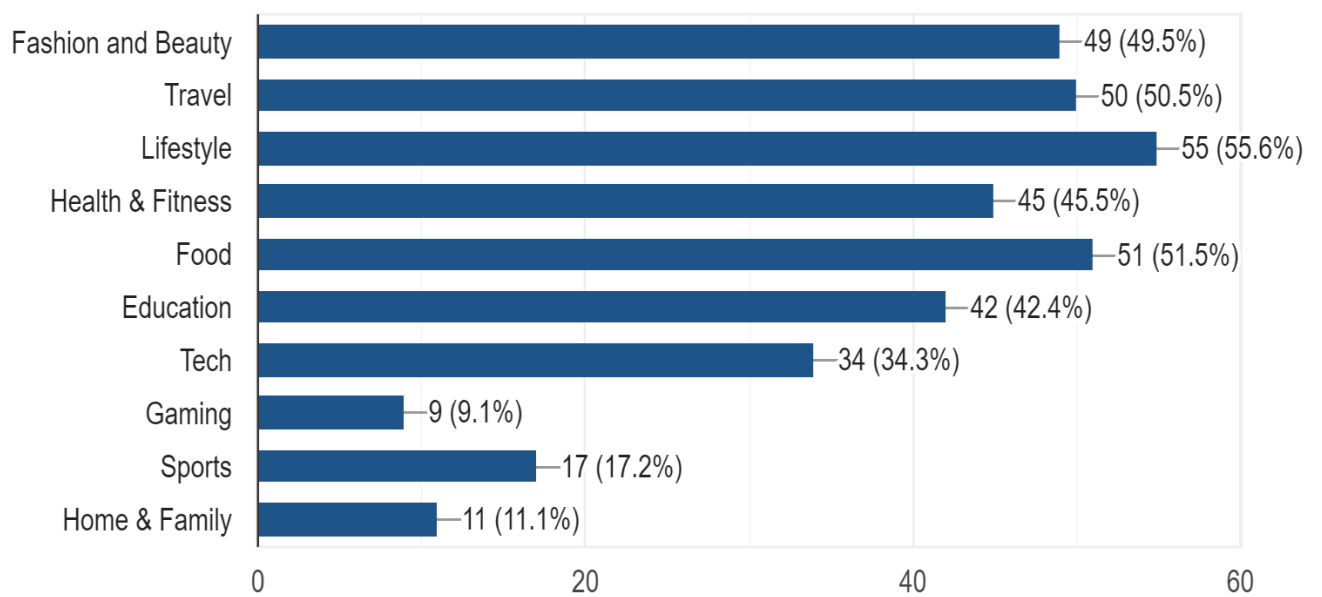
The data collected by this question lists down the various kinds of frauds that one has come across, while coming across a influencer or content created by them :

- Purchased followers, was observed by 33.3% of respondents.
- Generic Comments, was yet another fraud that was highly prevalent, observed by 30.5% of respondents.
- The other frauds that were observed were –
 - Low Engagement rate – 18.1%
 - Posting false location – 17.1 %
- Around 13.3% respondents came across all of the influencer frauds listed and
- Around 27.6% respondents did not come across any influencer fraud.

7) *Select the categories represented by influencers that you follow .*

This question was asked to identify the most popular verticals that are represented by influencers, and the verticals that are attract most no. of follows on social media. The options provided were –

- Fashion and Beauty
- Travel
- Lifestyle
- Health and fitness
- Food
- Education
- Tech
- Gaming
- Sports
- Home & Family



Inference :

The data collected in the survey shows all the favourable verticals represented by influencers that the respondents follow on social media -

- Lifestyle vertical interests the majority respondents, with 55.6% votes
- Food follows next, with 51.5% votes
- Travel is followed by 50.5% of respondents
- Fashion and Beauty is followed by 49.5 % respondents
- Health and fitness is followed by 45.5% respondents
- Education vertical is followed by 42.4% respondents
- Tech is followed by 34.3% respondents
- Sports is followed by 17.2 % respondents
- Home and family is followed by 11.1% of respondents
- Gaming is followed by 9.1 % respondents.

