

Power of Influencer Marketers in Digital Sphere of Product and Services Purchase Decision

Dr.T.Suchitra Rani* and Dr.P.Kalyani **

*(Amity Global Business School, Panjaguta, Hyderabad, India
Email: srani@hyd.amity.edu)

** (Amity Global Business School, Panjaguta, Hyderabad, India
Email: pkalyani@hyd.amity.edu)

Abstract:

Customers are unsure whom to trust in the face of rising demand for attention and several product alternatives on the market. Their stringent anti-advertising measures make it incredibly difficult for firms to keep up with the digital world. Customers, on the other hand, are more likely to believe word-of-mouth advertising from family and friends than brand-sponsored material. As a result, influencer marketing is expected to become the most popular and promising marketing strategy available. This article exemplifies the importance of influencer marketer in all walks of life due to the social media platforms like Instagram, You tube, Facebook, Blogs, Twitter, LinkedIn and so on while purchasing online products and services. The study presents that competitions, sponsored content, product collaborations, takeovers on the brand platforms along with good reviews are few of the engagement techniques employed by the online influencers. The article furnishes other details like factors considered to select an influencer, the various types of influencers and type of content posted. The present article also highlights the most preferred sectors (fashion, travel, food, and health) that the influencer marketer is able to create difference in the purchase decision of the consumers.

Keywords —Influencer Marketer, Engagement Techniques, Content and Recommendations, Social Media Platforms and Precise Targeting.

I. INTRODUCTION

Influencer marketing is a practice that has got a lot of attention in the media. Even though influencer marketing is a method that is being pushed online, the goal to influence customer demand and purchase decisions has been a crucial component for most businesses management. Influencer marketing is not a new practice; for decades, companies with large expenditures have paid celebrities to promote their products.

Influencer marketing today is finding a "regular" individual with a large number of followers on Twitter, Instagram, or YouTube. Influencer marketing is in varied forms:

- For sponsored postings about a product or company, paying the influencer a set fee.
- To get the influencer to write a review, by providing them with free or discounted items.
- To have the product or brand mentioned on social media, provide the influencer unique items or vital information.

Every influencer has put effort into developing their own brand and expanding their following. They increase their follower's confidence by being genuine. Customers are more likely to trust influencers who are regular individuals like themselves, rather than celebrities who promote items or businesses.

Meanwhile, marketers may need to entrust the influencer with content management, such as writing feedback or creating articles featuring their goods. That is why choosing the proper influencer to collaborate with a company is so important. Instead of overtly promotional posts, marketers should make every effort to obtain subtle and real material from influencers. Influencer marketing should not be confused with celebrity endorsements since influencers must have the trust of a particular group as well as committed followers. Furthermore, influencer marketing entails having expertise and experience with the product being pushed.

II. IMPORTANCE OF INFLUENCER MARKETING

- **Precise Targeting** - Identifying and targeting the correct audience is a critical component of any marketing plan. Nonetheless, it is sometimes a difficult procedure that needs a detailed knowledge of the target customers. Influencer marketing allows brands to skip this stage since influencers have already done the hard work. They only need to ensure that the influencer is relevant to their niche and that their public demeanor matches the image of the company. Assume you own a Beauty brand that sells good and attractive collection of skin care and beauty products. Collaboration with beauty bloggers will allow you to get out to their audiences, who are likely to be interested in your items.
- **Enhanced Brand Awareness** - Influencers have the capacity to expand brand exposure and enhance brand awareness due to their large reach. When an influencer advises or endorses a brand, their followers are likely to pay attention. Furthermore, ideas from a well-known influencer are frequently viewed as more genuine. Working with influencers allows a brand to cut through the clutter and attract their following to their company. It raises their brand's exposure and aids in the development of relevant online conversations around it.
- **Boosted Audience Engagement** - It is quite difficult to increase the amount of likes and comments on any social media postings. Gaining millions of followers will not provide any effects if engagement levels are poor. This is where influencer marketing may help. For starters, working with influencers improves the quality of your material and makes it more user-friendly. This type of material is more likely to get momentum among their target audience. Second, when an influencer distributes their material on their social media platforms, their followers will interact with it as well. If they enjoy the material, they may tag their friends and share it on their social media accounts, so increasing its reach.
- **Improved conversion rates** - The ultimate objective of every firm is to increase sales and profit. However, it is incredibly difficult to attract new customers by blowing their own trumpet. Customers are increasingly wary of such firms, and they frequently perform hours of internet research before making a purchase choice. Influencers have the ability to draw more people to their products or services. This is because shoppers trust the advice of their favorite influencers. It may be used by brands to influence purchasing decisions and enhance conversion rates. According to one survey, 33% of participants thought that influencers are the most trustworthy sources for purchase advice. Influencer marketing is undeniably a powerful technique for consumer acquisition. It assists them in generating more possibilities for the company and over time escalate their revenue.

