

ROLE OF DIGITAL INFLUENCER ON GEN- Z CONSUMER PURCHASE

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ABSTRACT

Influence makers play a vital role in the purchase decision-making process of GEN- Z clients in today's globalised economy. Because of their unique capabilities, specialized expertise, or personality, influencers have a positive or negative impact on consumer impressions and decisions. In today's globally connected digital media, influencers take on this role, influencing GEN- Z clients' attitudes, perceptions, and beliefs, and thereby drastically influencing demand patterns for certain items. Influencer marketing is a kind of digital network marketing that has gained in popularity in recent years. Comparing the performance of knowledge from the outcomes of global investigations and the quantitative online survey, the goal of this scientific contribution is to systematize the facts about influencers' positions and roles as leaders in the social media background in order to classify their typology, influence factors, and the strength of their impact on purchaser decision-making process. Digital z-gen customer with 54 sample size. For analysis, descriptive statistics, and non-parametric Cronbach's Alpha test, Friedman's test for k-related samples, Chi-square tests, Factor analysis, Multiple Regression Analysis were used under this study. According to the results of the study, certain brands can benefit more from influencer marketing than others. Influencers would have more impact on buying apparel, accessories, cosmetic, and, surprise, utilities. Similarly, GEN- Z customers buy food, jewels, and appliances for a variety of reasons, but influencer marketing has the ability to touch them here too.

Key words: GEN- Z consumer, Digital Influencer Marketing, Consumer Buying Decision.

INTRODUCTION

The consumption habits of Generation Z enable one to differentiate them from previous generations. These people enjoy learning new knowledge across the internet and other interactive channels. They are excited when expressing their thoughts and emotions regarding their shopping trip, are cautious on how they expend their money on certain experiences, and do extensive analysis to find the right opportunities and benefit for their money (Posner 2015). Individuals in Generation Z, according to Berkup (2014), respect all feedback regarding goods and/or facilities, suggestions and/or experiences exchanged on their network. These remarks, according to Neto et al. (2010), result in a more objective and well-formed view. Understanding customer behavior is complicated, according to Vizcaya-Moreno and Pérez-Caaveras (2020), particularly when it comes to young audiences, who are highly demanding and live at a quick speed.

Customers of GEN- Z want brands/companies to contribute back to humanity and believe that they "know best," but they don't want companies to place humans in their path if they can accomplish the job on their own. They don't see the point of including another human when technology is there to assist them. They believe the technology is more reliable than humans. Consumers in Generation Z are generally well-informed regarding products and the facts that surround them. When they aren't, they know how to easily gather facts and shape an opinion. Influencers share a product endorsement on their account in exchange for payment from the company (Stubb&Nyström&Colliander, 2019). These reports may be in any format, whether video or email, as long as they are posted by influencers. According to The Influencer Marketing Hub (2020), for every dollar spent on influencer marketing, a company receives a \$5.2 return, making influencer marketing a major business opportunity.

REVIEW OF LITERATURE

According to Mir and Zaheer (2012) Marketers must also consider how to "position themselves to profit from structural shifts that are happening in the ways citizens determine their goods and services to buy, and how they ultimately consume them,"

Tong et al. (2008) explained that Consumers have more interest in influencers with more fans, As a result, users not only trust the crowds and popular influencers, but they still trust influencers when they accept power to build or sustain a personalized partnership with others.

Guttman (2020) briefed that Influencers earn money and fees from companies via social media (such as YouTube, Facebook and Twitter). For the first time, consumers have the most up-to-date details about corporate goods, coupon codes, free trials, and trial interactions. Influencer marketing's main benefit is accurate timing and tens of thousands of exposures in the smallest amount of time.

Schouten, Janssen&Verspaget(2020) pointed out that Influencers are seen as more trustworthy than typical celebrities by a larger number of people. When people believe that influencers are actual people, they are more likely to trust their views and believe that they are genuine reflections of their own experiences.

Muhammad Irfan Tariq et al. (2013) described purchase intention in terms of four customer behaviors: utter plant purchase the brand, simply thinking to buy the brand, whether someone considers purchasing the brand in the future, and to purchase the specific product completely.