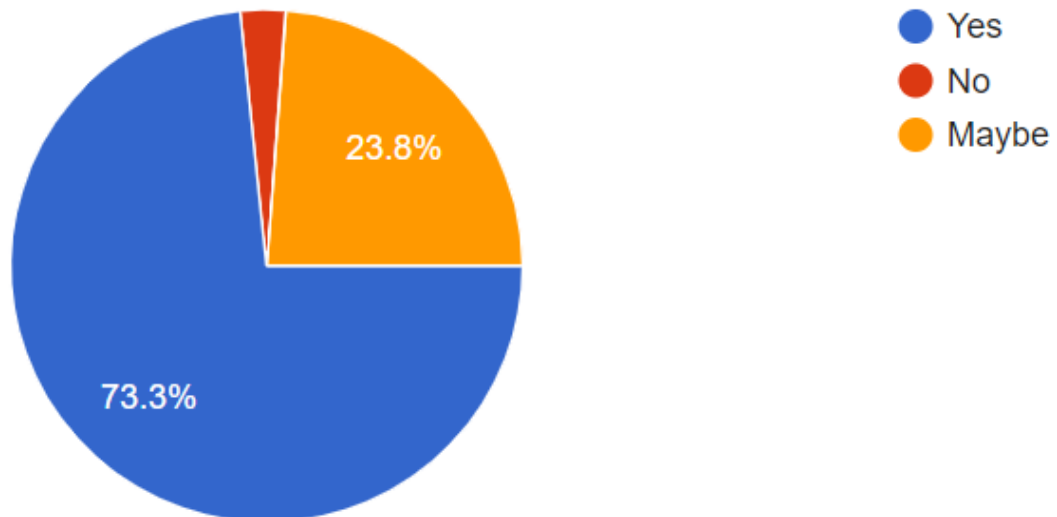
To make most of influencer marketing, it is important for brands to identify the most favourable verticals where people gravitate towards digital influencers because they value the content created by them in relevance to these verticals and this gives an opportunity to brands to incorporate their messages into the content produced by the influencers.

Brands should allow the influencers to stay true to themselves when they are working on sponsored content if they want to capture the trust of their followers for the brand.

8) *Do you believe with influencer marketing, brands can effectively target interested groups?*

This question seeks to understand respondent's point of view on the ability and accuracy of influencer marketing in successfully targeting the demographics. The options provided were –

- Yes
- No
- Maybe



Inference :

People are tuning in to their favourite IG model, or YouTube star, for recommendations on their purchasing decisions.

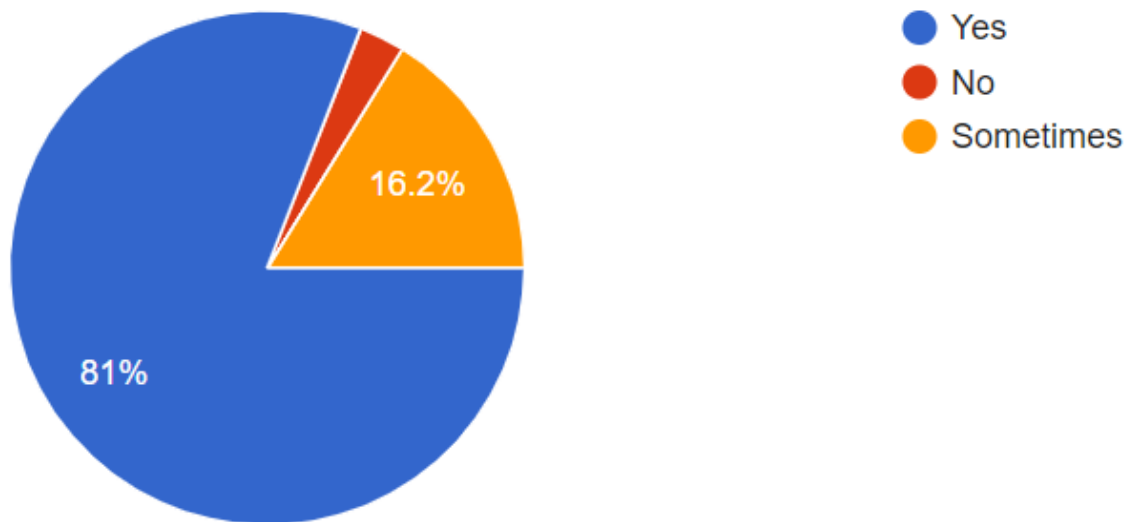
The data gathered suggests that 73.3 % respondents agree that influencer marketing can effectively target the desired demographics, whereas 23.8 % disagreed to this and 2.9% were not sure and were of the opinion – maybe.

Influencer marketing helps in targeting the demographics, sometimes even influencers who have only 10,000 followers, can generate huge business to the brands. This is because they are specifically targeting those interested 10,000 people and these people are the potential consumers, and command devising the marketing strategies.

9) *Do you research before buying something or before availing a service?*

This question was asked to understand the pre-purchase behaviour of the respondents, for any product or an service that they avail. Do they prefer gathering information, based on product description and reviews before making the purchase or do they prefer experiencing the product first-hand without seeking reviews by others.

- Yes
- No
- Sometimes



Inference :

The data collected suggests that 81 % of the respondents prefer researching before making a purchasing decision whereas 16.2% of the respondents would research occasionally. And only 2.9% would rather just buy the product/service without any research.

