



# A Study into The Effect of Influencer Marketing on Purchase Dynamics in The Fashion Industry

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**Abstract:** In comparison to traditional marketing, modern marketing is significantly different. We are exposed to a variety of commercials both in the past and present that compete for the attention of the consumer while losing their effectiveness as the consumer becomes less receptive and regards them as noise. A global leader in digital advertising, Infolinks, claims that the results of a study it conducted in 2012 on the problem of "Banner Blindness" in the industry showed that 14% of respondents were unable to recall the most recent display advertisement they had seen or the brand it was promoting (Infolinks, 2013). Ad Blockers are becoming more and more popular as it was discovered that 20% of internet users between the ages of 16 and 34 utilized adblockers to avoid having to watch these advertising (Statista, 2016). In conventional marketing, one could purchase additional leads, and potential clients obtained the contracts. The time and effort put forth in developing and maintaining connections that are purely built on trust as a basis of mutual respect, however, are of the utmost importance with the expanding number of online platforms.

**Keywords-** Traditional Marketing, Modern Marketing, Social Media, Consumer Attitude, Purchase Dynamics

## INTRODUCTION

The smart phone is becoming an increasingly significant component of the viewing experience as people watch from numerous displays. People are now watching more content away from the TV on other connected devices because to this trend towards mobility. As this mobility movement gains momentum, the idea of "TV anywhere" emerges, altering the broadcasting sector as well. The Smart phone plays a significant part in how people consume video material, although it does not completely replace larger displays that were previously used to watch content (Streaming Video Technology Alliance, 2016). The mobile market in India appears to be dominating while fixed telephone lines are steadily dwindling, giving rise to the mobile market, suggesting that the fixed line sector is still immature. India Smartphone market size was valued at US\$ 139 billion in 2021 and is expected to grow with a CAGR of 10.5% and reach US\$ 281 billion by 2028. (Research and Markets, 2022)

The way we engage with our clients has evolved substantially with the advent of social media, often known as consumer produced media (Global Consumer Insights Survey, 2018). It has been discovered that social networks are recognized to be in the top spot as a source of inspiration for purchasing. While shopping, one tends to trust particular brands, but when choosing what to buy, we heavily consider other people's opinions. According to Rick Kauffeld, a principal at PwC US, "Today's consumers trust the wisdom of the crowd, what someone in their network says about something." According to the survey, the majority of respondents get shopping ideas from social media sites, then from the websites of specific retailers.

## LITERATURE REVIEW

### Social media & Influencer Marketing

Influence is the ability to change someone, something, or the course of events. An influencer is described as "a third-party who significantly shapes the customer's purchasing decision, but may ever be accountable for. (Brown & Hayes, 2008) Ping Helsinki defined influencers as people who run a blog or express their opinions on Snapchat, YouTube, Instagram, or other social media platforms, have their own following on those platforms, and are willing to produce sponsored and expertly crafted content for those audiences. (Biaudet, 2017)

They have the authority and capacity to influence others' purchasing decisions because of their standing, expertise, or closeness to their followers, who actively engage with them while they have a following in a particular niche (the size of the following is influenced by the size of the niche). (Influencer Marketing Hub, 2023) Instead of viewing them as purely marketing tools, brands may collaborate with these people who have social connection assets to accomplish their marketing goals. "Influencers, by definition, inspire and empathize with the same consumers that marketers seek to engage, as they bridge the gap".