SCOPE OF THE STUDY

Fresh experiences may be gained from gathering data from the perspective of GEN- Zcustomers. The study also intends to act as a guide for prospective readers about how to engage decision-making method of influencers. Since it focuses on the impact of digital media on purchasing behaviour, which is something that all marketers should be mindful of in order to consider how other people's views might influence GEN- Zcustomer behavior trends.

OBJECTIVES

- To investigate the effects of social media influencers' towards product endorsements on z-generation consumers' purchase decisions.
- To explore the effects of influencer marketing on z-generation brand recognition and recollect.
- To find out how influencer trustworthiness, expertise, and attractiveness affect z-gen customer purchases intent.

RESEARCH METHODOLOGY

In this analytical research, to test the role of digital influencer on GEN- Zconsumer Purchase, total 57 samples were collected out of which only 54 samples were taken for the final analysis purpose using purposive sampling method due to incomplete responses 3 responses were removed. A study of 54 GEN- Zconsumers purchase decision is influenced digital or social media. Later; the 54-sample size data were collected through questionnaire processed using SPSS version 25 software is used as a part of study for main study. For analysis, descriptive statistics, and non-parametric Cronbach's Alpha test, Friedman's test for k-related samples, Chi-square tests, Factor analysis, Multiple Regression Analysis were used under this study.

HYPOTHESES:

The Null Hypotheses for the study are:

- There is no major influence between Frequencies of buying products with GEN- Zconsumers purchase decision
- There is no major influence between Frequencies of buying products with GEN- Zconsumers purchases based on online recommendations
- There is no major influence between Frequencies of buying products with GEN- Zconsumers favorite online influencers recommends a brand
- There is no major influence between kind of post with Average time spent with social media

FACTOR ANALYSIS:

Factor analysis is a simple technique of data reduction; Factors influenced by GEN- Zconsumer Purchase decision in digital influencers through social media in Chennai city have been identified. Customer's role is measures by eighteen varying factors. Based on the arrangement given by the nominated participants, factor analysis with principal component method (PCM) using vari-max rotation was applied to cluster the variables in to factors. In this study the researcher loaded 18 variables which were reduced in to four variables which were presented through table-1 below.

Table-1

Total Variance Explained					
	Statements	Factor	Ez-genvalue	% of Variance	Cumulative %
Mind set of Product Purchase	search for reviews of healthcare products from influencers / celebrity	.805	2.173	19.751	19.751
	buy any products because of recommendations from influencers / celebrity	.832			
	Assume you are preparing to purchase a product and you are reading a product review.	.848			
Influencer Presented Products	Influencers have my best interests at heart	.761	1.979	17.989	37.741
	When I read through my Instagram timeline, private posts stand out from ones with sponsored content.	.694			
	On my Facebook feed, I see a lot of 'advertisements.'	.706			
Opinion Value of influencer	Influencers will not intentionally promote a company that may do me hardship.	.779	1.920	17.454	55.195
	If I discovered that my favourite influencer had been compensated for their recommendation, I would be devastated.	.843			
Recommended by Influencer	favorite influencer introduces a certain product within a Youtube or Instagram post	.787	1.173	10.668	65.862
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.					

a. Rotation converged in 5 iterations.

Factor-1 mindset of product purchase is measured with three variables viz., search for reviews of products from influencers / celebrity (.805), buy any products because of recommendations from influencers / celebrity (.832), Imagine you are about to buy a product and you are looking at a review of the product (.848) Ez-genvalue is 2.173 and Cumulative value is 19.751. Factor-2 Influencer Presented Products is measured with three variables viz., When I scroll through my newsfeed on Instagram (.761), the private posts differ from the posts with product placement (.694), I notice a lot of 'ads' on my Facebook timeline (.706) Ez-genvalue is 1.979 and Cumulative value is 37.741. Factor-3 Opinion Value of influencer is measured with two variables viz., Influencers will not purposefully endorse a brand that will harm me (.779), If I were to find out that my favorite influencer had been paid for their endorsement (.843) Ez-genvalue is 1.920 and Cumulative value is 55.195. Finally Factor-4 Recommended by Influencer is measured with one variable viz., favorite influencer introduces a certain product within a YouTube or Instagram post (.787), z-gen value is 1.173 and cumulative value is 65.862. Hence the four factors, which have an Ez-gen value of 1 or more than 1. The last column in the table (cum. pct.) shows that the 4 factors extracted together account for 65.84% of the total variance is a acceptable deal.

