

Influence of Social Media Influencers on Youth Purchase Decisions

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Abstract

The impact of social media marketing factors on the purchase decisions of youth is a critical area of study in today's digital landscape. The attractiveness, trustworthiness, expertise, and popularity of influencers are key factors influencing youth purchase decisions. This study employs a descriptive and analytical approach, utilizing both primary and secondary data sources. A well-structured questionnaire was distributed among youth, including students and working professionals and the sample was selected using simple random sampling. Overall, this research sheds light on the substantial influence of social media marketing factors on the purchase decisions of youth. Findings reveals that, trustworthiness instils confidence in the reliability of endorsed products, while attractiveness and expertise contribute to shaping the overall brand image. Furthermore, the popularity of influencers lends social validation to products, enhancing their appeal to the youth.

Keywords: Social Media Marketing, Social Media Influencers, Purchase Decisions, Youth.

1.1 Introduction

In the age of digitization, traditional advertising channels are increasingly being overshadowed by the growing impact of social media. Among the many factors leading to this transformation, the role of social media influencers stands out as a compelling force shaping consumer behaviour. Their relatable content resonates profoundly with audiences, driving purchase decisions. Through endorsements, reviews and product showcases, influencers bridge the gap between brands and consumers, fostering trust and credibility. They often showcase the products, that they endorse, in their daily lives, validating the quality and desirability of the same. They also introduce the new arrivals in the market.

Social media influencers also engage directly with their audience either through the comment section or the messages, responding to their queries, providing insights and fostering a sense of community. These interactions can make it relatable for the customers by further encouraging buying decisions based on trust and personal connections. Influencers have remarkable reach across diverse sectors like beauty, fashion, travel, health, technology, food and more.

1.2 Review of Earlier Studies

Word-of-mouth is said to be one of the effective marketing strategies, which amplifies the brand reputation and it can significantly sway the consumer decisions. Marketing products through social media as it enhances the awareness of the brand among the targeted audience, also promotes customer engagement. It is found to help in increased credibility and elevate the confidence of the brand (Kritika Dave, 2021). Most of the business owners go for social media marketing with the intention of fostering interactions, audience engagement and relationships, and building relationships online. Besides the fact that Social Media Marketing (SMM) helps in reaching the target audience, it is difficult to clearly define them. Enhancing customer loyalty also cannot be ensured through SMM (Lepkowska-White, 2017). Outbreak of Covid-19 witnessed a significant increase in the social media usage of public and the businesses identified the opportunity of reaching customers without direct contact (A.I. Molle, 2022). Social media influencers, who are the market mavens are found to have more followers than those non-market mavens. The market mavens post more often and have readable posts. They also uses hashtags more often (Harrigan et al., 2021).

Major categorisation of this social media influencers is mainly of two types; Top Social Media Influencer and Potential Social Media Influencer. The first categorisation consists of Passionate Business Influencers, Passionate Influencers and Celebrity Influencers. The second group of influencers comprises of Dreaming Business Dormant and Passionate Topic Enthusiasts (Ouvrein et al., 2021).

SMM found to impact consumer-based brand equity. Cognitive, personal integrative and social integrative factors of brand experience found to significantly mediate the relationship between SMM and consumer-based brand equity (Zollo et al., 2020). Various elements of SMM like entertainment, customisation, interaction, electronic word-of-mouth and trendiness are commonly identified. Among these five SMM elements, highest impact is observed on interaction, electronic word-of-mouth and trendiness on consumer brand engagement, which ultimately strengthen the brand knowledge and awareness (Cheung et al., 2020). Factors like expertise, attractiveness, popularity and credibility of social media influencers can impact the brand image and attitude (Vrontis et al., 2021). Several factors contributed to the decisions made by the customers while opting a particular influencer in social media. It can be Inspiration, Enjoyability, Informativeness, Visual Aesthetics, Expertise, Physical Attractiveness and Authenticity (Ki et al., 2020).

1.3 Research Gap

Despite the growing significance of social media influencers in contemporary marketing strategies, limited scholarly attention has been devoted to understanding their impact on the purchasing decisions of youth specifically within the Kerala region.