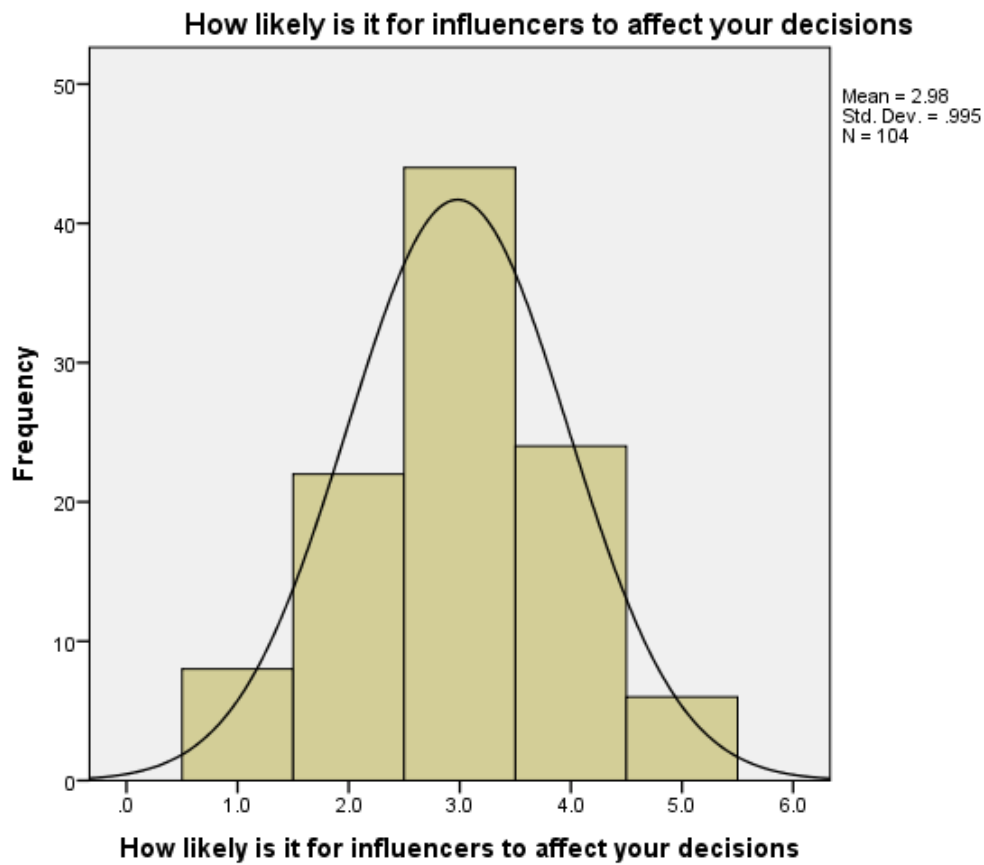
What do people do when they do not trust the perfectly curated marketing messages by the brand? They seek for more information, by opinions of other consumers, by more product information, or by product/usage demonstration. All of these forms part of pre-purchase research that a consumer performs on his buying cycle. The data

collected shows that more than 95% people would research for products sometimes. This itself illustrates the importance for influencer marketing.

10) How likely is it for influencers to affect your decisions?

Influencers have a following that is distinct and niche and who are likely to be influenced by the opinion of the influencer due to their command or expertise over that niche. However, there are individuals who follow a influencer, because he is a celebrity or because of the content produced by the influencer, not the brands that they endorse. These followers might not be influenced by their opinion regarding the brands and their product offerings.

The option provided was to rate on a scale of 1-5, 5 being extremely likely and 1 being extremely unlikely.

