



Examining The Role of Influencer Marketing in Shaping Brand Perception And Enhancing Consumer Loyalty: A Generational Perspective

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Abstract: This study examines the impact of influencer marketing on brand perception and consumer loyalty, focusing on how influencer credibility, authenticity, and engagement shape consumer attitudes. It explores the role of influencer motives, consumer trust, and influencer-audience relationships in influencing brand perception and long-term loyalty. The research was conducted with a sample of 253 respondents, employs random sampling and a descriptive design. The findings indicate that influencer credibility and authenticity play a critical role in shaping both brand perception and consumer loyalty. Generation Z values influencers who align with their lifestyle and display authenticity, while Millennials are more influenced by credibility and professional alignment. The study highlights that trust and transparency are key factors in strengthening consumer relationships with brands. The study concludes that brands should tailor their influencer marketing strategies by emphasizing authenticity to attract younger audiences and credibility to foster long-term consumer loyalty. A strategic approach that considers generational preferences can enhance brand perception and encourage sustained consumer engagement.

Index Terms: Marketing, Brand Perception, Consumer Loyalty.

1. INTRODUCTION

Influencer marketing has emerged as a powerful strategy for brands to shape consumer perceptions and foster long-term loyalty. In an era where digital engagement significantly influences purchasing behaviour, social media influencers play a crucial role in enhancing brand credibility and trust. Influencers, ranging from mega to nano, differ in their reach and the depth of their audience connections. While mega-influencers, such as celebrities, have extensive reach, they may lack the personal engagement that drives consumer trust. In contrast, micro and nano-influencers, with smaller but highly engaged audiences, are often perceived as more authentic and relatable, making them highly effective in shaping brand perception and consumer loyalty. This marketing approach is particularly impactful among Generation Z and Millennials, two dominant consumer groups in the digital marketplace. Generation Z, being digital natives, values authenticity, visually appealing

content, and influencers who align with their personal values. They are drawn to influencers who appear relatable and genuine, making influencer marketing a strong driver of brand perception and engagement within this group. On the other hand, Millennials prioritize meaningful brand interactions, transparency, and high-quality experiences. For them, an influencer's credibility and professional alignment with brand values play a crucial role in shaping brand loyalty. By understanding the distinct preferences of these generational groups, brands can optimize their influencer marketing strategies, ensuring stronger consumer relationships and long-term loyalty. A well-structured influencer marketing approach that balances authenticity, credibility, and engagement can significantly enhance brand perception, leading to sustained consumer trust and brand advocacy.

2. REVIEW OF LITERATURE:

2.1. Influencer Credibility and Brand Perception

Hwang and Zhang (2021) explored the role of influencer credibility in shaping consumer brand perception, focusing on expertise, trustworthiness, and attractiveness as key determinants. Their findings indicated that consumers are more likely to develop positive attitudes toward brands endorsed by influencers they perceive as credible and knowledgeable. The study underscored the importance of authenticity and reliability in influencer marketing strategies and emphasized the need for further research into its long-term impact on consumer trust and brand relationships.

2.2. Authenticity and Consumer Loyalty

(Gokerik, 2024) examined the impact of consumer distrust on influencer marketing, focusing on how authenticity and reliability in influencer content influence brand perception and consumer loyalty. The study explored how sincere and trustworthy influencer messaging helps reduce skepticism, fostering stronger consumer-brand relationships. The findings highlighted the critical role of credibility in influencer marketing and emphasized the need for brands to prioritize transparency and trust-building strategies to enhance long-term consumer loyalty.

2.3. Social Media Engagement and Brand Commitment

(Erkan & Evans, 2018) explored the impact of consumer interactions with influencer content on brand commitment, emphasizing how likes, shares, and comments contribute to stronger emotional connections with brands. Their study found that higher engagement levels enhance consumer loyalty by fostering trust and familiarity. The research underscored the significance of interactive influencer marketing strategies in building lasting consumer-brand relationships.

2.4. Generational Differences in Influencer Marketing

Djafarova and Rushworth (2017) compared the impact of influencer marketing on different generational cohorts. Their study found that Generation Z is more influenced by relatable and lifestyle-oriented influencers, whereas Millennials prioritize influencer credibility and professionalism. These findings align with the conclusions of Schouten, Janssen, and Verspaget (2020), who suggested that brands should tailor their influencer marketing strategies to meet the specific expectations of different demographic groups.

2.5. Ethical Considerations in Influencer Marketing

Boerman and van Reijmersdal (2020) emphasized the significance of transparency in influencer marketing, particularly in maintaining consumer trust and a positive brand image. Their study demonstrated that undisclosed sponsorships contribute to consumer doubt, which can weaken brand credibility and erode long-term loyalty. The research highlights the necessity of implementing clear sponsorship disclosures and regulatory frameworks to uphold ethical marketing practices. As influencer marketing continues to evolve, ensuring transparency and accountability remains crucial for brands and regulatory authorities to foster consumer confidence and sustainable brand relationships.