1.4 Statement of the Problem

Social media holds a profound influence over today's youth, shaping their perspectives, behaviour and interactions. With seamless access to various platforms, young individuals find themselves immersed in a digital realm that profoundly impacts their self-image, social connections and worldview. The emergence of social media influencers has significantly transformed consumer behaviour reshaping the dynamics of purchasing decisions. Despite the prevalence of traditional marketing methods, the considerable sway wielded by these digital personalities poses a contemporary challenge. Understanding the precise nature and extent of this impact is critical for businesses navigating the evolving marketplace. However, amidst the proliferation of influencer marketing, there is a lack of thorough research exploring the intricate effects, mechanisms and limits of how social media influencers influence consumer decisions across various industries. This research aims to investigate the impact of social media influencers on the purchase decision of youth.

1.5 Objective

The objective of the study is:

- To examine the impact of social media influencers on purchase decision of youth.

1.6 Research Methodology

- *Research design:* The present study is both descriptive and analytical in nature.
- *Data source:* Both primary and secondary data are used for the study. Primary data is collected using a well-structured questionnaire.
- *Research instrument:* A well-structured questionnaire was circulated among the respondents.
- *Period of Study:* The period of study spans from April 2021 to January 2023.
- *Sampling Technique:* Simple Random Sampling technique was used for selecting the sample from the population.
- *Population:* The population of the study comprises of youth, including students and working professionals in Kozhencherry Taluk of Pathanamthitta District, Kerala. From the total population, 120 samples were selected after the pilot study.

1.7 Analysis and Discussions

1.7.1 Sample Profile

The profile of the sample explaining the demographic features of the respondents is represented in the following table:

Table 1.1: Demographic Profile

	Category	Per cent
Age	18-20	3.00
	20-30	89.40
	Above 30	7.60
Gender	Male	37.90
	Female	62.10
Qualification	Plus 2	3.00
	UG	33.30
	PG	56.10
	Other	19.80
Area of Residence	Urban	30.30
	Rural	33.30
	Semi Urban	36.40
Source of Income	Pocket Money	21.20
	Salary	68.20
	Savings	4.50
	Other	6.10
Social Media Platform	YouTube	30.30
	Instagram	54.50
	Facebook	9.10
	Other	6.10
Time Spend on Social-Media	Less than 1 hour	10.60
	1 – 2 hours	18.20
	2-3 hours	48.50
	More than 3 hours	22.70

Source: Survey data

It is observed from the Table 1.1, majority of the respondents studied belongs to an age group of between 20-30. Out of 120 sample surveyed, 37.9 per cent were male and 62.1 per cent were female. Largest majority of the samples were post-graduates. 30.3 per cent of the respondents resides in urban area, 33.3 per cent of them in rural area and 36.4 per cent in semi urban area. Majority of the samples (68.20 per cent) responded purchase from their salary. 54.50 per cent of the sample use Instagram the most, 30.30 per cent use YouTube, 9.10 per cent of them use Facebook and 6.10 per cent uses other social media platforms. Most of the respondents (48.50 per cent) spend 2-3 hours in social media daily.

1.7.2 Structural Model

The causal relationship between each variable were analysed using Structural Equation Modelling in order to identify the impact of one variable on the other. The importance of the variables in the model was evaluated, and the model's fit was examined through the Goodness-of-Fit test. The resulting model is presented below.

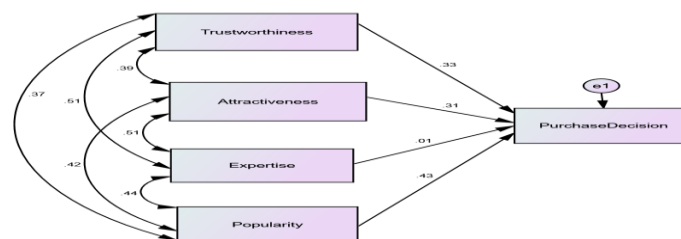


Fig 1.1 Purchase Decision Model

The Goodness-of-Fit test measures the distance between the data input and the dispersion and then compares it with some threshold values. If the distance is less than the threshold values, the fit is viewed as good. These threshold values were determined by the selected sample size and significance level. The threshold values calculated are, Minimum Value of the Discrepancy between the Model and the Data (CMIN), Comparative Fit Index (CFI), Goodness-of-Fit Index (GFI), Adjusted Goodness-of-Fit Index (AGFI), Root Mean Squared Error of Approximation (RMSEA) and Number of Parameters of Close Fit (P CLOSE).

