

# Influencer Marketing: Concept and Approaches

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## Abstract

With the rapid growth of usage of social media sites and marketing expenditures of digital and social media, the brands have been compelled to adopt innovative strategies of advertising. One such significant strategy is influencer advertising, which connects online personas and bloggers with brands or services which in result target social media users to impact their buying behaviour as their opinions have significant impact on audience specifically youth audience. Over the last few years, this marketing strategy has chiefly centered on social media networks, which in turn is embraced by majority of brands to market through social media influencers. Although influencer advertising is a modern phenomenon and a contemporary strategy, it justifies being a viable option for marketers to build and maintain relationship with target audience. Companies engage influencers and bloggers to promote products and services to influence their fan-base. The purpose of the paper is to discuss how brands utilize influencer marketing as a marketing tool.

**Keywords:** Influencer advertising, brand awareness, social media marketing.

## Introduction

The modern era of social networking culture has been accepted and has gained enthusiastic response all over the world which reports of cultural and communication changes moving from personal to virtual. In recent year's development in technologies related with broadcast, communications has brought about changes in numerous aspects of our lives including the method of information search, the manner in which we make a reservation for our travelling and the manner in which we purchase products and services. Since early 2000's businesses have brought a revolutionary change in marketing its product and dealing its customer through social media, before the introduction of which ordinary sources like television, radio, and newspapers were used. According to Bakker (2018), unlike conventional ways of communication, which permits bounded supply of information, communication through internet and social media is the modern and bilateral phenomenon which permits two-way communication and discussion with and among consumers all over the world. Ryan (2014) describes social media as the internet-dependent software and services which allows its users to share and discuss thoughts, post pictures & videos and engage in divergent form of social interaction online. Social media presence is now seen as goodwill creator, which is why almost every business in the world, from multinationals like Starbucks, Tesla and Apple to the local stores is making optimal use of social media marketing tactics to highlight their presence in market. Social networking platforms mainly

Facebook, Twitter, YouTube, and Instagram are playing prominent role in maintaining brand's competitive edge through expanding their virtual reach. In the era of expansion of social media, a trendy concept of marketing and e-marketing, is swiftly developing. As social media sites have modified the communication pattern, people have innovatively emerged as active content creators and bloggers on social networks. This modern phenomenon of influencer marketing has strong market impact when it comes to purchase intention of consumers.

This paper depicts modern phenomenon of influential marketing examining it through brand's, influencer's and consumer's perspective. An effort has been made to explain this strategic marketing tool through a theoretical and conceptual framework to understand its significance.

### **Concept of Influencer marketing**

Influencer marketing is considered fairly latest branch of social media marketing which is growing speedy popularity among marketers. Influencers are winning over the social media through their absolute work and presence. We can state influencers as a trending marketing tool that has taken over prominent place in communication mix over recent years. Influencer marketing is the latest phenomena in marketing strategy parallel called as digital set up of word-of-mouth advertising. While traditional 'word-of-mouth' is mostly organic and open communication, sometimes paid but, contemporary and modern word-of-mouth in the digital era work in different way, where famous influencers carrying large followers and fan base are paid through contract to deliver brand's message on social media. Posts from influencer can be voluntary (genuine) endorsements, not directly controlled by the company or paid sponsorship marked as advertising done by brands.

In this current research, influencer marketing is elucidated by the author as latest form of digital advertising/ marketing in which appropriate bloggers/influencers are recognized and are consolidated in company's communication strategy on social networking sites. An influencer is regarded as a persona, with a wide follower & fan-base on social media sites, and a substantial social media presence (especially on Instagram and You Tube) which are capable to impact the buying behaviour or purchase intentions of target users in an effective way. According to a statistics report by SocialPubli in 2019, approx 90 percent of the marketers' have imparted influencer marketing in company's marketing mix. Almost 27.9 percent of brands have been using influencer marketing as promotional tool for over three years, 20.9 percent have only been applying this marketing tactic for less than a year, and just a handful that's almost 7 percent have never used this marketing strategy yet (Ying Lin, 2020). As stated by Percy and Elliott in their study in 2016, influencers have the ability to efficiently attain marketing and communication targets which positively impact varying behaviour and enhance consumer's attitude towards brand. The comprehension of influencer's role is very important being a marketing head as there is a need to examine the influencer for impactful communication and developing brand awareness among viewers. Prominent aim of marketing through influencer is to build positive impact on attitude towards the product or service and arousal of purchase intention on target audience. Influencer plays a critical role in affecting buying process of a customer; therefore selection of influencer should be

done on the basis of influencer's attitude, perceived behaviour control, attractiveness, followership, authenticity and credibility.



