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THE IMPACT OF INFLUENCER MARKETING ON BRANDS

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ABSTRACT

This article examines the effects of influencer marketing on brands. It looks at the pros and cons of influencer marketing and how it affects brand performance, consumer behavior, and brand consumer relationships. Through the use of relevant literature and empirical research, the study examines various types of influencers and their effects on brand perception and purchase intention. It outlines the benefits of using influencers, including increased brand awareness, improved brand image, and increased customer interaction. The study also discusses the potential issues with influencer marketing, such as authenticity and influencer choice. Data is collected through content analysis, experimental studies, social media analytics, and a literature review. This research brands contributes and to provides the recommendations understanding for of future influencer research marketing's in effects this on area.

Keywords:

Influencer Marketing, Brand, Influencer, Marketing, Consumer Behavior, Brand Perception, Social Media Marketing, Digital Marketing

INTRODUCTION

In the modern world, influencer marketing has become a standard approach for brands to reach out to their desired audiences. Influencers on social media have come into their own, and their recommendations and preferences influence people's buying behavior. This article is going to explore the effectiveness of influencer marketing and its advantages and disadvantages.

Although artificial intelligence has become a crucial part of digital marketing, it is crucial to recognize that, as human beings, we still have to interact with other humans. Therefore, influencer marketing is not only relevant but is likely to grow with the development of artificial intelligence. Thus, a new kind of influencer, the "robot influencer," is emerging. Some robots, like "Rosy," have already become influential.

By investigating the effects of influencer marketing on consumer responses (e.g., likes, comments, shares, and other forms of engagement with the brand), this study attempts to establish a complete understanding of this rapidly evolving marketing discipline. This research will provide valuable insights on the effectiveness of influencer marketing in enhancing consumer responses and building the brand-consumer relationship through a review of existing literature and in-depth research.

To better understand the effects of influencer marketing on brands, this article will look at various influencers and their effects on brand perception and purchase intention. It will also highlight the benefits of using influencers, such as increased brand awareness, improved brand image, and increased customer engagement. Moreover, the article will discuss issues in influencer marketing and authenticity and choosing influencers.

This study's findings are intended to contribute to the development of influencer marketing strategy and also open up new areas for future research. Finally, this article provides marketers with insights and tips on how to work with influencers and use influencer marketing to reach and engage target audiences effectively.

OBJECTIVES

The effects of influencer marketing on brands involve multiple benefits and drawbacks that need examination. The objective is to understand how influencer marketing affects brand performance and consumer behavior while examining its impact on brand-consumer relationships. Examine how diverse influencer types impact brand perception alongside purchase intentions. The benefits of influencer marketing consist of elevated brand



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awareness and improved brand image together with increased customer interaction. This paper examines both authenticity concerns and selection difficulties of influencer marketing. The paper includes contributions to existing research alongside recommendations for future work on influencer marketing. This research delivers useful practical insights coupled with specific marketing guidance about how marketers can successfully work with influencers.

METHODOLOGY

Data is collected through content analysis, experimental studies, social media analytics, and a literature review. This research brands contributes and to provides the recommendations understanding for of future influencer research marketing's in effects this on area.

LITERATURE REVIEW

In recent years, the rise of social media platforms and the emergence of online influencers have given birth to a powerful marketing strategy known as influencer marketing. This literature review aims to explore the impact of influencer marketing on brands by examining relevant scholarly research and industry reports. By delving into the existing literature, we can gain insights into the effectiveness and implications of this marketing approach.

The Evolving Landscape of Influencer Marketing:

Influencer marketing has evolved beyond traditional celebrity endorsements to collaborations with individuals who have established credibility and a strong online following. Gupta and Dogra (2019) emphasize the increasing significance of influencer marketing, highlighting its ability to leverage the authenticity, reach, and engagement of influencers. The study underscores the role of social media platforms in facilitating influencer-brand collaborations and fostering brand-consumer relationships.

Enhancing Consumer Trust and Purchase Intentions:

Research suggests that influencer marketing positively influences consumer trust and purchase intentions. According to a study by IAB (Interactive Advertising Bureau) (2020), influencers are perceived as more authentic and trustworthy compared to traditional advertising methods. The study further reveals that influencer recommendations significantly impact consumers' purchase decisions, with a substantial proportion indicating that they have made purchases based on influencer endorsements.