- **Increased Credibility and Trust** - Influencers have great power because their followers trust them. This trust can help them establish a loyal following. An authentic testimonial is created when an influencer writes their honest evaluation about your products or services. It strengthens brand's reputation and increases their trustworthiness. In addition, collaborating with influencers helps brands to obtain the confidence of their audience. In the long run, this is the ideal instrument for building a committed army of brand champions. It enables listeners to increase brand exposure and income.

III. TYPES OF INFLUENCER MARKETING

- **Competitions and Giveaways** - According to a brand's price point, they can utilize a tiny portion of their money to give away certain goods to competition winners or influencers every month. Influencers unboxing videos on Instagram or YouTube may help spotlight the product by putting it in front of their audience at a cheap cost to their brand. Some influencers receive so many freebies and exclusive things that they set aside one day each week to unbox all of their gifts on social media, thanking the business that provided them, leaving reviews, or utilizing them directly on the platform. On the competition side, an easy technique to increase engagement is to make engagement instructions a requirement for entering the contest. By making sure the regulations are clear so that no one is put off from participating. This also ensures that the audience is not dissatisfied when the winners are announced. Here are some suggestions:

- Liking the post
- Following
- Content Sharing
- Newsletter signup
- Tagging of friends
- Generating of original content.

- **Sponsored Content** - One of the most popular marketing examples is sponsored content. Influencers are contacted by brands to see if they will recommend one of their products or services, or vice versa. Based on the influencer's channels a firm has compromised, the final output is frequently a photograph, video, or blog article showcasing the brand's products or services. Typically, these campaigns begin with the company emailing the influencer a campaign brief that contains specific instructions and expectations. However, brands must also provide their influencers with some creative flexibility. Because it is their audience, they are aware of the best methods to engage them.
- **Content And Product Collaborations** - Several businesses have collaborated with influencers to develop their product or content. This is common in the beauty and fashion industry, when influencers create their own brand of accessories, apparel, or cosmetic items. Rihanna, for example, worked with MAC Cosmetics to create the Riri Woo lipstick. Obviously, if they are producing their own products, this is a coherent strategy, and it's more common among firms who have already created a reputation for themselves in their field. If the brand is experiencing these issues, they may want to consider content collaborations.
- **Takeovers On the Brands Platforms** - During a takeover, the brand grants the influencer temporary access to its social media accounts. Normally, the time lasts one day, but for exceptional events or occasions, it might last up to a week. Influencers may create day-in-the-life or behind-the-scenes blogs, tales, and films to grab their audience's interest and keep them engaged. The major disadvantage of using influencer marketing is that they have to provide the influencer brands social media password. For obvious reasons, they need to establish a high level of trust. A contract is also required. If the brand has a Snapchat

account, the app allows them to submit takeover stories without giving people their login information.

- **Reviews** – It is one of the most common influencer marketing techniques for a business to provide its products or services to the influencer for free in return for the influencer writing a review. This may be the incentive if buyers have ever seen any "unboxing" videos. The idea of these clips is that the influencer has never heard of or used the product before; they're unpacking and testing it out on camera for the first time. Meanwhile, numerous web personalities have made a reputation for themselves by reviewing things such as cosmetics. In some circumstances, they may receive these things through means other than an influencer marketing partnership.
- **Long Term Ambassador for Brands** - A long-term ambassador, as the name suggests, is an influencer who works with a business for an extended length of time. A firm may think of them as the "face" of their company, similar to how prominent spokespeople function in traditional advertising methods. Unlike other types of influencer marketing, a brand ambassador may promote a company for several months to a year or more. This type of influencer marketing strategy can produce excellent outcomes in the following ways: More regular marketing provides more opportunities to demonstrate the diversity of the brand's products. Repetition puts the firm at the forefront of the ambassador's followers' minds. A stronger connection with the influencer equals more trust, dependability, and authenticity in the eyes of their audience. A firm's marketing plan has a reduced churn rate, which means less uncertainty and more convenience.