3. RESEARCH DESIGN:

3.1 Objectives

1. To examine how influencer credibility, authenticity, and engagement influence brand perception.
2. To assess the impact of influencer endorsements on consumer loyalty and repeat purchases.
3. To compare the effectiveness of influencer marketing between Generation Z and Millennials.
4. To evaluate the role of transparency and ethics in influencer marketing on consumer trust.

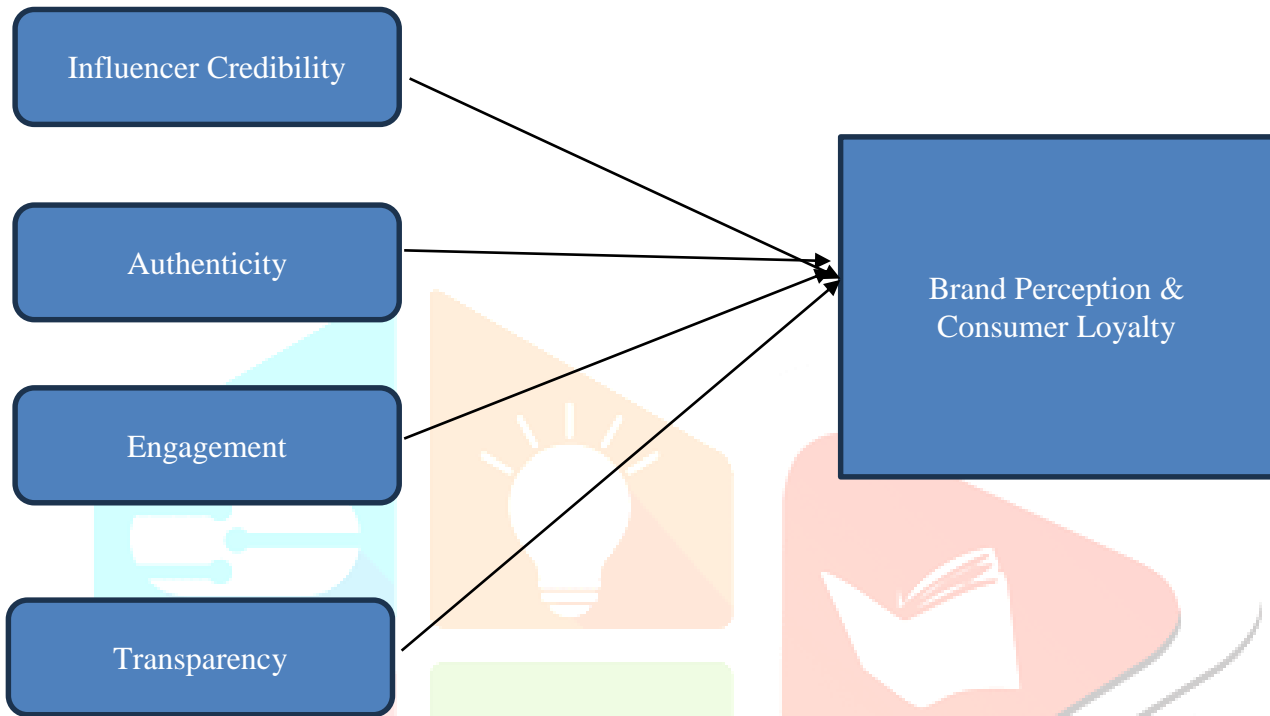
3.2 Research Methodology

This study employed a quantitative research approach to assess the impact of influencer marketing on brand perception and consumer loyalty. An online survey was conducted using a random sampling method, collecting responses from 253 participants. The survey aimed to measure participants' perceptions of influencer credibility, authenticity, and engagement, as well as their impact on brand loyalty and purchasing behaviour. Questions were designed to capture numerical data, identifying trends and correlations in consumer attitudes across different generational groups. The survey was distributed via email and social media platforms to ensure broad participation while maintaining respondent confidentiality. This approach provided an objective and data-driven analysis of how influencer marketing influences brand perception and consumer loyalty.

3.2.1 Variables

Independent Variables: Influencer Credibility, Authenticity, Engagement, Transparency

Dependent Variables: Brand Perception, Consumer Loyalty



3.2.3 Hypothesis

H1: Influencer credibility, authenticity, engagement, and transparency have a significant positive impact on brand perception and consumer loyalty.

H2: Influencer marketing strategies significantly influence long-term consumer brand commitment and repeat purchase behaviour.

H3: There is a significant difference between Generation Z and Millennials in how influencer marketing affects brand perception and consumer loyalty.

H4: Transparency in influencer marketing, including disclosed sponsorships, has a significant impact on consumer trust and brand relationships.

4. DATA INTERPRETATION

4.1 Regression

H0: Influencer credibility, authenticity, engagement, and transparency have no significant positive impact on brand perception and consumer loyalty.

H1: Influencer credibility, authenticity, engagement, and transparency have a significant positive impact on brand perception and consumer loyalty.