The result of the KMO measures of samples adequacy and bartlett's test of sphericity indicates that application of factors analysis is appropriate for the data. The KMO measures of sampling adequacy was 0.608 and it was significant ($p < .000$). Eighteen variables are reduced into fewer factors by analyzing correlation between variable (role of z-gen customer purchase perception). In this case, eighteen variables are reduced to four factors.

Friedman's test for k-related samples:

Rank correlation test was applied to test the effectiveness of the online marketing method of purchase decisions of I-gen Consumer shown in digital marketing is divided in to five portions Social media marketing (e.g. app ads, product ads), Influencer marketing (e.g. product placement in stories and feed postings), Video marketing (e.g. YouTube advertising videos), Search engine marketing (e.g. Google AdWords), and E-mail marketing (e.g. newsletter) are tested with Friedman's test for k-related samples the test result and discussions were presented below.

Null Hypothesis: There is no significant difference between the effectiveness of the online marketing method of purchase decisions of z-gen Consumer (Influencers).

Alternate Hypothesis: There is significant difference between the effectiveness of the online marketing method of purchase decisions of z-gen Consumer (Influencers).

Table-2

Influencer of z-gen Customers	Mean Rank	Ranks	Chi-Square
Social media marketing (e.g. app ads, product ads)	3.60	1	16.132 ($P < .003$)
Influencer marketing (e.g. product placement in stories and feed postings)	2.78	4	
Video marketing (e.g. YouTube advertising videos)	2.70	5	
Search engine marketing (e.g. Google AdWords)	3.06	2	
E-mail marketing (e.g. newsletter)	2.85	3	

Selected z-gen consumers in Chennai have ranked, to test the significance of various factors influencing z-gen consumers purchase decisions influencer; Friedman's test for k-related samples was functional to study the connection between different reasons to test the effectiveness of the online marketing method of purchase decisions of z-gen Consumer influencers. The results of the Friedman's test showing that the null hypothesis is rejected at 1% level. Not all the factors have equal influence on z-gen customers.

CHI-SQUARE TEST RELATING TO FREQUENCIES OF BUYING PRODUCTS WITH Z-GEN CONSUMER'S PURCHASE DECISION ROLE:

- There is no major influence between frequencies of buying products with z-gen consumers purchase decision
- There is no major influence between frequencies of buying products with z-gen consumers purchases based on online recommendations
- There is no major influence between frequencies of buying products with z-gen consumers favorite online influencers recommends a brand
- There is no major influence between kind of post with Average time spent with social media

To test the z-gen consumers purchase decision with frequencies of buying products of the respondents the scales used are "5 points likert scale targeting z-gen consumers should focus more on teenager advertisements because it was found that most of the z-gen consumers were not influenced by advertisements in their purchase decision.

The hypothesis structures to spot out the impact on frequencies of buying products with and Z-gen consumers purchase decision, purchases based on online recommendations, favorite online influencers recommends a brand, Avg. time spent in Social media "There is no significant impact between frequencies of buying products with favorite online influencers recommends a brand & Avg. time spent in Social media". Chi-square test was utilized to recognize the crash between factors. The consolidated results of the chi-square test are shown in table-3.

Table-3

CONSOLIDATED RESULTS OF CHI-SQUARE TEST

Sl. No	frequencies of buying products with	Table Value	d.f	Calculated Value	Level of Significance	Result

1	Z-gen consumers purchase decision	26.296	16	11.430	5	Not Significant
2	Z-gen consumers purchases based on online recommendations	26.296	16	25.796	5	Not Significant
3	Z-gen consumers favorite online influencers recommends a brand	26.296	16	30.207	5	Significant*
4	Kind of post with Avg. time spent in Social media	11.070	4	13.222	5	Significant*

The results of the study between “frequencies of buying products with favorite online influencers recommends a brand & Avg. time spent in Social media ” are obtainable in the table 3. “H₀: There is no significant impact between purchase decision & purchases based on online recommendations with frequencies of buying products Z-gen customers”.

On the differing, the calculated value of favorite online influencers recommends a brand & Avg. time spent in Social media variables is more at a 5% degree of significance, than that of the table value As a result, the null hypothesis is rejected, and the conclusion is that frequencies of buying products with Z-gen customers are significantly influenced.