IV. INFLUENCER MARKETING STATISTICS OF 2021

Influencer marketing is an investment; in order to get it correctly, businesses must dedicate effort to finding the ideal influencer to push content that resonates to their target audience. Firms must also invest money and/or resources to compensate the influencer, execute multiple campaigns with the influencer, and more, depending on individual marketing objectives. Statistics of influencer marketing in 2021 is as follows -

- Influencer marketing is the most effective marketing trend in 2021, according to nearly 58 % of marketers, ahead of SEO, short-form video content and experiential marketing.
- Influencer marketing is effective according to 80 % of the marketers, and 90% says it works just as well as other conventional marketing channels.
- In 2022, 86 % of marketers want to continue or grow their investment in influencer marketing.
- Instagram is the most popular influencer marketing tool. However, Facebook is often regarded as the most successful social site for influencer marketing initiatives.
- Snapchat is one of the least effective mediums for influencer marketing. As a result, this is one of the top platform marketers intend to exit in 2022.

V. INFLUENCER MARKETING AND SOCIAL MEDIA PLATFORMS

Without a question, influencer marketing is one of the most popular marketing strategies right now. Brands can quickly and effectively reach huge, niche-specific audiences by leveraging the power of influencers. This type of advertising is so popular that an astounding 86% of professional marketers used it, with much more growth projected in the future. However, a brand should be aware that there are many different sorts of influencers on many various platforms before utilizing influencer marketing. To make the most of this new marketing trend, firms must first grasp the benefits of various

platforms and then focus on the ones that are ideal for them. The following are descriptions of four of the leading influencer marketing platforms.

Facebook

Facebook, being the world's most popular social media website, is probably the most apparent venue for influencer marketing. Influencers on Facebook may frequently reach enormous audiences that are more targeted than the platform's own advertising algorithms, resulting in more successful marketing efforts. Facebook also encourages users to like and share content, increasing visibility beyond the original influencer's demographic. Surprisingly, Facebook is also the most popular site for influencers themselves. According to a 2016 poll, 32% of influencers preferred Facebook over the next-highest platform, Instagram, which received 24%.

YouTube

YouTube is far more than a repository of pet videos and gaming tutorials; it is a fantastic marketplace for influencers and the companies who employ them to get awareness. Influencers may express far more information about a company or product through video than any social media post could possibly include. This fact offers YouTube influencers the power to enhance brand exposure while also driving product sales. The best part is that YouTube videos may stay relevant and accessible for months or even years after they are uploaded. This indicates that influencer efforts conducted on the video hosting site will have a longer lasting impact than social media initiatives, which are often brief.

Twitter

Twitter, though less popular than Facebook, is another excellent platform for advertising a brand through influencer marketing. According to a Twitter poll, an amazing 49% of Twitter users actively depended on influencers for product recommendations. According to the same poll, 40% of respondents directly followed brands on Twitter.

Twitter is also one of the most cost-effective influencer marketing solutions, partly thanks to its style of brief updates. According to a 2016 survey on the pricing of micro-influencers, 96% charged \$100 or less each sponsored tweet.

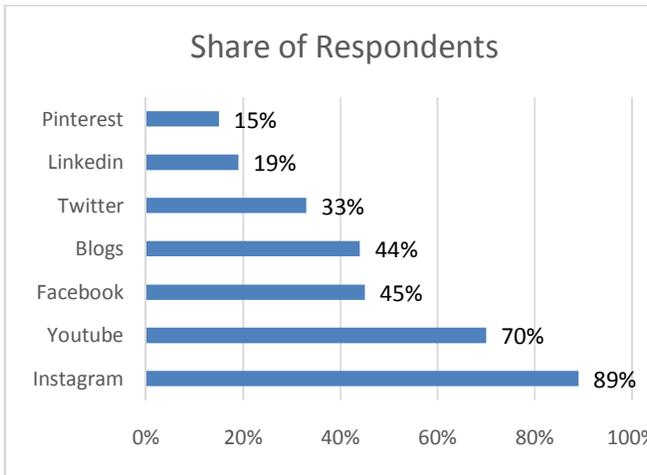
Instagram

Instagram is the last but not least of the main influencer marketing platforms. This image-based social networking site has risen to become one of the digital marketing powerhouses in recent years, bringing with it a flood of influencers eager to assist businesses showcase their products and services to the people. In fact, the Instagram influencer marketing sector is already worth more than \$1 billion.