According to Bandura, a social science theorist who studies how people react in social circumstances, new patterns of behaviour can be learned through firsthand experience or by seeing how others behave. Additionally, customers create opinions based on the instructive commentary offered by the influencers they follow, serving as a guide for subsequent behaviour. (Bandura, 1971). People are inclined to follow certain behaviour after watching influencers on social media, hence businesses are nurturing and committing teams to manage influencer-business relationships in the hopes of influencing their customers. (Hall, 2016)

The word-of-mouth marketing technique characterized as "a type of marketing that focuses on using key leaders to drive a brand's message to the larger market" (Byrne, Kearney, & MacEvelly, 2017) has a digital version called "influencer marketing." Additionally, it has been said that it is comparable to opinion leadership in that it is a powerful personal brand and an influential individual (Li & Du, 2011). Influencer marketing is linked to social media marketing and content marketing, two additional types of marketing. The majority of influencer campaigns have a social media element, and influencers are expected to spread the word on their own social networks. On the other hand, a lot of influencer programs also have a content component, where either you or the influencers themselves generate the material. Despite frequently being used into influencer efforts, social media and content marketing do not constitute the same as influencer marketing.

Using these definitions in the context of the internet, one could further define the concept as a person who has amassed a following on social media sites like Instagram, YouTube, or blogs and is a reliable source that brands can use to raise awareness of a specific good or service. (Veirman, Cauberghe, & Hudders, 2017) According to studies, influencers are more trustworthy than paid marketing, but authenticity is what lowers resistance to a message's transmission. They give the influencers they follow permission to influence them because they believe those people's opinions are pertinent to the topic at hand (Hsu, Lin, & Chiang, 2013)

The following three categories best describe the range of social media influencers. Mega Influencers, such as actors, musicians, athletes, and social media users, have follower bases of 1 million or more, drive 3% to 6% engagement per post, and while they have the highest reach, they have the lowest overall resonance when it comes to encouraging actions on behalf of the brand. Macro Influencers, which include businesspeople, bloggers, and journalists, have 10,000–1 million followers and drive 5%–25% engagement every post. They are renowned for having the highest topical relevance on the spectrum and for having inspirations from particular categories, such as fashion and lifestyle. Regular customers and staff that have 500–10,000 followers and drive 25%–50% engagement per post is known as micro influencers. Due to their personal brand experience and strong relationships with their networks, they account for the strongest brand relevance and resonance. (Gottbrecht, 2016)

The new economic trend that has emerged as a result of the market's ongoing change and evolution is social media integrated into influencer marketing. Social influence marketing is described as "a technique that employs social media and social influencers to achieve and organization's marketing and business needs". Social media refers to content created by regular people using highly accessible and scalable technologies like blogs, message boards, podcasts, microblogs, bookmarks, social networks, communities, wikis, and vlogs. Social media influencer marketing offers new chances for businesses to interact with consumers in a direct, natural, and expansive way about their daily lives. 75% of marketers are adopting influencer marketing. (Morrison, 2015)

### **Purchase Dynamics**

Purchase intention is understood to be the mental activity associated with the desire to purchase a specific brand. (Shah, 2012) The complex consumer's purchase choice includes their purchase intention. Purchase intention is "an individual's conscious plan to make an effort to purchase a brand." It is crucial to comprehend consumer purchase intention in relation to consumer behaviour since this information can be utilized to forecast the buying process. The consumer decision process includes need identification, information search, alternative appraisal, buy decision, and post-purchase behaviour. (Kotler & Armstrong, 2010)

When a certain product or service is needed, people look for information from both internal and external sources. After the options have been assessed, attitudes towards them often develop based on the particular consumer and the circumstances surrounding the purchase. From which their family, friends, opinion leaders, online reviews, blogs, and opinions will play a significant influence when evaluating these brands and determining the buy intention. Positivity towards a certain product may influence a consumer's intention to buy. A positive attitude towards items that are supported by social media influencers also has a greater probability of influencing the choice to buy. Purchase intentions are measures of how ready consumers are to approach a particular behaviour and how many times they will seek to engage in that behaviour.

