

The Influence of Influencer Marketing on Young Consumers' Buying Decisions

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Abstract

Social media influencers have become effective triggers of young consumers like Generation Z. It has changed the world of marketing, with influencers now using their own authenticity and credibility to influence their followers' purchases. From carefully selected content, to storytelling and product recommendations, influencers deliver an unrealistic but seemingly doable lifestyle for younger readers. Studies also show that young customers do not respond to ad messages more easily than they do to influencer recommendations: they take them as advice from other people and not commercial communication. It is trust that along with the social-proofing and FOMO (fear of missing out) affects their purchase intention. But there is a danger in this kind of marketing of authenticity, disclosure and the abuse of young, impressionable minds. This is something marketers, policymakers and parents need to know if they want to use this highly effective marketing tool ethically and to help protect children.

Keywords: Influencer, Generation Z, Credibility, Purchase intention, authenticity

Introduction

Since young customers utilize social media more regularly to discover product information and hear suggestions, influencer marketing has effectively influenced their purchasing patterns (Freberg et al., 2011). Additionally, this strengthens the power of this kind of marketing on consumer attitudes and decision-making, particularly in younger demographics that are more likely to get endorsements from peers and influencers (Casaló & Flavián, 2020).

Influencer marketing has been a potent instrument in today's digital environment, significantly influencing young customers' purchase decisions. Researchers have given this tendency more attention because of the growth of social media platforms. Influencers have a complicated impact on consumer behaviour, particularly among younger audiences, as the research this paper demonstrates. The work attempts to provide comprehensive knowledge of this marketing strategy's efficacy and effects by examining the psychological and social variables that underlie it. According to earlier research, influencers may persuade their followers to trust and believe in them (Freberg, Graham, McCaughey & Freberg, 2011).

The parasocial ties have been demonstrated to enhance customer engagement and increase the probability of purchases (Labrecque, 2014). This study adds to the continuing discussion regarding digital marketing tactics by building on these previous findings to offer fresh insights into how influencer marketing affects young consumers' purchasing decisions.

Constant search on how influencer marketing affects young customers' purchasing decisions has gained

significant traction, particularly as Generation Z increasingly looks to social media for product recommendations. Because of their perceived engagement, relatability, and credibility, influencers have been shown to have a significant impact on purchasing habits. These factors are particularly appealing to younger audiences (Saroyini & PA, 2024) ("The impact of social media platforms on youth shopping decisions: the role of influencer endorsements" 2024). Nevertheless, despite the possible benefits, problems such as authenticity and the possibility of forming parasocial ties may make these marketing strategies less successful (Jain, 2024).

Important Factors in Influencer Marketing

- **Credibility and Trust:** Young customers' decisions to purchase the items that influencers recommend are greatly influenced by their credibility ("Influencer Marketing in the Digital Age: Exploring the Influence of Social Media Influencers on Consumer", 2024).
- **Type of Content and Engagement:** Content that appeals to the audience increases product awareness and motivates Generation Z to decide buying (Saroyini & PA, 2024).
- **Social Media Platforms:** Sites like Instagram and TikTok are important avenues for influencer marketing and have a greater impact on young people's purchasing decisions ("The impact of social media platforms on youth shopping decisions: the role of influencer endorsements", 2024).
- **Cultural Sensitivity:** To prevent unfavorable responses and keep their marketing strategies relevant, brands must be conscious of cultural differences (Jain, 2024).
- **Authenticity Issues:** Young consumers are growing pickier and demand transparency and ethical behaviour from influencers and brands (Jain, 2024).

Rework marketing tactics and how they affect consumer behaviour has been a major focus, and many academics have contributed to our growing knowledge of this dynamic field. A fundamental perspective on statistical analysis in marketing is provided by Claes Fornell's 2017 paper in the Journal of Marketing Research, which highlights the need for robust methodologies to understand market dynamics (Fornell, 2017). inline, Joe F. Hair's 2011 article in The Journal clarifies structural components and offers an understanding of the connections among marketing frameworks (Hair, 2011). Rodney G. R. Young argues for a change to more consumer-focused approaches in his 2017 conference paper, which explores the reasoning behind marketing strategies (Young, 2017). This viewpoint is supported by research conducted by Anuja Arora in 2019 and published in the Journal of, where she examines how marketing abstract concepts influence consumer perception and behaviour (Arora, 2019).