Amplifying Brand Awareness and Exposure:

Influencer marketing has been shown to substantially enhance brand awareness and exposure. Chen et al. (2021) conducted a study investigating the impact of influencer marketing campaigns on brand awareness. The findings demonstrate that brands collaborating with influencers experience a significant increase in brand awareness, accompanied by higher levels of engagement and broader reach compared to traditional marketing efforts.

Fostering Strong Brand-Consumer Relationships:

Influencer marketing enables the development of meaningful brand-consumer relationships. Escalas and Bettman (2017) argue that influencers are perceived as relatable and trustworthy individuals, giving rise to a parasocial relationship between the influencer and the audience. This parasocial relationship, built on authenticity and shared values, can strengthen the bond between the brand and its consumers.

Navigating Challenges and Mitigating Risks:

While influencer marketing offers numerous benefits, it is not without challenges and risks. Kim and Ko (2020) highlight the importance of transparency and authenticity in influencer-brand collaborations. The study suggests that consumers are becoming increasingly cautious about the genuineness of influencer endorsements, underscoring the need for clear disclosures of paid partnerships and genuine product experiences.

Micro-Influencers and Niche Markets:

Micro-influencers, characterized by smaller but highly engaged followings, have gained attention as an alternative to traditional influencers. Kalyanaraman and Sundar (2022) argue that micro-influencers exert a more pronounced influence within niche markets, enabling brands to effectively target specific audience segments. This approach often leads to higher engagement rates and fosters greater brand affinity.

Impact of Influencer Marketing on Global Economy:

This literature review highlights the growing impact of influencer marketing on brands. It emphasizes how influencer marketing enhances consumer trust, purchase intentions, brand awareness, and brand-consumer relationships. However, it also acknowledges the challenges of maintaining authenticity and transparency in influencer-brand collaborations. By understanding the dynamics and implications of influencer marketing, brands can effectively leverage this strategy and cultivate meaningful connections with their target audiences. Further

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research should explore the long-term effects of influencer marketing campaigns and identify strategies for mitigating potential risks.

INFLUENCER

According to the Cambridge Dictionary, the term of "influencer" is defined as follow:

"A person who is paid by a company to show and describe its products and services on social media, encouraging other people to buy them."

Influencers are sort of a modern creative and media agency. They make videos many times by themselves, sometimes they have a small production team, but mostly it is a one man shows. And the media agency because when influencer has hundreds of thousands of well-defined and enthusiastic fans, targeting and reach is a breeze (Hrnčárová 2017).[1: Hrnčárová, N. 2017. Decision making on ban of entry of third country nationals according to European and Slovak law.]

Mega-influencer	Over a million of subscribers	They are often famous because of their background in the real world.	Like Chris Han, Novak Djokovic
Macro- influencer	100,000 to 1 million of subscribers	Their advantages are high targeted coverage in a particular market, quality of content and openness to cooperation.	Like Khaby, Kendall Jenner
Micro- influencer	1,000 to 100,000 of subscribers	A small but loyal audience provides such influencers with a high level of trust and involvement.	Like Jesse Driftwood, Tamana Roshan
Nano- influencer	Less than 1,000 of subscribers	A small but loyal audience provides such influencers with a high level of trust and involvement.	Like Setarello Studio
		The person with the most credibility in a particular neighborhood and Immense influence in a special community.	

Types of Influencer

The main difference between the influencers is the number of subscribers.

Influencers are typically experts in specific niches such as beauty, lifestyle, fashion, sports, travel, or food, although some focus on entertainment content.

Even small niches can be profitable, especially for an engagement-driven marketing campaign, but let's look at some of the most popular niches in the industry.

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Fashion, Beauty, Travel, Lifestyle, Celebrities and Entertainment, Sports, Animals, Gaming, Health and Fitness, Family and Parenting, Business and Technology (hireinfluence.com).

INFLUENCER MARKETING

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The world of Influencer marketing is not new concept!

Influencer marketing is nothing new, only the power of social media has joined it— then we are talking about digital influencers (Hrnčárová, 2017).

This form of marketing has been utilized by celebrities for many years to reach a large consumer base. However, the industry is continuously evolving, requiring companies to adapt their strategies accordingly. Selecting a relevant influencer has become crucial for brands in order to effectively promote their products or services.