**Figure 1: Pyramid of influencers**

**Source: adapted from StarNgage.com**

There was a time when the term 'influencer' was used for celebrities and social media elite. However, along with the hike in usage of social media, popularity of influencers escalated and playing fields of social media was leveled up for professional influencers, bloggers including instagramers, You Tubers, non professional bloggers and for everyday customers as well. Not all influencers have same goal, some do it for living where as others do it for gaining popularity. To explain the various categories of influencers, breakdown of pyramid of influencer is explained from top to bottom.

Influencers with vast followers and fan base yet low relevance, for instance celebrities, stars, athletes and artists lie at the top of the pyramid and generally named as Mega-influencer. Their followership count is more than 500k, procuring around 2 to 5 percent engagement per post; therefore they have a outrageous reach among audience. Whereas, Influencers with comparatively less followers and fan base yet sky-high relevance are termed as Macro-influencers which consists of professional bloggers, social media stars, content creators, You Tubers and so on. Their fan base lies between 100k & 500k, and fairly obtains 5 to 20 percent engagement per post. Those with strong followership and with most inflated relevance among their target audience are Micro-influencer, carrying 1k to 100k followers and drive almost 25 to 50 percent engagement per post. It has been reported that over past few years, companies are transposing from high end influencers to micro-influencers with less extravagant fan base for brand marketing as they are reasonable for mutual trust and understanding with their niche audience, also their influence is driven by personal experience. Brand Advocates can be regular Consumers who are passion-

ate and are pleased to share their personal experience on social media, but have minimal influence.

### **Review of Literature**

Anjali Chopda, Vrushali Avadh (2020) conceptualized the latest marketing strategy, i.e., influencer marketing. The result indicates that influencers can be used as facilitators for building empathy, relationships and connections with consumers.

Diederich Bakker (2018) emphasized the relevance of influencer marketing in the consumer purchase decision-making process. Consumer, brand and influencer perspective is taken to the discussion too.

Zrinka Blazevic Bogonar (2019) aimed to show the results of the Influencer's impact on consumer behaviour and to determine their impact on consumers' buying decisions. Study concluded that there is a positive relationship between the influencer and the perception of the consumer about the product and service.

Morgan Glucksma (2017) propounded that how social media influencer marketing has positively altered the way that brands interact with their potential consumers. The study concluded the use of social media influencer marketing in marketing strategy has improved the relationship between the consumer and the brand, and has enhanced the way the two interact.

Bamini KPD Balakrishnan, Mohd Irwan Dahnil, Wong Jiunn Yi (2014) investigated to study the influence of social media marketing tool like online advertisement, online communities, and E-WOM towards brand loyalty and purchase behaviour in young generation. The result indicates that social media advertising channel has become an essential marketing tool to reach young generation consumers. Also indicates cyber world has become very essential in modern marketing, to help companies reach prominent consumers quickly and efficiently.

Arman Khan, Ishfaqe Ahmed, Muhammad Hafeez and Javed Ahmed (2019) The essential goal of the paper was to comprehend the utilization example of social media among youth in the city of Mumbai. Results from the investigation demonstrate that web-based media is a significant device for systems administration among adolescents.

M. Nick Hajli (2017) focused on studying the role of social media in facilitating social interactions, which at the end influence consumer's intention to buy. The study concludes that social media aids communication and recommendations which leads to increment of trust and loyalty in consumers and eventually motivate buying decision of consumers and to buy through social networking sites. It has been found that consumer trust has direct correlation with intention to purchase.

### **Problem statement**

- To understand the need of influencer marketing.
- To understand how influencer can be a mediator of brand message between brand and consumer.
- How brand has to fit its marketing strategy to adjust between influencer's attributes and customer's expectation.

## Research Methodology

**Exploratory Research:** It is a research undertaken to gain background information about general nature of research problem.

