

THE EFFECT OF INFLUENCER MARKETING ON ONLINE PURCHASE DURING COVID-19

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ABSTRACT

Buying Behaviour of an online consumer can change according to their needs and circumstances. This paper focuses on the consumer's online buying behaviour with respect to influencer marketing during the COVID-19 pandemic. The research is conducted to study the factors that have influenced the consumers of India to buy the product/services during this coronavirus crisis in India. An online questionnaire was designed to conduct the research and data from different respondents were obtained. Data was analysed through Google sheets (spreadsheets). The results showed that the products promoted by social media influencers throughout the COVID-19 lockdown in India have impacted the consumers to buy the featured products and the factors that influenced them were reliability, discounts, influencer's credibility and trust.

Keywords: Influencer Marketing; Influencers; Online Purchase Intentions; COVID-19; Pandemic; Social Media Influencers; Social Media.

INTRODUCTION

The World Health Organisation (WHO) declared the COVID-19 pandemic in March 2020. It originated in China for the first time in late 2019 and became an outbreak in other countries. Being a respiratory illness COVID-19 or Novel Coronavirus started spreading among humans rapidly which resulted in a complete lockdown in different countries. Thus, various businesses and industries had to shift their working environment from workplace to home. The lockdown affected the digital marketing industry too as brands needed to reconstruct their marketing strategies in order to attract people who are confined at home. Marketers use different types of influencers who can create content like posts, tweets, audio, video, etc. for their brands that can influence people towards their products or services. The content posted by these influencers worked as a front-line defence against the effects of Coronavirus.

The aim of this paper is to observe the impact of influencer marketing on the purchase intentions of the people during the COVID-19 pandemic. This research study is divided into seven sections. The first section consists of the introduction to the topic and the second describes the theoretical framework and review of literature on influencers and influencer marketing. The third section includes the methodology followed in this research followed by data analysis results. The last two sections talk about the limitations and future scope along with the conclusion to this study.

THEORETICAL BACKGROUND AND REVIEW OF LITERATURE

The first phase of influencers is known to be the Pioneers. For Queen Charlotte, Josiah Wedgwood manufactured a tea set to publicise his business as 'Potter to her Majesty' in 1760. The royal stamp of approval cemented Wedgwood as a premium brand and the 'father of modern marketing. Then fictional characters came into the picture where an

imaginary person was represented as an influencer. In their thesis discussed the usage of Santa Claus' character by Coca Cola Company in 1932. This marketing practice continued till the 1970s. Compared to fictional characters like Santa, celebrities' endorsements started taking place where the real people started influencing people because of their real choices. Due to their mass following and their fame, buying behaviour of the people did get affected. From 1984, they still hold the capability to convince consumers to purchase the products or services that they endorse. Then the era of reality TV came where reality TV stars started influencing the decisions of the people compared to other kinds of celebrities due to the over the top lifestyle of celebrities. Reality TV merged the lives of real and screen with the TV shows like project runway, keeping up with the Kardashians, etc. because of factors of their real portrayal in the shows, these stars are perceived as more relatable and authentic compared to traditional celebrities. Also, they led the way to social media influencer marketing where the marketing is done through influencers who place the products in their content. They could be opinion leaders, celebrities or experts.

The foundation of research about social media influencers reaches back to 2011 by notable researchers. They explained that influencers on social media or digital influencers are a type of the third party that is independent and shapes the attitudes of the public via blogs, tweets and other content on social media. Essentially, today's opinion leaders are influencers now and, like all other opinion leaders, they influence other people's decision-making processes (Rogers & Cartano, 1962; Blasco-Lopez et al., 2019). The users follow their recommendations because they believe in their beliefs and viewpoints. Hence, they are regarded as role models. (Casalo et al., 2020). Research by (Singh et al., 2016) illustrated that social influencers are like regular people who have an impact on others' shopping decisions, using technologies like blogs, microblogs, podcasts, social networking websites, etc.