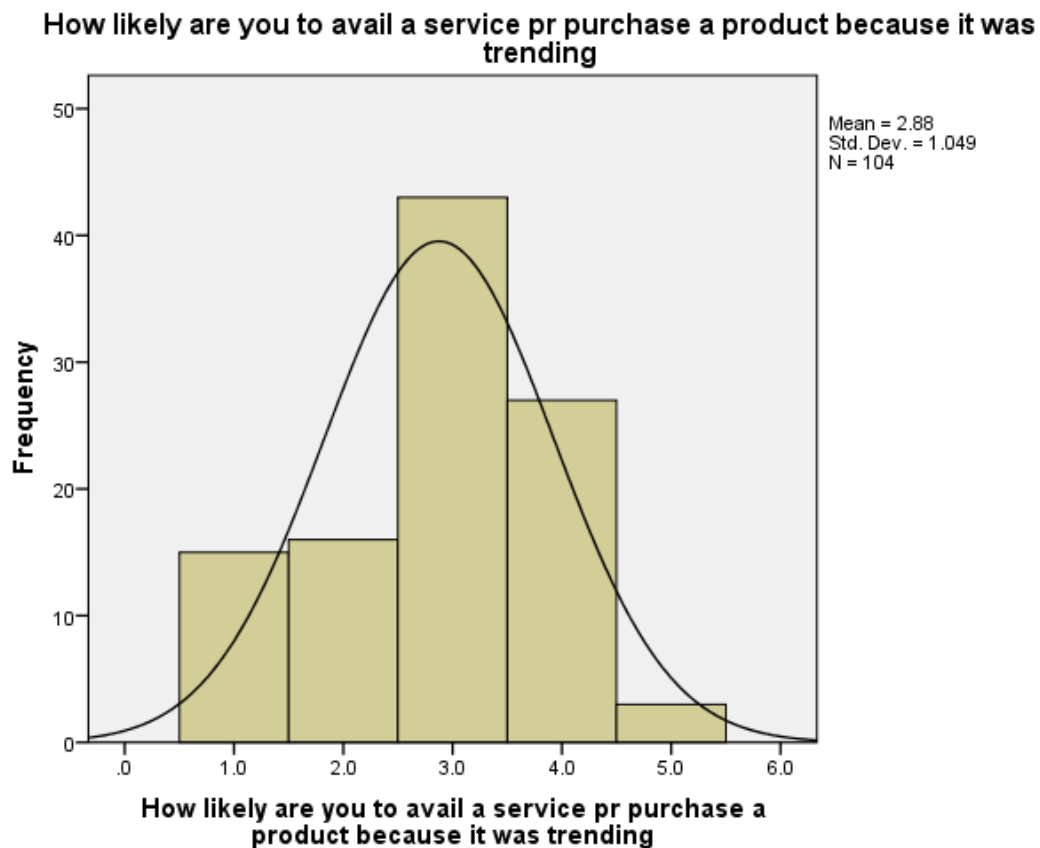


Inference :

The data suggests that a majority (41.9%) of respondents were neutral and rated 3 on a scale of 5, whereas 22.9% rated 4 and 6.7% rated 5 on scale of 5, admitting the favourable likeliness for influencers affecting their purchasing decision. However, 21% of respondents rated 2 and 7.6% respondents rated 1 depicting unlikeliness of their purchasing decision to be affected consciously by the influencers.

11) How likely are you to avail a service or purchase a product because it was trending?

This question seeks to understand respondents purchasing behaviour to the social media trends and how likely are they affected by 'FOMO- Fear of Missing Out' The option provided was to rate on a scale of 1-5, 5 being extremely likely and 1 being extremely unlikely.

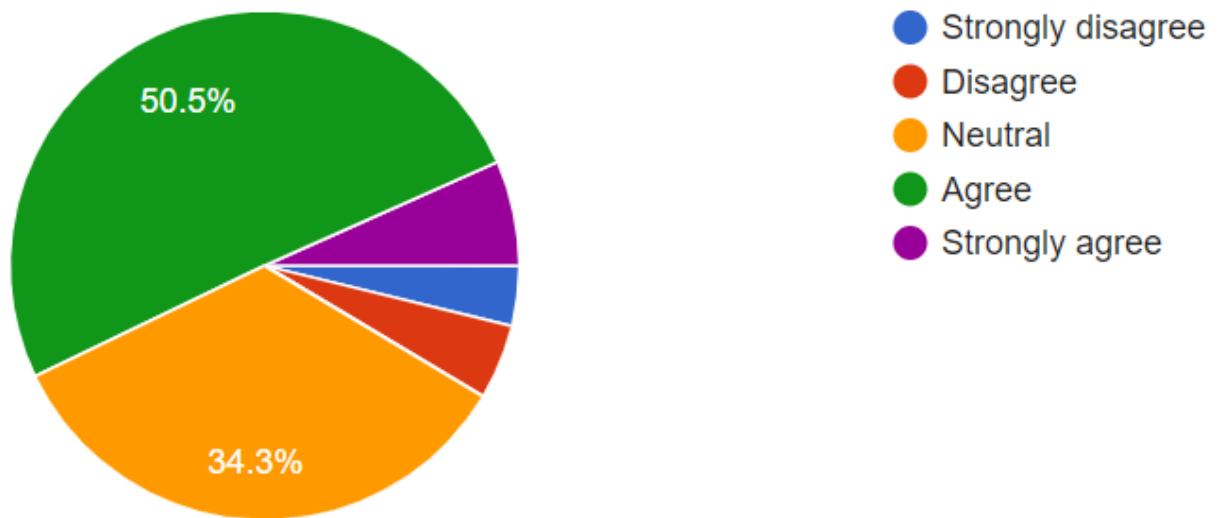


Inference :

Based on the data collected from the survey, on a scale of 1 – 5, with 5 being extremely likely and 1 being extremely unlikely, around 30% respondents have agreed that they have purchased something because it was trending. 40% remain neutral and around 30% have never made a purchasing decision based on the trend.

12) With short attention spans, do you agree brands can tackle this through Influencer marketing by grabbing attention of viewers?

With declining attention span, this question seeks to know the respondents view on the ability of influencer marketing in grabbing attention, and holding that, while creating awareness about the brand by means on product promotion, or product placement in the content generated by the influencer that already has a following.