Table 1.2: Goodness-of-Fit Indices for the Structural Equation Model

Measures	Threshold Values	Observed Values
CMIN/DF	< 3 Ideal. The values are acceptable between 3 and 5	2.617
CFI	>0.95	.973
GFI	>0.95	.968
AGFI	>0.80	.871
RMSEA	<0.05 good and 0.05 to 0.10 Moderate	.064
P CLOSE	>0.05	.061

CMIN- Minimum Value of the Discrepancy between the Model and Data, CFI Comparative Fit Index, GFI – Goodness of Fit Index, AGFI – Adjusted Goodness of Fit Index, RMSEA – Root Mean Squared Error Approximation, P CLOSE – Number of Parameters of Close Fit

Source: Survey Data.

1.7.2.1 Interrelationship between factors on purchase decision.

Interrelationship of social media marketing factors on purchase decision is analysed and discussed in the following section. The hypothesis thus developed is;

H_a: There is a significant impact of social media marketing factors on purchase decision.

H_{a1}: There is a significant impact of Trustworthiness on purchase decision.

H_{a2}: There is a significant impact of Attractiveness on purchase decision.

H_{a3}: There is a significant impact of Expertise on purchase decision.

H_{a4}: There is a significant impact of Popularity on purchase decision.

For finding the impact of social media marketing factors on purchase decision, standardized coefficients are used. The empirical data analysed and summarized are shown in the Table below.

Table 1.3 Social Media Marketing on Purchase Decision

Social Media Marketing Relationship	Purchase Decision	Regression Coefficient	Std. Regression Coefficient	Significant	Decision
Trustworthiness	Purchase Decision	.823	.334	p < 0.05	Supported
Attractiveness	Purchase Decision	.795	.312	p < 0.05	Supported
Expertise	Purchase Decision	.031	.014	p < 0.05	Supported
Popularity	Purchase Decision	1.206	.433	p < 0.05	Supported

Source: Survey Data

It is evident from Table 1.3, that each dimension of social media marketing has significant positive impact on purchase decision. Hence all the paths are retained in the model and the hypotheses are accepted.

The regression coefficient and standard regression coefficient described a strong relationship between Popularity and Purchase Decision (Regression coefficient 1.206 and standard regression coefficient 0.433), Trustworthiness and Purchase Decision (Regression coefficient

0.823 and standard regression coefficient 0.334), and Attractiveness and Purchase Decision (Regression coefficient 0.795 and standard regression coefficient 0.312). Expertise also found to be significantly impacted the purchase decision (Regression coefficient 0.031 and standard regression coefficient 0.014).

The impact of social media marketing factors on purchase decisions is substantial, with trustworthiness, attractiveness, expertise, and popularity playing pivotal roles. Consumers are more inclined to make a purchase when they perceive a brand or product as trustworthy and popular. Trustworthiness establishes a sense of reliability and credibility, instilling confidence in the consumer's decision-making process. Popularity, on the other hand, creates a social validation that enhances the product's appeal. Furthermore, attractiveness and expertise contribute to a brand's overall image, influencing consumer perceptions and reinforcing their willingness to engage in a transaction. Collectively, these factors wield a significant positive influence on purchase decisions in the dynamic realm of social media marketing.

1.8 Conclusion

In essence, the impact of social media marketing factors on purchasing decisions is profound and multifaceted. Through platforms like Facebook, Instagram, and YouTube, brands wield unprecedented power to influence consumer behaviour. By leveraging factors such as trustworthiness, attractiveness, expertise, and popularity, businesses can effectively shape consumer perceptions and drive purchasing intent. Social media provides a unique avenue for direct engagement with audiences, allowing for personalized marketing strategies tailored to individual preferences. As consumers increasingly turn to social media for product recommendations and reviews, the role of social media marketing in shaping purchasing decisions continues to expand. Ultimately, a strategic and cohesive approach to social media marketing can significantly impact consumer purchasing behaviour, driving brand awareness, loyalty, and ultimately, sales.

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