According to the user-generated content website, a study titled 'Psychology of Following', that was carried out by CITE Research, reveals that in excess of 30 percent of surveyed consumers from the USA and Europe made a purchasing decision based on social media posts by influencers (Olapic, 2018). Also, 43 per cent of the people felt that authenticity and reliability were the primary reasons they trusted an influencer. They exist in all field categories: health and fitness, fashion and beauty, food, high-tech and others (Raggatt et al., 2018). T. Stated the most searched content on Instagram is on humour: 42.2%, style/beauty: 41.4%, travel: 37.6%, food: 29.1% and other categories such as animals, dance, entertainment industry of TV and movies, architecture, sports, shopping, and cars have the same percentage approximately. The slightest research is done on decoration and music by 0.4% each.

Investigated the buying behaviour of consumers in Lithuania to understand influencer marketing activities on social media networks along with their influence on consumers' purchase intention. The conclusion of this study is that consumers are actively looking for information by reading others' feedback before making a decision to buy a good or service. Influencers' recommendations, statements, and information that is shared in their content about specific brands or services are the points that can influence consumers' purchase intention on social networks. The study was done on Lithuanian respondents, so this counted as a limitation to this research. (Lopes et al., 2020) conducted research to check the impact of YouTube influencers on the behaviour of consumers' purchase intention through YouTube videos. Due to the prodigy of YouTube's social networking and user-generated content, YouTubers have gathered enormous numbers of subscribers and have become influencers themselves. The findings included female students aged between 17 and 25 and 72% of respondents use YouTube every single day. 283 students operate YouTube to listen for some music. Additionally, this study revealed that audiences are conscious of the brand promotions in videos and do not allow themselves to get influenced so easily. Furthermore, viewers with

low or no income get more influenced by YouTubers compared to the individuals who have higher income. The limitation of this study explains the usage of only one social media platform whereas it is relevant to identify users' behaviour and purchase intention in different social networks.

The literature says that more than 84% of millennials and 70% of baby boomers trust user-generated content like consumer reviews and peer endorsements while making their purchase decisions. Also, consumers trust the opinion of an influencer who is an expert in his field more as compared to a celebrity influencer while purchasing electronic goods. A study was done in Morocco where researchers used the conceptual model of the theory of planned behaviour to study the factors like brand attitude, purchase intention of the customer, perceived credibility, trust, perceived behavioural control, perceived subjective norms, perceived expertise and perceived congruence (Chetioui et al., 2020). Conducted a study on 1209 Respondents in France on the persuasion cues with respect to beauty and fashion influencers on social networking websites - YouTube and Instagram where only 1% of respondents were male because of the female-oriented sector. They have studied the parasocial interaction (PSI) between the followers and an online influencer with their perceived credibility which implies the purchase intention and how they're related to the factors like social and physical attractiveness and attitude homophily. The result of these findings is that the credibility and audiences' parasocial interaction with bloggers, both have an impact on followers' intention to buy a featured product where he/she go through affective and internalisation processes both.

As per a cross-cultural study done on influencers and COVID-19 on a corpus of Australia, China, Japan and Korea, it has been observed that there is huge attention given to influencers due to their socio-cultural impact. Due to extreme uncertainty, people look to opinion leaders for guidance and information especially when physical social interaction is restricted (Abidin et al., 2020). Additionally, research by on the impact of coronavirus on consumer behaviour, there were eight immediate effects on consumption such as hoarding, improvisation, pent-up demand, embracing the digital technologies, store coming home, blurring of work-life, get-together among family and friends and discovery of the talent. This study also discussed the factors of giving up old habits and developing new ones. These are changing demographics, public policy and technology.

We aim to test our research on the basis of different constructs. Therefore, we need to investigate the impact of social media influencers' reliability along with their credibility in order to observe the online purchase intentions of the consumers (Xiao et al., 2018) during the COVID-19 pandemic. Also, we need to examine if constructs like discounted products have any effect on online purchase intention and do trust have any role to play in buying and promoting the goods and services. In addition to what sort of influencers, people like to follow.

Study Objectives

There are various objectives to this research, i.e. to understand the demographics of the respondents like their age, gender and education level. Income and employment status is one construct that has been studied. Furthermore, the aim of this research is to conclude which social media network is preferred by the audience. The main target of the research is to gather information on all the factors that influenced people to make their buying decisions.

