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Brand Loyalty in the Age of Social Media- Understanding Influencer Marketing Dynamics

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Abstract- Marketing by using social media is a noble type of marketing tool that uses internet marketing and social media apps for marketing/ promoting and doing business of any type which includes both items and services. Social media has a global presence and it has been estimated that it can have a large positive impact on brand loyalty. Attention of customers to advertisements is getting limited and marketers are facing absolute obstacles to reach the target audience and bring their brand to limelight. Social media accounts are the new roadway to advertisement which also include social media influencers. The social media influences are creating deep seated impact in fields of apparels, tourism, entertainment, health and beauty awareness, non-surgical cosmetic treatment, healthy lifestyle, yoga etc. Modern Times consumer do not follow and rely on conventional marketing mechanism of TV and print media. They are also using advanced version of applications that allow blocking of ads and other tools where they are able to skip and not see any advertisement and have ad-free internet experience. This is making the path of brands and businesses more cumbersome to attain and retain clients. In this interview-based paper that also uses theory of planned behavior it was tried to find out how influencers can be useful in creating brand loyalty among people.

Keywords- social media influencers, trust, authenticity, brand loyalty, followers, content creation,

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1 Introduction

In this digital world social media platforms provide an exposure to help people and businesses connect with each other; it also helps to build a brand. It can be very effective in promoting sales and diverting traffic to a particular website. There are several different types of podium available on social media which include Instagram, Twitter, Tik-tok Snapchat, Facebook etc. which help a business to reach new customers; engage with the current customers and by providing mouth-watering promotions and discounts to let the present customer remain engaged with the present business or in other words remain brand loyal. Social media is one such means that permits various brands to make a connection with their audience on an individual and customized level also creating long term connections and commitment both being authentic and true to each other which again stands synonym of brand loyalty.

Social media is in many ways noxious and toxic in its own unique sense. It allows continuous and rapid sharing of any content; it also is a means to permit any advertisement to reach a large audience which is completely contrasting to traditional means of advertisement. Online advertisements have been there since quite a time when internet became wide spread but then social media has enabled creation of a specific and unique environment for lot mini brands helping them to capture a large number of audience and market their services. With the increasing audience and customers social media uses a large number of brands that usually were doing offline business have actually started re-focusing and make advertisement efforts to milk social media and its digital presence. And for this many brands are using social media influencers

Influencer marketing has opened the new world of advertisement for all businesses and service providers. In conventional means of advertising the idea was clear- the brand created an advertisement for its product which was offered to the consumer by mass media channels. With advancement and technology media channels got diversified and new media platforms came into being which also gave rise to influencer marketing. The term influencer marketing means individuals under the category of social media influencers or in simple words only influencers are approached for branding and advertisement and the generation which is that prime target comprises of generation Z born from 1997 onwards and millennials born between 1981 to 1996. [1]. Both category of consumers the millennials and generation z are strong potential clients in retail industry according to report by Stanley, 2019 [2.] These two category of consumers will soon outgrow the baby boomers. Because of this overwhelming category of consumers it is no magic to believe that influencer marketing industry is now becoming a billion dollar industry. This hype in influencer marketing is clearly evident by visible shifts in advertising industry also confirmed by study conducted by Williamson 2010 [3] where it was observed that focus on social media and influencer marketing is in

conducted by Williamson 2019 [3] where it was observed that focus on social media and influencer marketing is in its blooming stage it was a survey which was conducted on more than 200 industry professionals. Keeping in mind the present scenario many companies are spending more than 10% of their marketing budget in influencer marketing and then there are exceptions like Estee Lauder who has diverted 75% of their marketing budget towards the direction of influencer marketing [4].

Instagram a very popular social app has a feature where the inaugural launch of shop permits its users to complete any purchase with the help of a sponsored post and the purchase is done directly in the application. It is beneficial for both the parties; for Instagram it becomes a feature that makes it an established one man army solution for those audience who are after influencer marketing needs. For the brands it provides a platform to connect with the audience and the sponsorship post helps the business to get its investment reimbursed. The influencer marketers on the other hand play an important role here by curtailing the unnecessary hustle of downloading new shopping apps or the audience getting redirected to any site outside the parent platform for making any final purchase. Even after all these features it was found that consumers are still nosy about making purchases but then new studies have reported that this type of marketing business is the new future because according to study by Droesch (2019) [5] more than 30% of US consumers have been playing an active part in making social media purchases. Social media

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Influencers have now become an integral part of the shopping journey with the help of shopping done through sponsored post.