In the study, various articles, research paper, magazines and Journals have been reviewed. Background study of various famous influencers has also been done.

## Influencer Marketing in Modern Phenomenon

### 1. The Brand Owner Approach

Brands owners all over the world whether it is national, multinational, global or local have comprehended the capability of influencer marketing for consuming it for innovation and restructuring their advertising campaign to make it more powerful. Organizations now a day's use demographic information and interest of users of social networking sites, and market their product by targeting them, thus social media has impact on aspects of consumer behavior. With no doubt, influencers and bloggers have a remarkable impact on viewer's opinion about the product or service; none of companies and marketers misses out the opportunity to include this form of marketing tactic for their brand promotion and advertising. Gunian et al. (2008) reports that customers' mostly rely on feedback and reviews from other customers and influencers, rather than company's description. Most brands recognize the significance of including influencers to their marketing mix as it benefits to in maintaining healthy and honest relationships with their potential customers. As per research by Association of National Advertisers (ANA) in April 2018, approximately 58% of companies had association with around 25 influencers in the year 2017 expressing that brands expect healthy link between influencers and customers.

Every paid post or story posted by any influencer with goal of marketing on brand's behalf, leads to several measureable brand standards. Influencer marketing carry's accounted effect on brands image and financial proportions, this modern tool demands out and out planning and explanation. Influencers hold up brand's responsibility as brand's image is formed on the basis of influencer's attitude which needs to be accounted for, thereupon selecting the appropriate influencer for paid sponsorship is one of the foremost and relevant task for marketing managers. When companies choose the influencer, it is required to consider factors like influencer's appearance and how person delivers the brand message to the intended audience (Percy and Elliot,2009). The VisCAP model (*Table 1*) of source effectiveness, assists marketers to select appropriate influencer. The VisCAP model propounded by Percy and Rossiter, aids to decide the clarity of the person passing the message along with power, credibility & attractiveness.

The major four factors of the model as described by Percy and Elliot are: Visibility (recognized personality, public exposure), Credibility (expertise/perceived knowledge and objectivity/reliability in communication), Attractiveness (Likeability and trustworthiness with intended audience) and Power (perceived ability to inculcate consent of message delivered). Visibility of influencer is essential for brand awareness, where as credibility and attractiveness reinforces brand attitude and power facilitates brand's purchase intention. For influencer marketing to show

expected results, the above-mentioned factors of the VisCAP model can be used by the companies to assess the suitability of the influencer for the intended customers and the expected communication goals of the company.

**Tabl 1. VisCAP model f characteristics to look for in selecting influencers to match communication objectives**

Communication Objective	Characteristic	Description
Brand Awareness	Visibility	How recognizable is the influencer?
Brand Attitude	Credibility Expertise	Influencer's perceived knowledge of the product category
	Objectivity	Sincerity or trustworthiness of the influencer in talking about the product category
	Attractiveness Likeability	Influencer is seen as personable or attractive
	Similarity	Follower consider influencer as personable and similar to them
Brand Purchase Intention	Power	Perceived ability of the influencer to instill compliance with the message

Source : adapted from Percy and Elliott, 2016

## 2. The influencer approach

Influencers with the vast followership have the power to aid the businesses propagate their brand message to the target audience. In a research by Deges (2018), quantitative and qualitative aspects are subsumed into the '4 R's' of reach, relevance, resonance, and reputation. Quantitatively, influencers gain eminence by the number of followers they own and on the basis of which they are classified as mega, macro and micro influencers. Other norm which evaluate the qualitative standard of the followership are 'growth rate' which calculates the monthly gain in followership and the 'quality score' (activeness and engagement of followers) (Rondinella, 2018). Effectiveness of influencer is prominent for qualitative measure. Before entering into any agreement with brand, influencers need to calculate accessible social media marketing metrics to safeguard their own credibility and integrity.