METHODOLOGY

Quantitative Technique

This research focused on goods and services promoted by social media influencers on different social networking platforms such as Facebook, Twitter, Instagram, Snapchat, LinkedIn, Pinterest, YouTube, etc. To perform the study, the investigator adopted a descriptive research approach. A structured questionnaire (online google form) was designed and sent to respondents using email and various social media networking websites like Whatsapp, Facebook and an email platform- Gmail. The questionnaire was distributed to the selected population from India because India has the second-highest consumers of social media networks Statista 2020. The language used in the questionnaire was English. Data were collected from the internet users in the Delhi NCR region in India.

There were 15 questions in the survey where multiple-choice options were placed to get in the information for age groups (up to 25 years, 26-45, above 45), an education level (schooling, graduation, post-graduation), employment status (students, professional, homemaker and self-employed), household income (300 thousand, 300-500 thousand, 500 thousand to 1 million and 1 million & above) and checkboxes to understand the widely used social network website (Facebook, Twitter, Instagram, LinkedIn, Pinterest, YouTube, Snapchat, others) along with the factors that influenced them to buy the products or services such as reliability, discounts, influencer's credibility, trust and other. Further, there was a question to understand the niche of influencers people follow (Engwall, 2004).

To operationalize the results, all the constructs have been measured using data analysis through google sheets.

RESULTS

In total, 100 responses were collected; however, the responses by respondents who declared that they do not follow any type of influencers were excluded. The final sample consists of 70 responses. Five-point, agreement-disagreement Likert scale was used to measure the online purchase intention of the consumers during the COVID-19 pandemic.

Google sheets (spreadsheets) were used to analyse our data with colourful charts and graphs. There were 29 males and 41 females who filled out the questionnaire. 40% of them belong to the age group of up to 25 years, 57.1% between 26-45 years and only 2.9% were above 45 years. 37 responses have done post-graduation, 31 completed graduation whereas 2 of all responses did their schooling. 32.9% of them were students, 35.7% were professionals, 7.1% were homemakers and 24.3% were self-employed. 18, 21, 12 and 19 responses had a household income of 300 thousand, 300-500 thousand, 500 thousand to 1 million and 1 million & above respectively.