Inference :

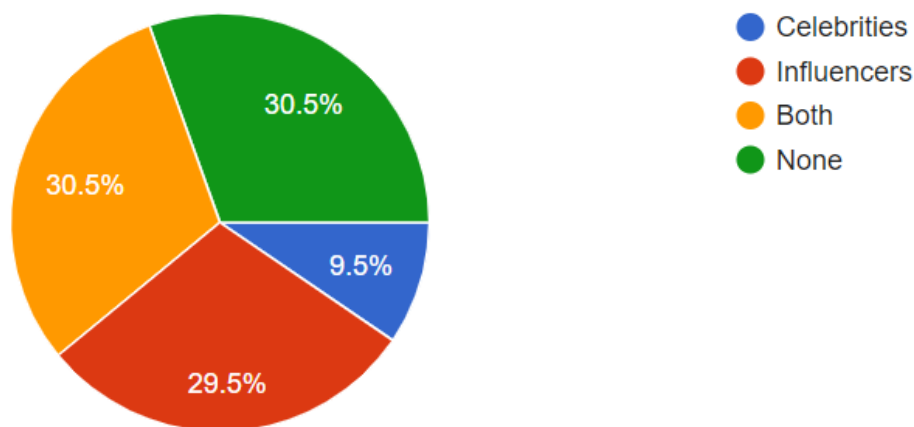
With growing digital age, huge no. of content is created everyday. With increased exposure to these content, and the ease of switching to next, there has been a decline in attention span of consumers while they are browsing online. And brands need to find ways to grab and hold attention of the viewers if the want to convert them into positive engagement.

When asked about the views of respondents on the ability of influencer in increasing the attention span, 6.7% strongly agreed, 50.5% agreed which showed that yes, influencer marketing is in fact an effective tool that can be adopted by brands to increase exposure and time to their products. 34.3% population was neutral whereas 8.6% of the population disagreed to this.

13) For a purchase decision, who is more likely to influence you?

This question helps in identifying the success of influencer marketing on consumer behaviour over celebrity endorsements or advertisements, measured in form of engagement, or purchase decision. The options provided were –

- Celebrity
- Influencer
- Both
- None



Inference :

From the data collected from the responses, it can be observed that only 9.5% respondents were people who would be influenced by just celebrities and around 29.5% of the respondents are likely to be influenced for the purchase decisions by the influencers that they follow. Also, around 30.5% respondents were likely to be influenced by both celebrities and influencers.

This helps us in concluding, out of the people whose purchasing decisions are influenced by another individual, influencers play a greater role in impacting the decisions of a larger population. This makes it very important for brands to incorporate influencer marketing to not lose out, when compared to other brands. Further reasoning explained behind this : People often believe that often celebrities do not personally use the products that they are sponsoring advertisements for. Consumers are aware that the celebrities are sponsoring the brand because they are being paid. This leads to superficial behaviour and creates a level of mistrust among the viewers.

Thus, there are fewer people who follow celebrities with diligence and would buy whatever they are promoting, irrespective of opinions of others.

Unlike celebrities, influencers can be anywhere and can be anyone. They have followers worldwide, which is what makes them influential. They seem like ordinary people just like us and may have fewer followers, but yet they would have developed a reputation of high-knowledge and experts in their fields. And depending on their expertise, they create engaging posts on social media, make engaging videos, and run online discussions which are highly informative.

This gives the brands an opportunity to create awareness about themselves by getting influencers to talk about them in their social media posts or stories. They are the ones who have built trust among their online community and their followers trust them for honest reviews on the brands they are sponsoring. This consciously or sub-consciously affects the choice of consumers, whenever they are making the purchase decision.

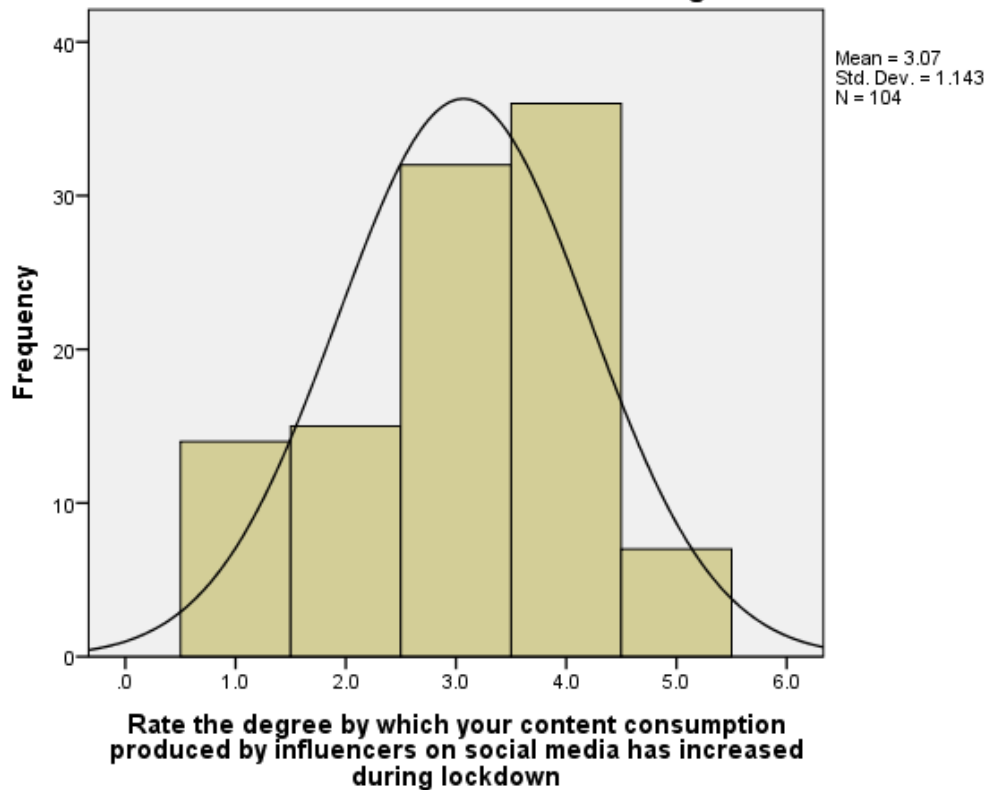
Influencers also help in brand-recall by creating multiple posts, with different content, promoting the brand, and also, with multiple influencers promote that particular brand whereas this option of different content becomes limited when it comes to advertisements, especially with celebrities as it can be costly to the company.