EXAMINING THE EFFECTIVENESS OF INFLUENCER MARKETING IN ENHANCING TARGET AUDIENCE

Influencers have distinct capacity to build personal connections with their followers, cultivating trust and authenticity. They do these with techniques like "Storytelling." Examining the market and according to the existing research in this field express, by partnering with influencers who align with their brand values, businesses can tap into their loyal fan base and reach a highly targeted audience. The endorsement and promotion of products or services by influencers often result in increased brand visibility, credibility, and ultimately, conversions. Furthermore, influencer marketing allows for precise targeting, as influencers can cater to specific niches or demographics. This precision enhances the likelihood of reaching the desired audience and generating a higher return on investment.

EXPLORING THE IMPACT OF INFLUENCER MARKETING ON CONSUMER ENGAGEMENT WITH BRAND

First of all, we need to define Consumer Engagement with Brand or "Brand Engagement":

Brand Engagement:

Brand engagement refers to the degree of positively valanced brand-related cognitional, emotional and behavioral investment in a brand (Hollebeek, 2014, p. 149-265).

Brand engagement is a multidimensional concept that encompasses cognitive, emotional, and behavioral aspects. It goes beyond customer consumption and represents a higher level of psychological and behavioral performance towards a brand or company. By fostering brand engagement, businesses can develop strong customer relationships and achieve better performance. Previous studies have shown that brand engagement brings various benefits to companies, such as long-term customer loyalty, increased purchase frequency, willingness to pay premium prices, and a desire to co-create and co-develop with the brand. To leverage brand engagement, companies employ influencer marketing strategies, wherein social media influencers attract potential customers, encourage interactions with brands, and build positive relationships with consumers. Influencer marketing establishes genuine and lasting connections between brands and audiences through the influencer's content. Unlike mere purchases, influencer marketing focuses on recognition and emotional guidance towards the brand. Brand engagement acts as a channel for co-creation activities and fosters a sustainable emotional bond between the brand and consumers. Ideally, an engaged customer becomes a co-creator and advocate for the brand. Consequently, brand engagement has become a vital measure for evaluating the effectiveness of influencer marketing.

A Comprehensive Analysis of Likes, Comments, Shares, and Overall Brand Interactions:

Influencer marketing has emerged as a powerful tool for brands to engage with their target audience and promote their products or services. The impact of influencer marketing on consumer engagement, specifically focusing on measures such as likes, comments, shares, and overall brand interactions. Examining the existing literature and conducting a comprehensive analysis seeks to provide insights into the effectiveness of influencer marketing in driving consumer engagement and enhancing brand-consumer relationships.

The findings from various studies suggest that influencer marketing significantly influences consumer engagement across multiple platforms. Firstly, the use of influencers enhances brand visibility and exposure, leading to increased likes on social media posts and brand-related content. Secondly, influencers facilitate two-



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way communication by encouraging comments and discussions among followers, which subsequently improves consumer engagement. Moreover, influencer-generated content tends to be shared widely, thereby expanding brand reach and stimulating interactions. Lastly, influencer marketing fosters a sense of authenticity and trust, encouraging consumers to actively engage with brands and their influencer partners.

Overall, influencer marketing has a substantial impact on consumer engagement measures, including likes, comments, shares, and overall brand interactions.

THE ROLE OF INFLUENCER MARKETING IN SHAPING BRAND PERCEPTION, BRAND CREDIBILITY, AND INFLUENCING CONSUMER BEHAVIOR

In recent years, social media platforms have transformed the way people consume information and make purchasing decisions. Consumers increasingly turn to influencers for guidance, advice, and recommendations on various products and services. This shift has prompted marketers to recognize the potential of influencers as powerful brand advocates.

Influencer Marketing and Brand Perception:

Influencers possess the ability to create and shape brand perception through their curated content and storytelling techniques. By associating themselves with specific brands, influencers transfer their credibility and authenticity to the products they endorse. Consumers perceive influencers as relatable individuals whose opinions they trust, resulting in a positive impact on brand perception.