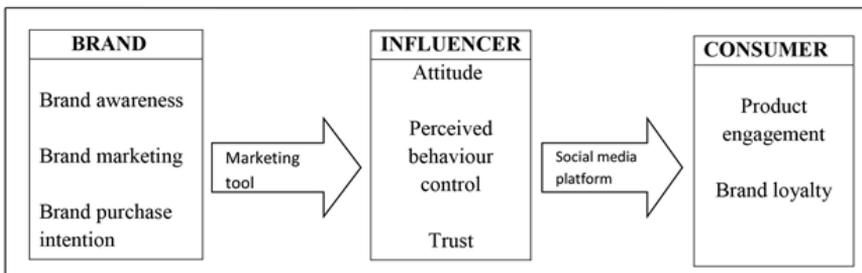
## 3. The consumer approach

Influencers impact the behaviour of consumers widely including generating awareness about the brand, enhancing knowledge about product & services, recommending and influencing purchasing decision of the product and services (Chopra, Avhad and Jaju,2020). To make every purchase happen, consumers go through a purchase decision making process, and influencers have strong role in encouraging a purchase and impacting buying behaviour positively. Influencer brings into product engagement and loyalty on brand's behalf. Now a days people not only follow the influencers expert in lifestyle, beauty or travel but also those in other domains like photography, food blogging, automobiles and so on. Majority of the followers of influencers are millennial users on YouTube and Instagram pre-

dominantly. Genuine feedback and creativity in posts is what a follower expects from the influencer they are following. Connolly in 2017 concluded from a study of vast social media users from USA, UK, Germany & France that influencers are followed because of authenticity and relevancy in their content.

### Conclusion

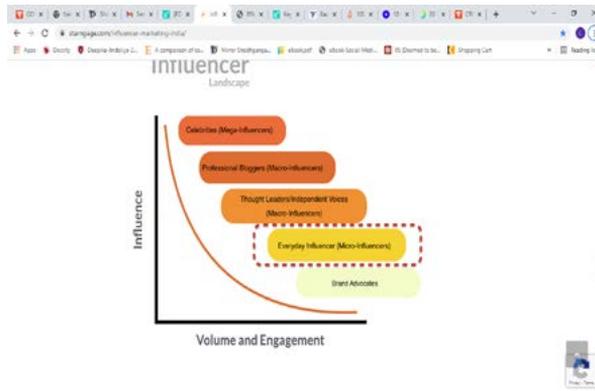
Although influencer marketing is a modern phenomenon and a contemporary strategy, in the digitally-communicated world it justifies being a viable option for marketers to build and maintain genuine relationship with target audience. This calls a need for research in this domain for suitable theoretical perspective of influencer marketing. Brands need to professionally indulge application of influencer marketing. Figure 2 illustrates the how influencer can be a mediator of brand message between brand and consumer and how brand has to fit its marketing strategy to adjust between influencer's attributes and customer's expectation.



**Figure 2: Influencer marketing in modern phenomenon**

Source: Own

Influencers now a days are considered as facilitators for establishing brand awareness, brand marketing and brand purchase intention; however, selection of the appropriate influencers for a specific product/services bracket is what companies have to dig in. It is essential for the brand owner to determine the aspects distinctive for the influencer and how do they correspond with brand's marketing expectation. Influencer's characteristics like Attitude which refers to the degree to which a person has a positive or adverse evaluation for the given behavior. Expertise in their own domain, one up-to-date information supply, meaningful content determines attitude of an influencer. Perceived behaviour control focuses on domain knowledge. It considers an influencer's experience with the performance of the behavior. Trust depends on authentic content delivery of influencer which derives future purchase, it is essential in maintaining long-term relationships with audience. When the focus is on converting target audience into consumers, influencers should be judiciously used. Therefore, it becomes a big challenge for brands to search for the appropriate influencers/bloggers for their product that can communicate the brand message and develop brand loyalty while maintaining two-way communication with the followers.



**Figure 3: Influencer Landscape**

Source: adapted from StarNgage.com

Organizations with a higher influencer marketing budget shows the ability to work with more prominent influencers with a wide base of followers. More the followers and wide is the fan base, more volume and engagement. Selecting an appropriate influencer for delivering the brand message is of utmost importance. The current research administers strategic insights to brand owners to assist them to communicate the target audience by appointing the appropriate influencer and content distribution strategy. It is the coherence between the brand and the influencer/ blogger that is key to achieve effective outcomes. Therefore, for running a sound marketing plan, it is imperative to determine the prominent balance? between an endorser and the brand itself (Till & Busler, 1998).

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