The most obvious advantage of Instagram influencer marketing is that its users react more favorably to promoted content than those on practically any other social media network. According to Brand watch data, almost 70% of the most popular hashtags on Instagram are branded, showing substantial user interaction with branded content.

Instagram is also recognized as a top medium for addressing affluent consumers, particularly millennials. Instagram's popularity has skyrocketed in recent years. It's mind-boggling that its members publish 95 million photographs and videos and like 4.2 billion posts every day. Photo posts currently account up 64.4% of all Instagram main feed posts, followed by carousel posts (18.8%) and video posts (16.8%).

Though nearly any medium for sharing content may be utilized for influencer marketing, these four are among the most popular. A company may quickly develop brand recognition and improve sales by reaching out to audiences through trusted influencers on Facebook, Twitter, YouTube, and Instagram.



Source:

<https://www.statista.com/statistics/1241723/platforms-influencer-marketing/>

FIGURE 1.1 – The Most Popular Social Media Platforms for Influencer Marketing

Figure 1.1 from a study depicts that the least popular among the influencer marketing is Pinterest and LinkedIn whereas the most popular is Instagram which is around 89%. The second highest platform that is popular for the use of influencer marketing is YouTube with around 70% and Facebook and Blogs with 45% and 44% each. While twitter stands at 33%.

VI. INFLUENCER

An influencer is a person who, via their persuasiveness, has the ability to affect the conduct of others. Influencers may be divided into three categories based on the size of their audience:

- **Micro-influencers:** Micro-influencers are those with less than 10,000 followers on social media. They're ideal for reaching out to small yet devoted audiences.
- **Power middle influencers:** Influencers with a following of 10,000 to 250,000 are considered powerful midrange influencers. These individuals may not have the celebrity of mega-celebrities, but they do have a loyal and engaged following that are

inclined to heed their advice. These influencers have also worked with businesses in the past.

- **Macro Influencers:** Influencers with more than 250,000 followers are known as macro influencers. These people are well-known on social media platforms such as Instagram and YouTube. They have the most reach, but they may lack the same level of authenticity and reputation as power middle influencers, so think twice before accepting any contracts.

VII. SOCIAL MEDIA INFLUENCERS AND THEIR SIGNIFICANCE -

eWOM (Electronic Word of Mouth) is broadly characterized as sharing and exchanging information about a product or company via the Internet, social media, and mobile communication. Because it is simple for buyers to start interactions online, eWOM has been shown to increase retransmission intentions. While we all know, e-WoM has a significant influence on customer purchase decisions. According to Figure 1, the most essential reason for a customer to follow an influencer on social media is the quality of their material, followed by their niche expertise, rate of engagement, and finally the amount of followers they have.