Purchasing intention refers to a customer's propensity to purchase a particular good or service. It is also a propensity to plan future purchases and one of the aspects of a consumer's cognitive behaviour that pertains to how he or she wants to acquire a particular brand. The possibility of better sales and profit maximization are increased by the fact that consumers' intentions to purchase do have a significant impact on their actual purchase decisions, according to research. (Hosein, 2012)

Both goal- and exploration-oriented browsing behaviour can be compared to purchase intention. While exploration-oriented consumers act freely and openly without making any pre-plans before making a purchase, goal-oriented consumers hunt for information before making their choice. Both offline and online consumers exhibit these two kinds of behaviour. Once consumers are pleased with their comparison with the competing brands they have to pick from, a buy intention develops as a result of the information search and alternative evaluation stages. (Belch & Belch, 2003)

### **Consumer attitude towards reviews**

Attitude is "a learned, global evaluation of an object (person, place, or issue) that influences thought and action". He focuses primarily on the social character of attitudes, pointing out that they are created via interactions with others, and he emphasizes that an individual's attitude comes before any other consideration when they tend to pass judgement on things or other people. It is crucial for marketers since they often aim to modify consumer attitudes in order to change behaviour. Despite the fact that attitudes can be expressed through affect, cognition, and conation, many social psychologists claim that attitudes are primarily characterized by affect, whether such sentiments are good or negative. (Petty & Cacioppo, 1986)

To predict how consumers would react to being exposed to information, information processing models have been developed. The results of earlier studies (Haley & Baldinger, 2000) have demonstrated that when evaluating the effectiveness of advertising, attitudes towards the advertisements influence attitudes towards the product or brand. The research study suggests that consumers' attitudes towards information in online consumer reviews influence their attitudes towards the reviewed product and the influencer who provides the reviews, much like liking an information source or a persuasive message enhances a favourable attitude towards the product/brand in the message or websites.

According to Hoyer, MacInnis, and Pieters in 2013 in their book *Consumer Behavior*, the expectancy-value model (EVM) explains how consumers acquire and modify attitudes depending on the beliefs and information they have about an item or action and how they rate these particular beliefs. The Theory of Reasoned Action (TRA), developed by Fishbein and Ajzen in 1975, is one of the most important and prominent theories of human behaviour. It has been used to predict a wide range of behaviours. The TRA is a rational choice model that is employed to investigate how customers defend their actions.

According to Ajzen and Fishbein in 1980, who wrote *Understanding Attitudes and Predicting Social Behavior*, behavioural intention refers to how much effort a person is willing to put in in order to carry out a behaviour. This theory might be summed up as a

function of two components: an individual's attitude towards the behaviour (AB) and the subjective norms (SN), since behaviour (B) is a function of behavioural intention (BI), which is a function of behaviour (B).

$$BI = W1 + W2 + (AB + SN)$$

The degree to which a person views a particular behaviour favourably or unfavourably is known as their attitude. Attitude is learnt and tends to last over time. (Schwartz, 2007) Consumers' attitudes towards the behaviours are influenced by their perceptions of the effects of their behaviour and their assessment of the importance of those effects. (Ajzen & Fishbein, 1980) If the benefits of engaging in the behaviour outweigh the drawbacks, it is likely that the client will have a favourable attitude towards the particular behaviour, which in turn will increase the likelihood of both the intended behaviour and its likelihood of being carried out.

According to Hoyer, MacInnis, and Pieters, subjective norms are normative views that emerge as a result of social pressure impacted by the consumers' normative ideas and how other people perceive their behaviour. The motive of consumers to comply with others determines whether or not these normative views should be enhanced or decreased. (Ajzen & Fishbein, 1980) According to this theory, behaviour is influenced by both individual attitudes and societal pressure brought on by other people's thoughts about it.