They are also found to create awareness and their post regarding usage of gadgets/ products/ services/ social issues etc. that plays an important role in creating the purchase mind set/intention to donate in the potential customer. It has been regarded and reported that social media influencers are a public figure representing authenticity and trust when conventional marketing tools were on a downstream journey [6]. Studies have also proved that effect of influencers gets affected by the relationship between them and their followers [7].

There are many factors that affect the dynamics of influencer marketing like trustworthiness, authenticity, engagement, and relationship and they exert collective effects on influencer marketing

1.1 Definition

Certain individuals around which influencer marketing is targeted and focused are called as influencers and to be more precise the actual term is social media influencers. There can be many types of them but they can be roughly divided into these groups – blogger, YouTube celebrity and Instagram influencer. From among these influencers active on Instagram and YouTube are more evidence and omnipresent. Talking about YouTube it has been estimated that around 50 million content creators are its family and the channel which is most popular is believed to have around 126 million subscribers [8]. Social media influencers have various roles to play. The talent they have is called as the influence or persuasive power which can help either in enlightening and awareness building [9]. It can also influence mind set of customers to make a definite purchase or what is called purchase intention [10]. There is one more method according to which influencers can be subdivided and it has been shown in table 1.

A common perception is that mega influences having more than 1 million followers are able to generate expensive reach but it is not an accurate vindication and parameter to decide intensity of persuasive power which has the ability to be exerted on their network. The actual fact that is working is that it is not the macro influences but it is indeed the micro influences with about 100,000 followers which exert the maximum influence in their network because they are personally and intimately engaged and because of the factor of authenticity Enberg 2018. The industry which is getting the maximum benefit by micro influencers is beauty and fashion industry.

2 Review of Literature

Social media influencers are those people who are content creators and can also have excellence in any particular field or overwhelming knowledge about any specific region or content [9]. Influencers disseminate their content publicly which can be or cannot be sponsored and the content gets a personal touch because it is based on personal life experiences/ videos/ pictures and photograph of the content creator [11]. This personal flavor is actually the core ingredient that develops a bond of friendship and intimacy between the influencer and the followers [12]. Influencers are different from traditional celebrities because they show the pros/cons of any process or product; they share their personal life and daily moments and are more accessible.

These influencers turn out to be relatable and trustworthy and inspiring in of for the followers to follow them and follow the brands they exhibit [13]. Sharing of live videos and personal moments helps to create and emotional bond and the followers feel like they are actual friends to influencers. Influencers are also called as trusted taste maker and as consumers trust and believe the verdict and opinion the emotional attachment gets further enhanced. The youth customer is more open and absorbtive towards getting attracted towards influencer marketing [14]. Becoming a social media influencer is the new bandwagon and in countries like United States and United Kingdom it was observed that such influencers on Instagram and YouTube have completely captured the mind of youth from age as young as a 6 to 16 years of age this category of young men is totally mesmerized with their influencers on YouTube and Instagram and also personal blogs [15].

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It was reported that in a survey that about 70% of generation Z is following at least one social media influencer [16] and other report states that youth in their teenage group probably follow many influences in contrast to following just at least one by generation Z [17]. Studies have generally overlooked the purchase power of generation X and baby boomers which is a pure misconception because they are known to spent more than two hours daily on social media and have been known to follow influences along with politicians and celebrities from TV media and sports [18]. They have immense purchase power which should not be overlooked and should be the new target because their untapped potential has not been successfully harnessed till now. There are studies that have linked influence or marketing to both product placement [14] and electronic word of mouth [19] where influencers play the role of opinion leaders having enough capability and ability to influence social network present in their arena and thus creating word of mouth which is considered as more authentic and trustworthy as compared to a normal advertisement or message from an advertiser [11].