According to Rodney G. R. Young's 2020 study on YouTube marketing, published in Sustainability, the emergence of digital platforms has drastically changed marketing environments. This study investigates how YouTube and other digital platforms can be used for effective sustainable marketing practices (Young, 2020). therefore, the simulation of marketers' behaviours is examined in Richard P. Bagozzi's 2011 study published in the Journal of the Academy of Marketing Science, which provides a simulation-based viewpoint on comprehending marketing dynamics (Bagozzi, 2011).

Edoardo A. Abbiati's 2014 article in the American Journal and David Strutton's 2011 article in International offer valuable perspectives on marketing tactics. Abbiati provides a more comprehensive perspective from an American point of view (Abbiati, 2014), whereas Strutton focuses on international marketing strategies (Strutton, 2011). Kuemning Li's 2002 study in the Journal of Marketing reviews marketing study emphasizes how marketing theory has evolved (Li, 2002). Research was conducted on the relationship between consumer behavior and influencer engagement metrics like likes, shares, and

video views. These metrics show the effectiveness and reach of an influencer, which has a big impact on young consumers' purchase decisions.

According to Tuten's research (2020), engagement metrics are crucial for fostering community and establishing customer trust. As social proof, likes and shares support the influencer's suggestions and increase customer trust (Kaikati & Kaikati, 2021). Video views quantify the amount of content consumed and reveal the degree of viewer interest and engagement (Hughes, Rowe, Batey, & Lee, 2019). merge, these metrics strengthen influencer marketing's ability to persuade young consumers to make wise purchasing decisions. Credibility and trust are important components of influencer marketing, and young consumers' purchase intentions are influenced by authenticity and transparency. Customers are more likely to perceive influencers as genuine and open in their recommendations, (Audrezet, de Kerviler, & Moulard, 2018). According to Djafarova and Rushworth (2017), authenticity, is characterized by real and relatable content, creates a deep emotional connection with followers and boosts their confidence in the influencer's recommendations. It encourages honesty, and transparency, particularly when disclosing sponsored content.

Influencer-driven brand awareness emphasizes influencing consumer behaviour, concerning brand recognition and recall. Influencers increase brand visibility by acting as a conduit between consumers and brands (Godey et al., 2016). Because consumers are more likely to remember brands associated with their favourite influencers, research shows that influencer endorsements greatly increase brand recall (Lou & Yuan, 2019). Enhancing consumer familiarity and fostering a positive brand image, promotes brand recognition (Jin & Phua, 2014).

Consumer behaviour is eventually impacted by this greater awareness and recognition, which influences brand preference and purchase decisions. Metrics like conversion rates and return on investment (ROI) are frequently used to gauge the effectiveness of influencer marketing campaigns. These metrics evaluate the campaign's effectiveness in influencing consumer behavior. The effective campaign is directly measured by conversion rates, which show the proportion of viewers who complete a desired action (Stelzner, 2020). Conversely, ROI assesses the campaign's financial return in order to ascertain its cost-effectiveness (Hughes et al., 2019). Freberg et al. (2011) found that influencer marketing campaigns with high conversion rates also tend to generate positive returns on investment, demonstrating their efficacy in influencing consumer behavior.

Research Methodology

Research Design:

The Research adopts a quantitative research design to systematically analyze the influence of influencer marketing on young consumers' buying decisions. A descriptive and causal approach to explore relationships between Dependent variables as buying decision independent variables such as engagement metrics, trust, brand awareness, conversion rate, ROI, etc.

Objectives:

To analyse influencer engagement metrics such as likes, shares, and video views influencing young consumers' buying decisions.

To evaluate the impact of trust and credibility factors, including authenticity and transparency, on young consumers' purchase intentions.

To examine the relationship between influencer-driven brand awareness and consumer behaviour like

brand recall and recognition.

To assess the effectiveness of influencer marketing campaigns using measurable metrics like conversion rates and ROI in shaping consumer behaviour.

Hypothesis:

(H1): There is a significant relationship between influencer engagement metrics (likes, shares, and video views) and young consumers' buying decisions.

(H2): There is significant relationship between Trust and credibility factors, including authenticity and transparency on young consumers' purchase intentions.