The Theory of Reasoned Action (TRA) and its offshoot, the Technology Acceptance Model (Davis, 1989) serve as the theoretical cornerstone for the Information Adoption Model (IAM). Individual views and judgements of the implications of adoption determine whether someone will choose to adopt or reject a certain behaviour or technology. (Sussman & Siegal, 2003)

Two propositions are considered, according to IAM (Cheung, Lee, & Rabjohn, 2008). While source credibility, a peripheral cue, plays a crucial part in the persuasive information process, (Sussman & Siegal, 2003) information quality, a known central cue, has the power to impact the information process (Zhu, Chang, & Luo, 2016) Information quality when referring to an online platform refers to the product information and shopping tips offered by other customers, which are significant content cues in the decision-making process (Zhu, Chang, & Luo, 2016) Consumers that have used the product and posted their reviews online are considered to have credible sources. It is obvious that credibility is a key non-content related cue for potential buyers during the decision-making process when individuals who review items have varying levels of product knowledge (Zhu, Chang, & Luo, 2016). As a result, source credibility is used as a crucial auxiliary cue when aligning with the IAM model.

### **Fashion Industry**

According to research from McKinsey's Fashion Scope, India's apparel market would be valued \$59.3 billion in 2022, ranking it sixth in the world after Germany (\$63.1 billion) and the United Kingdom (\$65 billion). Between 2019 and 2025, it is anticipated that the addressable population's total yearly income (those who earn more over \$9,500) would treble. Given these factors, it should come as no surprise that over 300 global fashion labels are anticipated to build stores in India over the next two years. However, India is still a difficult market with both prospects and difficulties. Only 35% of sales in 2016 were generated by official retail, indicating that the garment industry is still highly unorganized. By 2025, its share is probably going to be about 45 percent, which is still a small percentage. The growing tech savvy of consumers is another factor fuelling the rise of the garment industry. In a nation of 1.2 billion people ten years ago, there were only five million smartphones, and there were only 45 million Internet users. Since then, these numbers have climbed to 355 million and 460 million, respectively, and by 2021, when more than 900 million Indian customers would be online, they are anticipated to double. (McKinsey & Company, 2019) In 2019, the size of the global market for fashion influencer marketing was estimated at USD 1.5 billion. From 2020 to 2027, it is anticipated to rise at a compound annual growth rate (CAGR) of 35.7%. Fashion firms are implementing influencer marketing methods in an effort to broaden their audience and increase their reach. Companies have invested in marketing campaigns more effectively and gotten a higher return on investment (ROI) as a result of technological disruption in advertising practices and marketing tactics. Fashion brands may increase their reach and market their goods in fresher ways that connect to their brand values thanks to influencer marketing. Influencer marketing for fashion firms is becoming increasingly advantageous due to the increased use of social media platforms around the world. This aspect is anticipated to accelerate market growth in the near future. (Grand View Research, 2020)

### **SIGNIFICANCE OF THE STUDY**

Consumers typically remain with products or services that they are acquainted with rather than trying something new that might be riskier. Prior to making a purchase, buyers gather and contrast information while looking for recommendations from reliable sources in an effort to reduce risk. In situations where individuals can verbally direct search, purchase, and usage, consumers themselves can act as influencers (Flynn, Eastman, & Goldsmith, 1996). In comparison to marketing information sources, other people's opinions appear to be more reliable (Veirman, Cauberghe, & Hudders, 2017). Social media, which has grown in popularity over time, might be used as the perfect forum for people to exchange thoughts and experiences through sites like Facebook or Instagram. Due to their authenticity and reach, social media influencers with a solid reputation and access to a sizable audience may have the ability to persuade. They represent actual customers, which is the next best thing to word-of-mouth advertising, and are well-known as the respected leaders in a certain area and have a devoted following. They frequently share their personal and daily lives with their followers while also energizing and developing their relationship with them. Because of this, it strengthens the impartial filter of "people like me" (Allsop, Bassett, & Hoskins, 2007).

According to a 2016 study by Berger and the Keller Fay Group, 82 percent of people are very likely to heed the advice of an influencer because they view them as more reliable, believable, and informed. In 2016, Tapinfluence and Nielsen discovered that influencer marketing provides a "Return on investments" (ROI) 11 times higher than conventional forms of digital marketing. This finding is significant given that influencer marketing is a relatively new marketing strategy that offers a vast array of opportunities for marketers. Influencers also tend to think that a true and honest voice will keep their audience interested in them. Nielsen, a business that does consumer market research, discovered in 2012 that 92% of people trust personal recommendations above those from brands.