3 Methodology

Earlier studies related to influence believed that influence spreads from top to bottom means from those having the authority to lower level in hierarchy who place their trust in such kind of opinion presented by these figures [20] but after the advantage of social media and social media influences the direction of influence has rather become horizontal from its previous vertical version. This type of spread of influence also permits high quantity of networked connections and personal interpretation.

This study is based on interview survey and uses theory of Planned Behavior to understand the association between consumer behavior and how it gets influenced by social media influencers. Semi structured interviews were carried out among 25 volunteers who participated in the study and their age was 18 to 35 years. This is an exploratory and qualitative research. Each of the participants in this study was an active follower of at least four influencers on social media and also was a habitual person browsing social media for at least 1 hour daily. Respondents were from both male and female category and belonged to different age groups. All interviews were conducted personally and close family friends and friends' friend were considered for the study. Data collected was studied in detail and subjected to statistical tools including SPSS 2.0. The results thus obtained are presented below-

4 Results

4.1 Major results

Principle findings that were obtained are presented underneath where (P) stands for participant- (Fig. 1)

- P 2- Influencers provide useful content which is creative and presented very nicely which is why I like them
- P 6- The people I follow have great knowledge about technology and my purchase decisions are based on their opinion and of course on the replies that they receive on their post. I recently bought my new mobile phone under the influence and impact of the person I follow
- P 5- Social media influencers are very apt in their fashion sense and forecast and I try to follow them whenever I can. I am brand loyal and stick to the labels always
- P 8-The fashion influencers I follow also teach me how I can reuse and up-cycle my available wardrobe according to latest fashion fad. I get inspired by brands but I am not brand loyal. I have a creative mind and so create what suits me and my budget.

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P 15- The people I follow here are related with social issues creating awareness and making people realize the importance of empathy and sympathy towards nature and other creatures. I sometime donate my pocket money to brands that support their cause.



Fig. 1- influence of Social Media influencers in deciding purchase and brand loyalty

4.2 Negative aspects

A few negative aspects were also there; people reported that they do check what is being promoted but they are well aware where that the influencers are getting paid for their promotion (Fig. 2). Few others are as follows-

P 13- Influencers are not much knowledgeable and they are also learning in their journey and process. They are just as good as the followers; the only difference is that they have the time and exposure to create content and post on social media.

P 24- The cosmetic brands I follow and the influencers who use them to make content I am not sure whether they actually use it because it is quite expensive and anybody will use it when he/she gets free product as sample for content creation; but buying those being a college student sucks.

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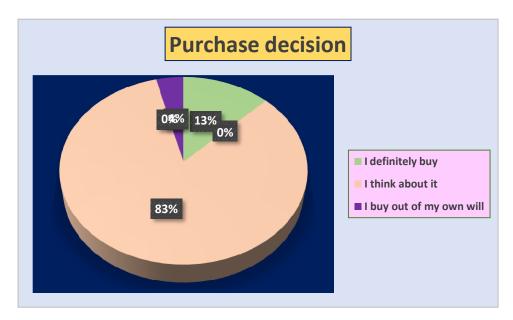


Fig. 2- Impact of influencers on purchase decision of customers

4.3 Replies on brand loyalty

Other replies from respondents include comments based on trust and few of them are as follows-

- P5- I believe what they say because they know if they will not say that truth then they will lose the followers
- P 23- Being true is only quality that will help in connection in the long run and lead to brand loyalty
- P 16- The struggles posted here are real, social media celebrities are actually people unlike TV stars
- P 25- Life and behavior of influencers cannot be faked, because they stay online all time they have to be real
- P 3- I don't think so that whatever they show they also live up to it; they only show what they want the followers to see (negative comment)

4.4 Responses obtained on entertainment and emotional aspects

- P1- I see social media when I get bored and sometimes do impulse purchase which I do not regret much because I am following my favorite star on social media.
- P 12- I enjoy the content posted and because it is based on real life incidences it keeps me updated about what is going on around in the political world/ in social scenario etc. I am talking about the Ambani's (Reliance Business family) pre-wedding function here.
- P 16- Currently National elections are going on in India and the posts that appear creating awareness about voting is the latest band wagon
- P 18- I do not like the posts related to playing and earning online games I think it is deceptive and fake. I also heard it is like an addiction and is habit-forming; although I have heard people earning out of playing those games; but I am not into it

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P 21- I feel emotional connection with the people I follow and their life happenings like marriage/ childbirth/ success stories. The content shared over here make me feel emotionally attached to them.