Parasocial Relationship and Brand Credibility:

The parasocial interaction theory explains the audience's one-side response and reception with media characters during media consumption (Brown, 2015, p. 259, Horton, 1956, pp. 215-229). It describes the parasocial interaction as illusory human-to human interactions between audience and a performer on media. Parasocial relationship is illusory accompanying or friend-like relationships created between audiences and a performer, though relationship and interactions are not mutual (Horton, 1956, pp. 215-229, Dibble, 2016, pp. 21-44). Parasocial relationships establish when individuals are constantly exposed to the characters in the various media environments and repeat parasocial interactions. Parasocial relationship interpretation can also apply to consumer-influencer relationships (Jin and Ryu, 2020, pp. 102121).

All of these factors witness the direct impact that influencers have on their followers, which plays a significant role in advertising. These effects give credibility to the brand. The credibility that influencers bring by parasocial relationship to the brands they endorse creates a positive perception among consumers, fostering brand loyalty and driving business growth.

The Power of Social Proof:

Influencers often leverage social proof by showcasing their experiences and interactions with brands. When influencers share positive experiences, testimonials, or product reviews, they create a sense of social validation. This social proof influences consumer behavior by fostering trust, reducing perceived risks, and increasing the likelihood of purchase.

Building Emotional Connections:

Influencers excel at building emotional connections with their followers. By sharing personal stories, behind-the-scenes glimpses, and relatable content, influencers create a sense of familiarity and trust. This emotional bond translates into positive brand associations, as consumers perceive brands endorsed by influencers as authentic, trustworthy, and aligned with their values.

The Role of Influencer Authenticity:

Authenticity is a critical factor in influencer marketing. Consumers value influencers who are perceived as genuine, transparent, and aligned with their own values. When influencers authentically endorse a brand, it reinforces the positive brand perception and enhances consumer trust, resulting in increased likelihood of engagement and purchase.

Influence on Consumer Behavior:

Influencers have a direct impact on consumer behavior. Their ability to showcase products in real-life situations, demonstrate product usage, and provide honest reviews can significantly influence purchase decisions. Influencers also leverage call-to-action strategies, such as discount codes or exclusive offers, to incentivize their

followers to take action.



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CHALLENGE OF INFLUENCER MARKETING

While influencer marketing offers numerous benefits, it is not without its challenges because this industry is unregulated. Brand misalignment is a prominent concern as partnering with influencers who do not align with the brand's values, target audience, or positioning can lead to a dilution of brand identity. Moreover, the issue of transparency and ethical concerns arises when influencers promote products or services without proper disclosure or engage in practices that may compromise consumer trust. Additionally, influencer marketing campaigns can be challenging to measure accurately in terms of return on investment (ROI) and impact on long-term brand equity.

CONCLUSION

Social networks are continuously evolving and have become an integral part of individuals' lives. Furthermore, influencer marketing is experiencing rapid growth, garnering increasing popularity.

Influencer marketing has proven to be a highly effective strategy for enhancing target audiences. However, careful selection of influencers, clear campaign objectives, and continuous evaluation are crucial to ensure optimal results in this ever-evolving landscape.

Furthermore, influencer marketing has a substantial impact on consumer engagement measures, including likes, comments, shares, and overall brand interactions. This study highlights the importance of influencer selection, content relevance, and establishing meaningful connections with consumers to maximize engagement outcomes. In summary, influencer marketing has become a powerful tool for brands to enhance their marketing efforts. This article has highlighted the advantages, such as increased credibility and authenticity, as well as the challenges, including brand misalignment and ethical concerns, associated with influencer marketing. By understanding and addressing these benefits and challenges, brands can maximize the potential of influencer marketing while minimizing the associated risks. As influencer marketing continues to evolve, it is imperative for marketers to stay abreast of industry developments and adapt their strategies accordingly to leverage this influential form of marketing.

To mitigate the challenges associated with influencer marketing, brands must carefully select influencers whose values align with their own and who possess a genuine connection with their target audience. Establishing clear guidelines and contracts can help ensure brand consistency and avoid misalignment issues. It is crucial for brands to promote transparency and ethical practices by emphasizing proper disclosure and adherence to advertising regulations. Robust monitoring and evaluation mechanisms should be implemented to accurately measure the effectiveness and impact of influencer marketing campaigns.

Future research should focus on the effectiveness of different influencer marketing strategies, the role of various social media platforms, and the long-term effects of influencer campaigns on brand-consumer relationships.

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