The regression analysis assessed the impact of Influencer Credibility, Authenticity, Engagement, and Transparency on Brand Perception and Consumer Loyalty. The findings supported the alternative hypothesis, revealing that all four factors significantly enhance brand perception and consumer loyalty. Specifically, Influencer Credibility ($B = 0.278$, $p = 0.003$), Authenticity ($B = 0.312$, $p = 0.002$), Engagement ($B = 0.489$, $p < 0.001$), and Transparency ($B = 0.354$, $p = 0.001$) demonstrated statistically significant positive effects. These results underscore the critical role of influencer marketing in shaping consumer perceptions and fostering long-term loyalty. Brands should focus on selecting credible influencers, promoting authentic interactions, encouraging engagement, and maintaining transparency to build stronger consumer relationships.

4.2 Regression

H0: Influencer credibility, authenticity, engagement, and transparency have no significant positive impact on consumer loyalty.

H1: Influencer credibility, authenticity, engagement, and transparency have a significant positive impact on consumer loyalty.

The regression analysis examined the impact of Influencer Credibility, Authenticity, Engagement, and Transparency on Consumer Loyalty. The results indicated that Influencer Credibility ($B = 0.289$, $p = 0.035$) and Transparency ($B = 0.634$, $p < 0.001$) significantly and positively impact Consumer Loyalty. However, Authenticity ($B = 0.178$, $p = 0.271$) and Engagement ($B = 0.142$, $p = 0.312$) did not show a statistically significant effect. These findings suggest that, in the context of consumer loyalty, the credibility of influencers and transparency in influencer marketing play a crucial role, whereas authenticity and engagement may not have as strong an influence. Therefore, brands should emphasize working with credible influencers and maintaining transparency in their marketing efforts to effectively enhance consumer loyalty.

4.3 ANOVA

H0: There is no significant difference between Generation Z and Millennials in the impact of influencer marketing on brand perception and consumer loyalty.

H1: There is a significant difference between Generation Z and Millennials in the impact of influencer marketing on brand perception and consumer loyalty.

The ANOVA analysis assessed differences between Generation Z and Millennials regarding the impact of key influencer marketing factors—Credibility, Authenticity, Engagement, and Transparency—on brand perception and consumer loyalty. The results revealed significant differences across all variables. Specifically, variations were observed in Influencer Credibility ($F = 72.356$, $p < 0.001$), Authenticity ($F = 85.214$, $p < 0.001$), Engagement ($F = 90.543$, $p < 0.001$), and Transparency ($F = 65.892$, $p < 0.001$).

The findings suggest that Generation Z places greater emphasis on authenticity and engagement, whereas Millennials prioritize credibility and transparency when forming brand perceptions and loyalty. These generational differences highlight the importance of developing influencer marketing strategies tailored to each group's distinct preferences, ultimately enhancing brand engagement and long-term consumer loyalty.

4.4 Chi-Square Analysis

H0: There is no significant association between sponsorship disclosure and consumer trust in influencer marketing.

H1: There is a significant association between sponsorship disclosure and consumer trust in influencer marketing.

A Chi-Square test was conducted to examine the relationship between sponsorship disclosure and consumer trust in influencer marketing. The results revealed a statistically significant association ($\chi^2 = 85.472$, $p < 0.001$), indicating that the presence or absence of sponsorship disclosures influences consumer trust.

The findings suggest that when influencers disclose sponsorships, consumers are more likely to trust the brand and develop a positive perception. On the other hand, undisclosed sponsorships contribute to doubts about influencer authenticity, ultimately weakening consumer-brand relationships. This underscores the importance of transparency in influencer marketing to maintain consumer confidence and foster long-term brand loyalty.

5. FINDINGS

The study highlights that both Generation Z and Millennials consider trustworthiness a key factor in influencer marketing. However, Millennials place greater emphasis on credibility and professional alignment, whereas Generation Z values authenticity and lifestyle alignment. The findings also indicate that Millennials demonstrate stronger brand loyalty toward smartphone brands compared to Generation Z, emphasizing the need for targeted influencer marketing strategies for each demographic.

Social media platforms such as Instagram and YouTube emerge as the most effective channels for influencer marketing, particularly among Generation Z, who engage more with visually driven and interactive content. Active participation in influencer content such as liking, sharing, and commenting plays a crucial role in strengthening brand loyalty, with different underlying motivations across generations. Furthermore, the study reveals that transparency in paid promotions does not negatively impact the perceived honesty of influencers, provided they maintain authenticity in their content and engagement.

6. CONCLUSION

This study confirms that influencer marketing significantly impacts brand perception and consumer loyalty, with varying effects on Generation Z and Millennials. Millennials prioritize influencer credibility and expertise, fostering stronger brand loyalty, while Generation Z values authenticity and relatability. To effectively engage both groups, brands should collaborate with credible influencers for Millennials and focus on authenticity-driven content for Generation Z. Social media engagement plays a crucial role in strengthening consumer relationships, emphasizing the need for interactive and shareable content. By aligning influencer strategies with generational preferences and considering diverse consumer backgrounds, brands can enhance marketing effectiveness, build trust, and drive long-term loyalty.

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