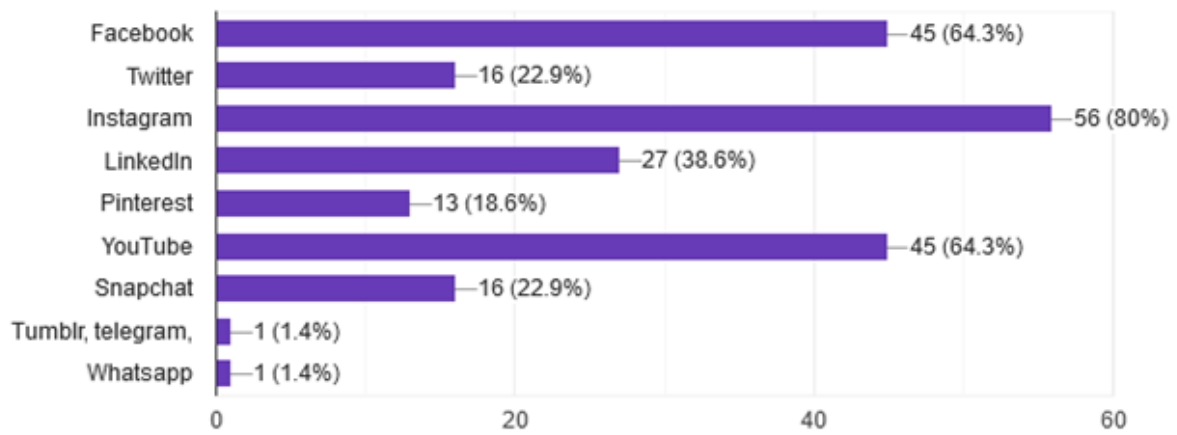


FIGURE 1
MOSTLY USED SOCIAL NETWORKING WEBSITE

Figure 1 represents mostly used social networking websites by the respondents where Instagram is the most popular by 80% followed by Facebook and YouTube (64.3% each). The statistics also show that these social networks are going to reign the influencers’ market. 18 respondents didn’t buy any product or services promoted by social media influencers whereas 24 were neutral but 14 people surely bought the featured products. Among all, 25 out of 70 respondents didn’t get influenced to buy products or services promoted by digital influencers during the COVID-19 pandemic crisis while on the contrary majority of the respondents such as 34 respondents purchased them and 11 were neutral about the purchase which proves during COVID-19, consumers’ purchase didn’t get affected. The factors that motivated them to purchase the product/service promoted by the influencers are reliability (22.9%) accompanied by discounts and influencer’s credibility (21.4% each) and trust (18.6%). Other factors included requirements and relatable style.

As shown in figure 2 below, the most popular niche of influencers among respondents are food, entertainment and health & fitness having 54.3%, 48.6% and 47.1% share respectively.

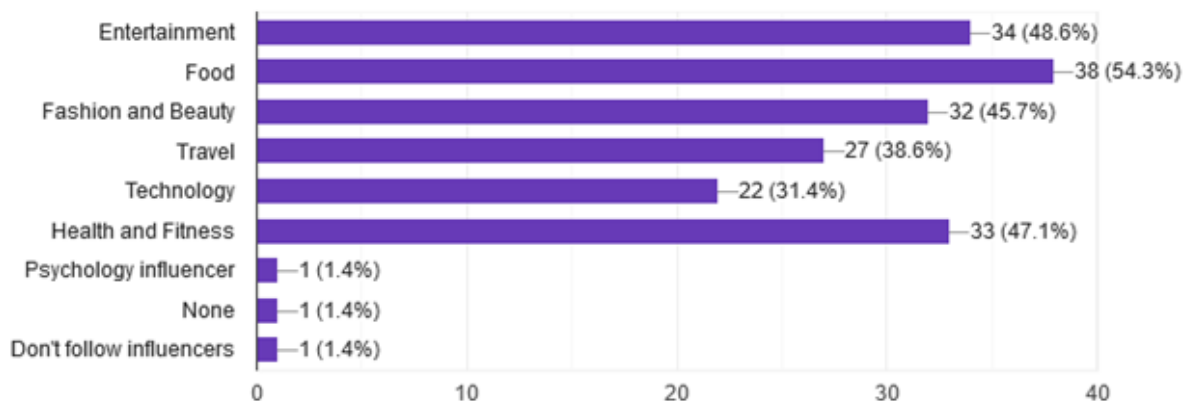


FIGURE 2
TYPES OF INFLUENCERS

Besides that, 59 people were satisfied with their purchase and can opt for buying the same product or service again.

Limitations and Future Scope

It is crucial to study influencers in order to make marketing strategies that can be fruitful while promoting goods and services. During the COVID-19 pandemic, influencer marketing proved itself to be a successful tactic under marketing campaigns. This study is perhaps one of the earliest studies to look at the impact of influencer marketing on the online purchase intention of internet users throughout the Coronavirus crisis in India. Despite this, there are a few limitations of this research. As data is gathered from a specific part of India, i.e. Delhi NCR region, the maximum numbers of respondents were educated and internet users, so, to generalise the results, a further study can be done to observe rural or suburban internet consumers. Delhi NCR region does not represent the whole population of a most populous country like India; therefore, future investigation can focus on other regions of India. Results were generated from 70 respondents with various age groups; hence, it would be interesting to observe the studies with a large number of respondents. Due to COVID-19, brands considered influencers to promote their products and services along with the message of health and safety to the consumers. In addition, the majority of the respondents bought the featured products because they did not have income constraints whereas people in low-income groups can be studied with respect to the COVID-19 pandemic. Further, researchers can also study different moderators like gender, education level and employment status.

CONCLUSION

This study has concluded that people did purchase products or services promoted by social media influencers during the novel Coronavirus pandemic. The credibility of these influencers and the discounts provided on endorsed products have a role to play in the purchase intentions of the respondents.

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