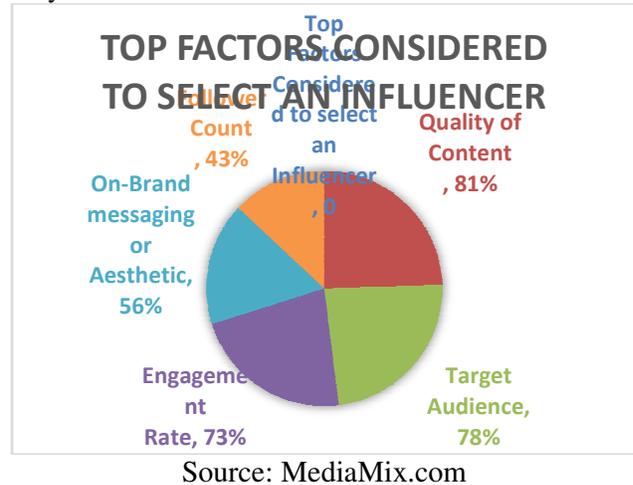


FIGURE 1.2 – Top Factors of Contribution while Selecting Influencers

The most important factor while considering endorsing a product by influencer is the quality of work/content (81%) he or she makes. How well she has used her creativity in creating the content to reach the buyers. The second important factor that is considered is the target audience (78%) because even when the quality of content is great if the audience profile of the influencer is not matching with that of demographics for which the campaign needs to be run that influencer is not worth considering for that specific campaign. The rate of engagement (73%) which means the amount of interaction that the content receives on the influencers social media which could include factors such as likes, comments, shares or mentions. The next important factor is the on-brand messaging (56%) which means the influencers' voice and aesthetic line should be as per the brand style. The last and one of the important factors that a brand looks for is the number of followers in their social media which could automatically increase the reach of the content.

VIII. SOCIAL MEDIA INFLUENCERS BY THE TYPE OF CONTENT

Aside from followers, marketers must determine what type of content they want to give to their audience via influencers on whatever social media site. Each social media platform has a unique set of consumers, making it vital for marketers to present them with appropriate content. They are:

- **Bloggers-** This whole influencer marketing situation began with blogging. Bloggers used to discuss their experiences with any sort of product on their blogs, which the public saw as genuine word-of-mouth, and then they started getting paid by businesses to use and evaluate their items. As a result, bloggers can be paid or compensated. Despite being sponsored by brands; their substance is what makes them respectable.
- **Podcasters** - Podcasting may help individuals build an audience, which can lead to them being influential. Podcasters

may use their influence to help brands spread messages through commercials. Podcast advertising are particularly successful since they employ the podcaster's own voice and may often include some of the podcaster's personality. In other words, all of the factors that contribute to a podcaster's success with their audience may also be applied to the advertising that they read throughout their programme. Podcasting is more genuine, sincere, and open than other influencer marketing campaign possibilities. The listener is highly immersed in podcasting for 30–90 minutes, allowing the podcaster to carefully position adverts throughout the broadcast.

- **YouTubers:** This platform has resulted in a content revolution. Ordinary people have taken advantage of YouTube and gained tremendous success by sharing their material on this site. From sports to comedies to tutorials and DIYs, you can find almost every genre of influence here. Collaboration between businesses and YouTubers has altered the notion of advertisement. Product placement or integrated marketing in the video of YouTubers has become a must-have tactic for marketers. YouTubers are the new celebs in town, and they have a greater influence than traditional celebrities. Because the majority of the work is done by the content producer, it is both cost-effective and timesaving for companies.

IX. SOCIAL MEDIA INFLUENCERS BY THE KIND OF INDUSTRY

- **Gamers** - Gaming influencers typically live stream their games on sites such as YouTube and other social media, attracting millions of followers who want to better their own skill or learn more about gaming. While gaming influencers frequently promote video games and game-related items and businesses, they represent such a targeted niche that automotive, apparel, shoe, and snack and beverage firms are

likely to benefit greatly from a gaming influencer collaboration. Gaming influencers are often classified as belonging to one of the following sub-niches:

- Reviews of games
- Tutorials
- Walkthroughs in Games
- Team matchups
- Montages
- Game type (action, FPS, strategy,

etc.)

- Challenges.

- **Beauty Influencers** - Approximately 43% of buyers follow beauty influencers. These influencers give beauty advice, product reviews, how-tos, and more, and may quickly raise visibility and sales for your beauty company. This sort of influencer can range from ordinary people of any or no gender who enjoy cosmetics to professional makeup artists. Professional makeup artists (MUAs) who offer instructions and techniques on their YouTube channels or Instagram feeds are examples of beauty influencers. Others are amateurs who just enjoy cosmetics and beauty and have amassed a large following of interested followers.
- **Fashion Influencers** - Fashion influencers promote a wide range of items, including apparel, jewelry, shoes, watches, and other accessories. They often provide product evaluations, product promotion, direct collaboration with fashion lines, post-shopping trip "haul" movies, and style advice. When it comes to industries for Influencer Marketing or any other type of Digital Marketing, firms in the fashion industry do not hold back. Because individuals frequently flaunt their beauty or clothes on social media, it is critical for fashion brands to be in the spotlight on social media. These are the most popular industries for influencers to work in. They rose to prominence by popularizing hashtags like as #ootd (outfit

of the day) and tagging companies in their photos. Influencers in this field make a lot of money and receive a lot of pricey and unique things from brands.