Also, influencer marketing helps in preventing ad-fatigue, and overcome the problem of ads being skipped online by the viewers.

14) Rate the degree by which your content consumption produced by influencers on social media has increased during lockdown.

This question helps us identify the effect of lockdown during the covid-19 pandemic on the consumption of digital content on social media.

Rate the degree by which your content consumption produced by influencers on social media has increased during lockdown



Inference :

The data suggests that with 5 being strongly agree, and 1 being around 7.6% respondents have rated 5 on a scale of 5 and 34.3% have rated 4, making them agree that there is a significant rise to consumption of content created by influencers. 30.5% of the population remained neutral, and 14.3% rated 2 whereas 13.3% rated 1, depicting there was no increase in consumption of content created by influencers.

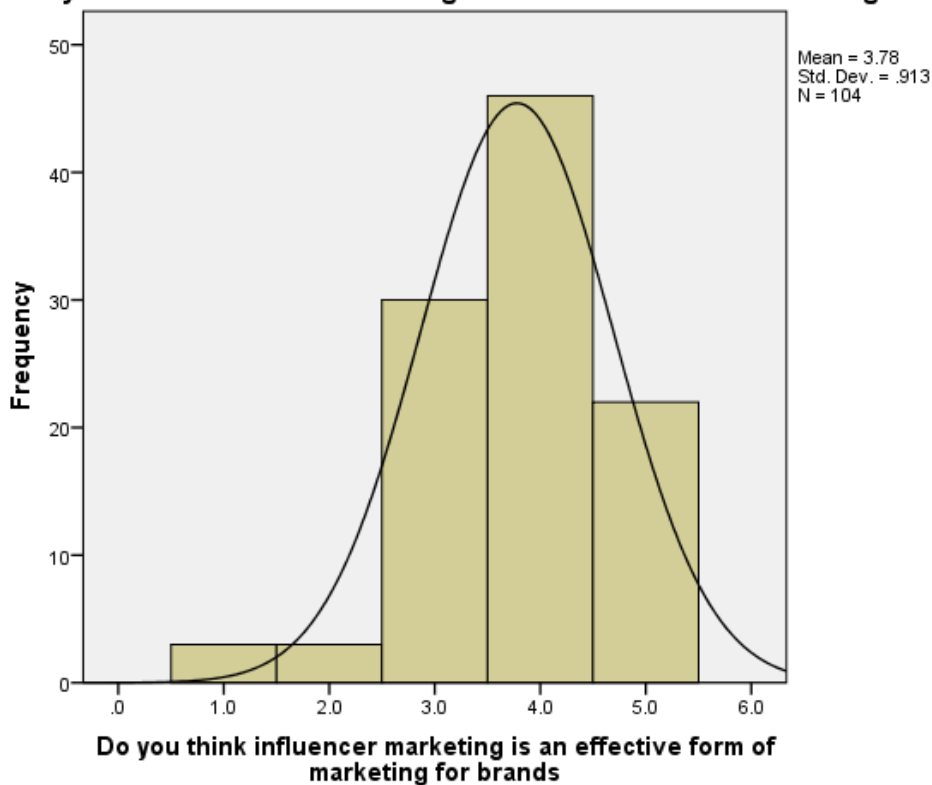
The lockdown period due to covid-19 has seen a significant rise in data and content consumption by individuals. People are spending most of their time on the screens and are consuming variety of content like- educational content, and entertaining

content along with food content, like cooking tutorials etc. The brands should implement digital marketing strategies, with emphasis on influencer marketing, to activate brand-recall, once this lockdown is over, and to prevent consumers from forgetting about the brand.

15) Do you think influencer marketing is an effective form of marketing for brands?