(H3): There is a significant relationship between influencer-driven brand awareness and consumer behaviour outcomes such as brand recall and recognition.

(H4): There is a significant impact of influencer marketing Campaigns measured by conversion rates and ROI on young consumers.

Target Population and Sample:

The target population of young consumers aged 18-35 who actively take part in influencer marketing in social media. A random sampling method is used to select participants, ensuring diversity in gender, location, and social media usage. The sample size of 40 respondents is considered for the study.

Data Collection

Primary data was collected through a structured questionnaire using a 5-point Likert scale to capture responses on various dimensions of influencer marketing. The questionnaire is divided into 4 sections based on research objectives. Engagement metrics, trust and credibility, brand awareness, and consumer behaviour. Secondary data was helpful for literature reviews.

Data Analysis Techniques.

Data was analysed using statistical tools and software such as SPSS

The analysis includes: Regression Analysis: to evaluate the impact of individual factors on purchase decisions.

Descriptive Statistics			
	Mean	Std. Deviation	N
buying decision	2.1750	1.23802	40
trustworthy	2.6250	1.19158	40
popularity	2.5250	1.10911	40
recommend	2.4500	1.10824	40
convincing	2.1500	1.09895	40
sponsorship	2.4500	1.08486	40
recommendations	2.4500	1.15359	40
endorsement	2.6500	1.16685	40
trust	2.1500	1.23101	40
trust	2.1250	.96576	40
Purchase decision	2.0750	1.02250	40

Brand recall	2.2250	.94699	40
brand endorsement	2.4250	1.17424	40
Brand recall	2.5000	1.08604	40
Sales Promotion	2.6000	1.03280	40
Purchase Decisions	2.6500	1.29199	40
Engagement rate	2.3000	.96609	40
buying decisions	2.4000	.92819	40
Traditional Marketing	2.5750	1.25856	40
young consumers	2.0750	.76418	40
Trustworthy	1.7500	.54302	40
known brands	2.5250	1.15442	40
Entertaining engaging	2.5250	1.10911	40
recommendations	2.3750	.97895	40
Product recommendations	1.7250	.71567	40
brands ads vs I recommendations	2.4750	1.10911	40
too many brands	2.4250	1.00989	40
Discover	2.1750	1.05945	40
New Product	2.4500	1.15359	40

Observations:

(H1): There is a significant relationship between influencer engagement metrics (likes, shares, and video views) and young consumers' buying decisions.

The mean is 2.17 to 2.65 and SD is 1.08-1.16 of the first 4 sets of the variables are considered moderate and interpret that we accept the alternative hypothesis and the young buyer has a significant impact on the purchase decision based on like share and popularity of the product.

(H2): There is a significant relationship between trust and credibility factors, including authenticity and transparency on young consumers' purchase intentions.

The mean is 2.15-2.65 and SD is 1.08-1.16 of the variables, which is moderate so, we can interpret that we accept the alternative hypothesis where the young buyer will check the credibility and authenticity of the influencer.

(H3): There is a significant relationship between influencer-driven brand awareness and consumer behaviour outcomes such as brand recall and recognition.

The mean 2.07-2.5 and SD 0.94-1.17 the variable, which is moderate. So, we can infer that we accept the H3 where the relationship between brand awareness leads to brand recall and purchase intentions.

(H4): There is a significant impact of influencer marketing Campaigns measured by conversion rates and ROI on young consumers.

The mean 2.25-2.65 and SD 1.03-1.29 the variable, which is highly moderate. So, we understand we must accept the alternative hypothesis where the influencer makes a strong impact on the young consumer buying which in turn impacts on conversion rate and ROI.

Data Analysis

The average mean is between 1.8 to 2.8 so there is a moderate level of influence on buying decisions. Variables like trustworthiness and endorsement have higher mean that represents high influence. And the

SD is moderate across all the responses.

Interpretation:

The trustworthiness and endorsement have higher mean, it means that the young consumer gets highly influenced by influencers, and they make all the decision based on influencers' suggestions.

