



THE ROLE OF INFLUENCERS ON THE PURCHASING DECISION OF CLIENTS

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Introduction



"We are at peak influencer, and it's beginning to run its course"

Casey Ferrell, Vice President and Head of U.S. Monitor (owned by Kantar)

The role of influencer



Opinion maker is a person who influences public opinion about certain products, brands or events and seeks personal benefit on the account of this. Opinion makers of the 21st century are becoming a part of our lives. They act in various areas.

Who and what is an influencer?



A model, photographer, dancer, athlete, or actor: all these people are ranked among the top 10 most influential opinion communicators in Lithuania on Instagram, according to the results of the recent research.

The goal of the article



The goal of this article is to analyze the role of influencers on consumer purchasing decisions and to explore their perceptions of influencers in purchasing decisions. The paper uses the method of scientific literature analysis and quantitative and qualitative (questionnaire survey, interviews), analysis.

The tasks of the research



To achieve these goals, we considered completing the following tasks:

- Examine the theoretical background, provided by marketing researchers on decision-making mechanism and its relation to the word-of-mouth of the influencers;
- Discuss the results of the quantitative research conducted in order to analyze the role of influencers on purchasing decisions of the audience and people's perceptions of the impact of the influencers;
- Analyze the case studies of the ways of conduct on how influencers should organize their opinion on social networks.

Definition of an influencer



Influencers are opinion makers who influence the public and shape their opinion on particular brands, products or services. These are people who have large audiences on followers' social networks.

Who the influencers address?



Influencers are prone to co-operate with brands provided that co-operation corresponds to the content being broadcast and provides a degree of authenticity. Brand communication is the most important factor via which influencers decide who they want to partner with.

Theoretical background for paper



Researchers state that social network marketing is approximately 20–30 per cent more effective than other forms of online advertising. Social network marketing, which uses social networks and opinion leaders, is capable to form a large network of people around themselves, and directly shape up our opinions about events, brands, or people, is becoming increasingly popular.

Opinions on the role of influencers



Research has shown that as many as 83 Per cent of consumers trust real people's recommendations. Researchers Freberga, Grahamb, McGaugheyc, and, Freber argue that social media influencers outline audience's attitudes through blogs, tweets, and other social media. However, influencer marketing has both advantages disadvantages

Quantitative research



In order to analyze the role of influencers on purchasing decisions of the audience and people's perceptions of the impact of the influencers; (n=118) our respondents confirmed that everyone uses social media networks. What is important, it was discovered that one third of the respondents were following 10 and more influencers. Most of the them were following influencers from Lithuania (57.6 per cent). In addition, respondents claimed trusting influencers not equally (dividing the influencers to 3 subcategories (micro- with 500 – 1000 followers), macro- (with 1000 – 10 000 followers) and mega- (with more than 10 000).

Quantitative research II



Another trend emerged that people tend to trust influencers with more followers: amazingly high number of 33.6 per cent admitted trusting mega influencers. Although many respondents were skeptical towards influencer marketing, 58.5 per cent of respondents stated that they have partial trust in content provided by influencers. To sum up, one can state that the advantages and disadvantages explained in the previous part of the article, along with some sort of untrustworthiness and transferring of 'herd' mentality hinder the role of influencer marketing on purchasing behaviour. However, respondents agree that influencers marketing can increase brand awareness, promote sales and can introduce new products and services to the consumers.

Case studies



The authors also examined the ways of conduct on how influencers should organize their opinion on social networks, as on how for them to be more influential. Certain legal aspects become of the key importance when advertising some products or services.

Companies that often work with influencers know at least a few possible causes of failure and how to avoid them. Also, some recommendations on how to win more influencers are provided in the article.

Conclusions



To summarize the ideas of what is said, it should be confirmed that the goal of this article – to analyze the role of influencers on the purchasing decisions and to explore customer's perceptions of influencers in purchasing decisions – proved that the social media does have a huge effect on buying behavior, and causes many other issues related to influencer and consumer behavior online.

Recommendations



Influencer industry is undergoing a major shift towards not just micro-influencers, but *organic* influencers.

Organic influencers are the real people who already buy your products and services *and* create content about your brand - they're your genuine brand advocates.