The question seeks respondent's point of view on whether influencer marketing is effective or not and whether brands should adopt it in their marketing process. If consumers find it effective, then it should be considered by brands for promotion of their product and increase awareness.

Do you think influencer marketing is an effective form of marketing for brands



Inference :

As from the data, more than 65% respondents believed that influencer marketing is an effective form of marketing for brands. 21.9% respondents were of the opinion that influencer marketing is highly effective marketing tool and rated 5 on a scale of 5 for importance whereas 43.8% rated the importance of 4 on a scale of 5. 28.6% were neutral and only 5.8% respondents rated it as an ineffective tool by rating 1 & 2 on a scale of 5.

Response Rate Comparison :

	Do you follow any influencers on social media			
	No		Yes	
	Count	Column N %	Count	Column N %
Effectiveness (1=Yes 0=No) 0	9	50.0%	19	22.1%
1	9	50.0%	67	77.9%

There is a statistically significant difference between No and Yes.

Today everybody is online, and follow at least 2 followers on social media. Brands are getting aware that consumers are skipping perfectly curated marketing messages and instead turn to opinions of other consumers. And this is where social media has transformed the way brands interact with their consumers and potential consumers. Brands can stay connected with consumers by actively engaging in online dialogue and add to the conversation on social media.

Correlation :

The correlation analysis is critical in this study to understand the relationship between influencer marketing and consumer behaviour.

Descriptive Statistics

	Mean	Std. Deviation	N
Do you think influencer marketing is an effective form of marketing for brands	3.779	.9133	104
Do you believe with influencer marketing, brands can effectively target interested groups	2.49	.859	104
How likely is it for influencers to affect your decisions	2.981	.9949	104

Correlations

		Do you think influencer marketing is an effective form of marketing for brands	Do you believe with influencer marketing, brands can effectively target interested groups	How likely is it for influencers to affect your decisions
Do you think influencer marketing is an effective form of marketing for brands	Pearson Correlation	1	.486**	.497**
	Sig. (2-tailed)		.000	.000
	Sum of Squares and Cross-products	85.913	39.279	46.558
	Covariance	.834	.381	.452
	N	104	104	104
Do you believe with influencer marketing, brands can effectively target interested groups	Pearson Correlation	.486**	1	.466**
	Sig. (2-tailed)	.000		.000
	Sum of Squares and Cross-products	39.279	75.990	40.981
	Covariance	.381	.738	.398
	N	104	104	104
How likely is it for influencers to affect your decisions	Pearson Correlation	.497**	.466**	1
	Sig. (2-tailed)	.000	.000	
	Sum of Squares and Cross-products	46.558	40.981	101.962
	Covariance	.452	.398	.990
	N	104	104	104

** . Correlation is significant at the 0.01 level (2-tailed).

Influencer marketing as an effective form of marketing has a correlation of 48.6% with its ability to target market by the brands and a correlation of 49.7% correlation with the ability to cause an impact on purchasing decisions of individuals. The data here shows that the variables have sufficient correlation between them. High correlation can actually cause multicollinearity. The result for the test of correlation between the variables is significant because the p value is lower than 0.05.

CHAPTER 5

Summary and Conclusions

5.1 Findings

- The above graph reveals that 79% of respondents were active on Instagram and around 78% respondents were active on YouTube making them the most popular social media platform among the respondents.
- As per the above graph above, 83% of respondents followed influencers on social media.
- As per the graph above, 64% respondents followed less than 10 influencers across various social media platforms.
- As per the graph above, 50% of respondents followed the most no. of influencers on Instagram.
- As per the graph above, 43% respondents followed the least no. of influencers on Facebook.
- As per the graph above, the most witnessed influencer fraud with 33% respondents witnessing it was purchased followers on social media.
- As per the graph above, the most popular vertical represented by influencers on social media was Lifestyle, with 55% respondents following it.
- As per the graph shown above, 73% respondents have agreed that with influencer marketing, brands can target interested groups and potential consumers.
- The graph above reveals, 81% respondents conduct research before making a purchasing decision for a product or service.
- As per the graph above, it was highly likely for 30% of respondents that their decisions will be influenced by influencers. 42% respondents rated 3 on the likeliness of being affected by influencers.
- The above graph reveals that 41% respondents were neutral, and rated 3 on the likeliness of availing a service or purchasing a product that was trending.
- As per the graph shown above, 51% of the respondents have agreed that brands can tackle declining attention spans through influencer marketing.

- The graph above reveals that 31% of respondents are likely to be influenced by both influencers and celebrities and 30% of respondents were likely to be influenced by influencer alone.
- As per the graph shown above, 42% respondents have agreed that their content consumption produced by influencers on social media platforms has significantly increased during covid-19 lockdown.
- As per the graph shown above, 66% of respondents have agreed that influencer marketing is an effective form of marketing for brands.
- Influencer marketing as an effective form of marketing has a correlation of 48.6% with its ability to target market by the brands and a correlation of 49.7% correlation with the ability to cause an impact on purchasing decisions of individuals.