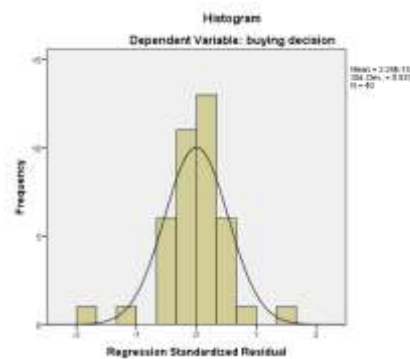


Model Summary

Model	R	R Square	Adj. R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.912 ^a	.831	.401	.9583	.831	1.93	28	11	0.125	1.721

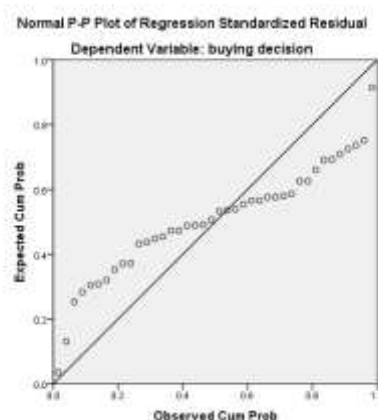
The graph indicates the relationship between words in different document segments such as young, influencer, and influencer consumers. The X-axis represents the document segment, Y-axis represents relative frequency. The lines on the graph reveal the popularity of the word and it emphasizes the thought process. The picture graph represents the darkness and highlights of words in the document segment.

The regression analysis gives insights into how the variables are strongly correlated (**R = 0.912**) variables such as trustworthiness, recommendations, engagement rate, and brand recall significantly influence purchasing behavior. The model explains 83.1% of the variation in buying decisions (**R Square = 0.831**), which shows its effectiveness in capturing key influences. but, the much lower **Adjusted R Square = 0.401** suggests that the model may include unnecessary variables, reducing its overall accuracy.



The histogram visually represents the regression standardized residuals for the dependent variable, "buying decision," offering insights into the model's assumptions and overall fit. The bell-shaped distribution of residuals suggests that they are approximately normally distributed, which aligns with a key assumption of regression analysis. However, a slight right skew indicates that some positive residuals are larger than expected, hinting at a potential imbalance that may require further examination. The mean residual value of approximately zero (-6.046×10^{-16}) confirms that the model is unbiased, as it neither systematically over- nor under-predicts outcomes. Additionally, the standard deviation of 0.420 highlights the typical spread of residuals around the mean, with most values clustered near zero and fewer residuals farther from the centre.

The frequency distribution, shown by the vertical axis, reveals that most residuals fall near the mean, with declining frequencies as values move away in either direction. This pattern indicates the residuals are evenly distributed and supports the alternative hypothesis of homoscedasticity, where the variance of errors remains constant across the range of predicted values. The absence of noticeable outliers in the histogram further strengthens the model's validity, suggesting that extreme deviations are not skewing the results.



The plot evaluates the normality of hypothesis in a regression model, which is essential for ensuring reliable results. Variables represent the differences between actual values and the model's predicted values, and their normal distribution is a key assumption for regression analysis. The points in the plot should align closely with the diagonal line. As we see a deviation from the diagonal, it suggests departures from normality. Interpretation: This deviation implies issues with the Variable. In the context of

analyzing the abnormality of values could indicate that the young consumer's decision may vary due to other conditions, ex. They are of the nature of exploring new things in they might not follow influencers. While abnormality indicates the future scope of the study, it highlights the need for corrective measures that are in line with the other influencing factors such as nuances situations and peer pressure.

Conclusions:

The analysis provides valuable implications across managerial, research, and social domains, along with avenues for future research. Managerially, the findings emphasize the importance of prioritizing key factors such as influencer popularity, trustworthiness, engagement metrics, and brand recall to design effective marketing campaigns. Influencers should focus on creating authentic, engaging content while addressing consumer fatigue caused by excessive brand exposure. Research implications highlight the need for refining models to address abnormality of Variables, exploring alternative analytical techniques such as robust regression, and expanding variables to include psychological and emotional factors influencing consumer behaviour. Socially, the study underscores the broader societal impact of influencer marketing by shaping young consumers' perceptions, purchasing habits, and brand loyalty, raising questions about the ethical implications of influencer authenticity and transparency. Future research should explore cross-cultural variations in influencer marketing effectiveness, assess the long-term impact of influencer partnerships on brand equity, and investigate the role of emerging platforms and technologies like AI-driven influencer campaigns in reshaping consumer behaviour. By addressing these aspects, this research lays the groundwork for actionable insights and deeper academic research.

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