It is critical for marketers to look for ways of overcoming resistance to the brand message, as seen with the rise of ad blocking software and the advancement to skip commercials. According to a recent poll, 84% of marketers intended to run at least one influencer campaign in 2017 (Agrawal, 2016). Since customers tend to prefer personal content over corporate online presence, influencer marketing can be employed to prevent this problem without coming across as a "product pusher" (Agrawal, 2016). Ad blocking is becoming a significant hindrance to businesses whose entire advertising eco system depends primarily on ad revenue, affecting the majority of publishers, marketers, and agencies. Delivering engaging material and experiences is essential to alleviating this issue and ensuring that customers do not wish to block such content. Some people might find these adverts annoying, while



others might prefer an ad-free web experience. The industry has been reluctant to respond as people increasingly employ ad blockers. Apart from ad blockers, which are available for free, there are subscription services like YouTube Premium and premium/freemium models like Spotify that are prepared to meet user demands for an ad-free experience. However, they must ensure that their user experiences are superior to that of ad blockers. Convincing clients to pay so they may experience an ad-free environment is currently one of the biggest issues facing marketers (Morrison, 2016). Publishers are being compelled by ad blocking to raise the quality of their adverts in order to give users a better experience (Shukla S., 2017).

Influencer marketing may impact or add value to the marketing strategy in a variety of ways in the marketing context. According to Godey et al. (2016), brand equity and social media marketing have a favourable association in terms of brand awareness and brand image. The researcher's focus is on the influence of social media influencers on customer behaviour now that brand equity has been covered. In the current environment, it is frequently observed that new items are being promoted through social media platforms, websites, and sales influencers as a result of the increased involvement. The application, advantages, and originality portrayed by the product are typically communicated in the posts published by influencers on their individual networks. Purchase intention could serve as a crucial indicator for predicting future sales and market share as a tool to assess good marketing. In the current environment, it is acknowledged that fashion firms must turn to new methods of reaching their target audiences due to the rise of social media applications, the decline in TV viewership, and the emergence of ad blocking.

## RESEARCH OBJECTIVE

The objective of this paper is to:

1. To explore the effect of influencer marketing on consumer purchase behaviour in the fashion industry.
2. To study the personal factors of influencers that impact the consumers fashion choices.

## DATA SOURCE AND METHODOLOGY OF THE STUDY

To attain the objectives, the current study primarily used a qualitative research methodology. An analysis of blogs and online evaluations of fashion products served as the foundation for the research. Secondary data was obtained from various reports, websites, and marketing journals for the review of literature.

## FINDINGS & DISCUSSION

The Theory of Reasoned Action and the Information Adoption Model are two ideas that the researcher combined in this research study using an existing theoretical framework. In order to connect information qualities and consumer behaviour towards information sources, this framework was created (Erkan & Evans, 2016). Information usefulness and information adoption were employed as two mediators in earlier studies (Erkan & Evans, 2016) or the attitude towards the usefulness of information was utilized as a mediating variable (Gunawan & Huarng, 2015). Researchers frequently contend that the attitude towards the consumer behaviour of adopting technology is captured by the attitudinal construct in the context of technology acceptance (Wixom & Todd, 2005). Additionally, the researcher chose the mediating variable in this particular study to be attitude towards using the information source. This theoretical framework has not been utilized in previous studies in the setting of the fashion business.

The researcher employed a set of characteristics for the evaluation of source trustworthiness and information quality that are different from the theoretical framework put forward by (Erkan & Evans, 2016). The researcher suggests using the criteria of relevance, comprehensiveness, correctness, and timeliness from Cheung & Rabjohn (2008) to quantify the quality of information. Most studies that have been done up to this point solely address the two factors of trustworthiness and competence when evaluating source credibility. Although several scholars have stated that attractiveness could boost the persuasiveness of the source (Ohanian R., 1990; Kiecker & Cowles, 2001), the researcher has added a third dimension, which is attractiveness.