5.2 Conclusion

The respondents to the study are majorly students. There are 105 respondents who took the survey in which 51.4% are male and 48.6% are females. A majority of respondents fall under the age category of 21-30 age which is 92.4% of the population. 83% of respondents followed influencers on social media and 66% of respondents agreed that influencer marketing is an effective form of marketing for brands.

Consumers today have access to information and to make a well-informed decision, they research before making a purchasing decision, and influencers have ability to mould their opinion. The larger reach has made influencer marketing lucrative to influencers and brands. For influencer marketing to be successful, it must be authentic, it must be consumer generated content and influencer frauds should not be done.

With increasing consumption of content on social media, Influencer marketing is the most effective way to engage and re-engage with consumers and create a brand value by online presence.

5.3 Limitations of study

The limitations of the research were as follows:

- The small size of the sample was the major limitation. There was financial and time constraint because of which the study was carried out with a small sample of the population. This may adversely influence the generalizability of the samples and may also give result and findings which are incorrect.
- Sample size included respondents from North India only. Thus, the results are a representation of the responses restricting to the northern region rather than of the target population across various geographical regions. This may not generate accurate results as consumer behaviour varies under different geographical locations.
- Moreover, the questionnaire used Likert scale which might have limited options range which may have forced respondents to choose a alternative which might not be completely true in accordance to their personal views on the subject.
- The study adopted only quantitative method for research which might have led to result which wasn't deep enough on the understanding of the research question and might have given inaccurate results.
- The age demographics was narrow because the survey was conducted mainly among peers, between 21- 30 years. Thus there is a possibility that findings may be inaccurate.
- However, care was taken while doing this study to reduce the negative impact of limitations. There is a need of further study.

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ANNEXURE

IMPACT OF INFLUENCER MARKETING ON CONSUMER BEHAVIOR

Influencer marketing is a form of social media marketing involving endorsements and product placement from influencers.

Influencers are people and organizations who have a purported expert level of knowledge or social influence in their field.

For example : BB ki Vines, Komal Pandey, Beer Biceps, Technical Guruji, Bruised Passports, Kanan Gill etc.

* Required

1. Name *

2. Email Id

3. Gender *

Mark only one oval.

Female

Male

Prefer not to say

4. Age *

Mark only one oval.

Below 20

Between 21-30

Between 31-40

Between 41-50

Above 50

5. Select all the social media platforms that you are active on? *

Check all that apply.

- Facebook
- Instagram
- Snapchat
- Twitter
- Youtube
- TikTok
- All of the above
- None of the above

6. Do you follow any influencers on social media? *

Mark only one oval.

- Yes
- No

7. On an average how many influencers do you follow across various platforms?

Mark only one oval.

- <10
- 10-20
- 20-30
- 30-40
- >40

8. Among the following, on which social media platform do you follow the MOST no. of influencers on?

Mark only one oval.

- Facebook
 Instagram
 Snapchat
 Twitter
 Youtube
 TikTok

9. Among the following, on which social media platform do you follow the LEAST no. of influencers on?

Mark only one oval.

- Facebook
 Instagram
 Snapchat
 Twitter
 Youtube
 TikTok

10. Select the type of influencer frauds that you have witnessed. *

Check all that apply.

- Purchased Followers
 Low engagement rate in comparison to followers
 Generic Comments
 Posting false location
 All of the above
 None of the above

11. Select the categories represented by influencers that you follow .

Check all that apply.

- Fashion and Beauty
- Travel
- Lifestyle
- Health & Fitness
- Food
- Education
- Tech
- Gaming
- Sports
- Home & Family

12. Do you believe with influencer marketing, brands can effectively target interested groups? *

Mark only one oval.

- Yes
- No
- Maybe

13. Do you research before buying something or before availing a service? *

Mark only one oval.

- Yes
- No
- Sometimes

14. How likely is it for influencers to affect your decisions? *

Mark only one oval.

	1	2	3	4	5	
Extremely Unlikely	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Extremely Likely

15. How likely are you to avail a service or purchase a product because it was trending? *

Mark only one oval.

	1	2	3	4	5	
Extremely Unlikely	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Extremely Likely

16. With short attention spans, do you agree brands can tackle this through Influencer marketing by grabbing attention of viewers? *

Mark only one oval.

- Strongly disagree
- Disagree
- Neutral
- Agree
- Strongly agree

17. For a purchase decision, who is more likely to influence you? *

Mark only one oval.

- Celebrities
- Influencers
- Both
- None

18. Rate the degree by which your content consumption produced by influencers on social media has increased during lockdown *

Mark only one oval.

	1	2	3	4	5	
Strongly Disagree	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Strongly Agree

19. Do you think influencer marketing is an effective form of marketing for brands? *

Mark only one oval.

	1	2	3	4	5	
Strongly Disagree	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Strongly Agree

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