MULTIPLE LINEAR REGRESSION ANALYSIS WITH LINEAR

By considering role of digital influencer on z-gen consumers purchase through social media is tested with Factor-1 mindset of product purchase is measured with three variables viz., search for reviews of healthcare products from influencers / celebrity, buy any products because of recommendations from influencers / celebrity, and Imagine you are about to buy a product and you are looking at a review of the product, Factor-2 When I read across my Instagram timeline, the personal posts vary from the ones with sponsored content, and I see a lot of 'advertising' on my Facebook timeline, Influencer Offered Products is assessed using three factors. Factor 3: Influencer opinion value is assessed using two variables: influencers will not intentionally recommend a company that would hurt me, and if I discover that my favourite influencer was paid for their recommendation. Finally Factor-4 Recommended by Influencer is measured with one variable viz., favorite influencer introduces a certain product within a YouTube or Instagram post influencing variables were used to measure the purchase decision of z-gen consumers in Chennai.

H₀: There is no major influence between independent variables with dependent variable

Table-4

ANOVA ^b									
1	Model	Sum of Squares	df	Mean Square	F Calculated Value	F Tabulated	Sig.	R	R ²
	Regression	2576.614	9	286.290	34.350	6.42	.000 ^b		.000 ^a
	Residual	366.719	44	8.335					
	Total	2943.333	53					.8	.2
a. Dependent Variable: Total of influencer DV									
b. Predictors: (Constant), mindset of product purchase, Influencer Presented Products, Opinion Value of influencer, and Recommended by Influencer									

In the above Table the F, calculated (34.350) is greater than F tabulated (6.42). Therefore: The null hypothesis is rejected, with significant value=.000<0.005. There is positive impact between the independent variables mindset of product purchase, Influencer Presented Products, Opinion Value of influencer, and Recommended by Influencer as predictor variable and dependent variable Total of influencer R value =(0.8), Which refers to coefficient of correlation of the independent variable are highly impacted with dependent variables.

Table-5

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.936 ^a	.875	.850	2.88696
a. Dependent Variable: Total of influencer DV				
b. Predictors: (Constant), mindset of product purchase, Influencer Presented Products, Opinion Value of influencer, and Recommended by Influencer				

The above table shows the model summary of role of digital influencer z-gencustomers purchase decision influenced by social media (predictor) and it explains the 93.6 % of Union banks of India customers impacted (R²=0.875).

Discussion and conclusion

Customers' lifestyle has been more inclined by influencers who push products and brands. We will witness an influencer promotional campaign many times a day, notably on social media. Influencers promote a variety of products, such as clothing, accessories, and cosmetics, as well as utilities. Influencer marketing may provide a range of benefits to a firm, the most important of which is an increase in product sales. The KMO value for sample adequacy was 0.608, which was statistically significant ($p < .000$). Consumers, on the other hand, may not need to be persuaded in a positive manner, and organizations considering influencer marketing should be aware of the hazards. As a consequence of the increased influencer appeal, consumers will establish a bond with themselves, improving their feeling of belonging and, as a consequence, increasing their impulsive purchase behaviour. The results of the Friedman's test showing that the null hypothesis is rejected at 1% level. Not all the factors have equal influence on z-gen customers shows that chi-square is 16.132 ($P < .003$). Influencers' views can often affect shoppers' purchasing habits and tastes while they lacked product awareness, stimulating impulse buying behaviors. The results of the study between "frequencies of buying products with favorite online influencers recommend a brand (30.207-calculated value) & Avg. time spent in Social media (13.222-calculated value) is greater than the table value proves that null hypothesis is rejected. Influencers' reputation derives from the influencers themselves. Meanwhile, customer confidence in influencers is a critical element influencing purchasing behavior, since this trust may be applied to the goods they promote. As a result, influencers can focus on product awareness, learning technical expertise and abilities specific to the goods, and communicating this insight to their followers in order to draw more followers. There is positive impact between the independent variables mindset of product purchase, Influencer Presented Products, Opinion Value of influencer, and Recommended by Influencers predictor variable and dependent variable Total of influencer R value = (0.8), Which refers to coefficient of correlation of the independent variable are highly impacted with dependent variables. Furthermore, influencers will enhance their lives by cultivating outstanding personal passions and distinct identities, strengthening their personal charms and increasing customers' sense of belonging and desire to buy.

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