The majority of studies have evaluated information quality and source credibility individually, but this researcher combined both into one study. By combining variables that were employed by prior studies to evaluate the influence of source credibility and information quality, the approach adopted in this study adds to the body of knowledge.

In addition to its theoretical contribution, this research work has a number of applications. According to empirical results, when influencer credibility and information quality are taken into account independently, each has a moderate impact on purchase intention. However, it may be claimed that if the researcher takes both of these aspects into account, it will have a bigger impact on influencing consumers' purchase intentions and increasing sales. Fashion brands need to be increasingly associated with these various kinds of social influencers in order to increase exposure for their goods, especially in light of the impact that social influencers have on consumers' intents to make purchases. Access to their social media profiles that produce eWOM or offer professional suggestions can be granted to accomplish this (Chen et al., 2016).

The findings of the study demonstrated the significance of influencer credibility as a source of knowledge. Consumers are more likely to find a fashion influencer appealing if they think she or he is credible, trustworthy, and knowledgeable about the industry. Therefore, by revealing their true motivation for reviewing a product, social influencers can increase their credibility and consequently their impact. Additionally, social influencers can increase their perceived attractiveness by empathizing with and demonstrating commonalities to their readers (Wang, Yu, & Wei, 2012). The attitude that customers have towards social influencers through using them as a source of information could be improved by social influencers by increasing their perceived credibility, and this could ultimately affect their purchasing decisions.

## LIMITATION OF THE STUDY

Numerous limitations that were both avoidable and unavoidable were present in the current investigation. The study focuses exclusively on a small set of factors that are thought to be crucial in identifying switching behaviour. There will, however, be additional elements that are neither evaluated nor mentioned, which is a drawback of this study.

This study contains a number of restrictions due to time and resource limits. First off, the scope of this study is solely the Indian setting. As a result, the generalizability of the study's conclusions is constrained by cultural variance. Future studies should broaden the geographical reach of the research employed in this study and test our suggested conceptual model on customers from various cultural backgrounds. A cross-cultural analysis of the perceived veracity of online information sources would add to the knowledge already available from this study and enable international comparisons.

To the best of the researcher's knowledge, this study was one of the first to examine how the attitude towards online reviews, a social media influencer's source of information quality and trustworthiness, affected the participants' intention to make a purchase. Previous research frequently uses information acceptance, information usefulness, or information attitude as a mediator. As a result, it was hard to compare the findings directly to those of other studies in the same field.

## SUGGESTIONS

The Theory of Reasoned Action and the Information Adoption Model were then combined to create the conceptual model. The two ideas, in the researcher's opinion, were the most appropriate for the study that was being done. Similar to the Theory of Reasoned Action, the Theory of Planned activity can be applied when a customer lacks volitional control over his or her activity (Chiou, 1998). Perceived Behavioral Control, another pillar in this theory, refers to the consumer's perception of his or her access to the opportunities and resources required to carry out a behaviour. According to earlier studies, perceived behavioural control is likely to have a significant impact on purchase intention in an online environment. Including this element in the conceptual model would have complemented the one that was originally proposed and added to the body of knowledge. By studying the actual behaviour that comes from the behavioural intention, the TRA and TPB models can both be expanded. Therefore, researchers could look into how information quality and source reliability affect real purchasing intentions.

Future research may potentially focus on other product kinds, such as low- and high-involvement items, or even different sectors. Additionally, future studies could incorporate additional criteria for judging source trustworthiness, such as goodwill and dynamics, as well as additional characteristics of information quality, such as totality and constancy. Further research may also focus more on the individual characteristics of the consumer, such as their level of self-efficacy or vulnerability to informational influence.

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