5 Discussion

Influencer marketing can be highly profitable where reports from the industries state that every US dollars spend on any such campaign can bring the brands a profit anywhere between around 5 to 6.5 dollars [21]. It can be more elaborated by studying the example of Lord and Taylor a highly acclaimed departmental store chain of US who experimented for promotion of their design lab clothing line with around 50 Instagram influencers and Nylon magazine; both of whom had to do the promotion on the very day of launch. The Instagram influencers dressed up in the sample attire and shared their pictures and posts and same was done on Nylon website. This type of intermingled advertisement campaign made the entire dress line sold out [22]. On an average basis this campaign reached around 11 million Instagram users having more than 328,000 million comments/ likes and shares [23]. Later the company had to face a law suit because it crossed its borders in sense of some deceptive marketing mandate but here we are talking about the power and volume of influencer marketing and the effect and impact it can play on purchase decision of potential customer.

Another example is related to caffeine addiction of youth which was milked by fast food chain named Dunkin' Donuts who decided to go digital to hunt for new target customers through social media [24]. The company contacted several Nano influencers and the purpose behind this was they were searching for some individuals who could authentically attract and capture with young users. Nano influencers were able to reach above 1 million users on Instagram which is a testimony of the success. The idea behind this is that micro and nano influences generate personal posts that can trigger strong connection and rapport leading to accelerated engagement along with relational outcome both with the brand and with the company.

Further evidences have clearly established now that conventional celebrities when compared to brand collaborations are a low-key option now because according to Google collaborations of brands with YouTubers can enhance brand similarity by up to four times. According to the same report the influencers can generate deep involvement and provide a platform for the brand to interact with the customer on a more emotional level. Another advantage was flexible approach of YouTube in presenting sponsored content where the videos sponsored can belong to any category of product review/ how to do tutorial/ video/ video blog/ product haul etc. [25]. Similar results were obtained in present study.

Another merit of using YouTube is youtubers have excelled in various areas of expertise and so there are infinite number of options available for brands who want to milk the popularity of YouTube and YouTube influencers. This can be understood with example of YouTube channel WhatsUpMoms having more than 3 million subscribers. It's creator Elle Walker is known for her truthful and relatable niche content that she shares on the interactive platform of YouTube. She exhibited approximate worth of \$1 million in 2018 [26].

Social media uses content media which is rich and comprise of videos/ snippets (image, video type etc.)/ clips/ reels etc. that help to generate easy content which can later be uploaded or shared with an ocean of audience [27]. The content created by the type of influences is also called as user generated content and it has a more universal approach disseminating through various communication channels among people of all category and the people who create them utilize their entire expertise and knowledge in making it unique and different from others which makes them popular and hence gives a boost to influencer marketing. It was observed in this study also where participants reported that their purchase decision is based on posts that were created by their influencers.

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6 Conclusion

In this technology and computer driven world the influencers have many ways/ options/ and shortcuts to get their voice heard by the target audience, the followers, and the new potential audience. Different social media platforms serve different purpose for the users for example the users of Facebook have the initial aim to maintain connections. On the other hand Twitter offers a composed and precise cutting edge spontaneous diffusion of information within character limit of 140 (without subscription type old format of twitter) and similarly Instagram stories/notes etc.

Also, feedback happens quickly and in real time which give ample amount of ideas and time to people and influencers and brands to remove the flaws, make the necessary amendments and also plan future strategies. This study concludes that many times the buying behavior of customers gets influenced by people who they follow on social media. And once they started using any brand and unearthed their ultimate satisfaction they tend to remain brand loyal until the need changed/ current features got overwhelmed by new advances/ mindset of the client gets completely transformed.

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