- **Fitness Influencers** - Sports and fitness influencers are frequently a source of inspiration for their followers. They frequently support sports companies, food and beverage businesses related to the health and wellness sector, particular diet and fitness plans, and other products. Fitness influencers can cover different niches such as

- Yoga
- Cross fit
- Running
- Weight Loss
- Weight Lifting
- Healthy Lifestyle.

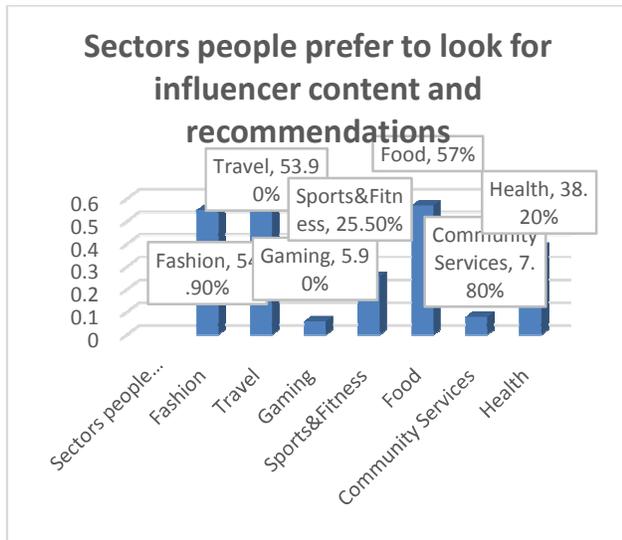
- **Travel Influencers** - Many travel companies and tourist agencies have begun to invest in influencers. People's social media walls are frequently packed with trip photographs, creating a fantastic opportunity for travel firms to gain customers online. Influencers are given the opportunity to travel around the world at the sponsors' expense in exchange for writing a blog or doing a review of resorts, activities, and adventures. Travel influencers provide more than just a lot of FOMOS.

Many travel influencers provide travel advice, tactics, and hacks, as well as reviews on travel-related items and suggested itineraries that include places to dine. Travel, like gaming and fitness, may be divided into numerous categories such as gear, locations to visit, how-tos, and so on. Other Industries such as electronics, Food also use influencers to promote their products and brands.

X. SECTOR WISE PREFERENCE OF INFLUENCERS CONTENT AND RECOMMENDATIONS

Respondents were asked what are the other sectors in which you prefer to look for influencer content and recommendations.

those where a lot of skincare and cosmetic brands market their products through influencers.



Source: Primary Data

Graph 1: Sectors people prefer to look for influencer content and recommendations.

The following chart summarizes the 57 respondents look for content such as food, 56 respondents look for fashion related influencer content, 55 people look for travel blogs, 39 respondents look for health related influencer content, 26 respondents look for sports and fitness related content, 8 respondents mentioned that they look for content by influencers related to community organizations and 6 people look for gaming related content by influencers.

XI. CONCLUSION

Influencer marketing is gradually but steadily replacing traditional advertising concepts. Bloggers and YouTubers are great influencers these days. They are currently utilized smartly by businesses ranging from small businesses to huge corporations. What the advertisers desire here is not a surge in sales, but rather a favorable web presence. Currently Instagram and YouTube are the most used platforms by brands to market their products with the help of influencers. Beauty products are one of

REFERENCES

- [1] Bhattacharya, A. (2019, January 12). Social Media Influencers Are Becoming a 'critical Marketing Tool' for Indian Brands.
- [2] Christoph Kastenholz, "The Importance Of Influencer Marketing In The 'New Normal' Digital Sphere", Mar 2, 2021, accessed on 26-04-2022 at <https://www.forbes.com>.
- [3] <https://mediakix.com/influencer-marketing-resources/influencer-marketing-statistics/>
- [4] <https://www.statista.com/statistics/1241723/platforms-influencer-marketing/>
- [5] <https://sproutsocial.com/insights/influencer-marketing/>
- [6] <https://influencermarketinghub.com/top-influencer-marketing-platforms/>
- [7] <https://influencermarketinghub.com/facebook-influencer-marketing/>