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A Comparative Study on Influencer Marketing Communication and Online Video Advertising on Purchase Intention of Consumers

Mohammed Kamran Nomani¹, Dr Md Alamgir²

¹Department of Applied Economics and Commerce Patna University Email ID: nomanikamran04[at]gmail.com

²Associate Professor, Department of Applied Economics and Commerce Patna University Email ID: *mohammadalamgir654[at]gmail.com*

Abstract: Business organization tries to implement engaging advertisement to stand apart from their competitor. Among video advertisements, influencer marketing communication has a unique place. This paper intends to assess the difference between influencer marketing communication and regular online advertising on the purchase intention of consumers by using the TRA model for durable goods. Using the Wilcoxon signed rank test, the author performed a paired difference test of repeated measurements on a single sample. Sample collected through a survey questionnaire distributed online to reach the respondent in a natural environment. In contrast to the earlier study on influencer marketing communication for non - durable items, we discover that influencer marketing has a direct impact on consumer purchase intention for durable goods as opposed to conventional online video advertisement. The study suggests marketer implement influencer marketing communication strategy for durable goods to win an edge over competitor.

Keywords: Influencer Marketing Communication, Regular Online Advertising, TRA model

1. Introduction

We are continuously exposed to advertisements every time and everywhere from Mobile phones to the roads and lanes. Each advertisement tries to take the attention of their prospective consumers. In this race, advertisements lose their effectiveness due to information overload in the mind of consumers. According to Infolinks, the advertisement recall rate is only 14 percent (Talaverna, M., 2015). Using the ad - blocking features is fairly popular while browsing the internet. Some platforms like Spotify and Netflix give the feature of ad - blocking against some charges. Precisely consumers tend to avoid advertisements and perceived them as noise. In such a scenario marketers apply strategies like Content Marketing, Advocate Marketing, Influencer Marketing, and Product Placement to attract consumers and try to achieve a competitive advantage over others. Among these strategies, influencer marketing seems to be one of the most effective strategies in today's business environment (Harrison, 2017) (Patel, 2016) (Talaverna, 2015).

It has also been pointed out that influencer marketing allows a direct connection with consumers. An influencer marketing strategy provides a Return on Investment (ROI) 11 times greater than the conventional means of marketing, according to a joint study by Nielsen and Tapinfluence (Nielsen Catalina Solutions; Tapinfluence, 2016). It has also been reported by Neilsen in 2012 that 92% people trust individual recommendations above recommendations from brands (Nielsen, 2012). Exploratory research conducted by Chopra, & et al. that micro - influencers and bloggers have enormous social media presence and are more able to attract consumers of beauty, lifestyle and, travel (Chopra, Avhad, & Jaju, 2020). The trend of influencer marketing strategy is also taking its grip on the Indian marketing industry (Robert Godinho, 2022).

Objective of the Study

The objective of the study has been framed as:

To compare influencer marketing communication and regular online video advertising in relation to purchase intention.

Hypothesis

HO: There is no difference between influencer marketing and regular online video advertising on the purchase intention of consumers

H1: There is a difference between influencer marketing and regular online video advertising on the purchase intention of consumers.

2. Review of Literature

Influencer Marketing

Influencer marketing was first coined by 'Duncan Brown and Nick Hayes' in 2008 through his book named: 'Influencer Marketing, who influences your customer'. He defines influencer marketing as: "A third party who significantly shapes the customer's purchasing decision, but may ever be accountable for it". There is another definition given by Word of Mouth Marketing Association (WOMMA), as "identifying key communities and opinion leaders who are likely to talk about products and have the ability to influence the opinion of others" (WOMMA, 2016). The term influencer marketing has been newly introduced in academia so it lacks a single theoretical definition. Marketing companies such as Tapinfluence and Markethub etc. are continuously researching on this marketing strategy. Tapinfluence defines it as "a type of marketing using key leaders to drive your brand's message to the larger market" (Tapinfluence, 2017). Precisely, social media influencer marketing establishes two way brand communication across

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Social Media Platforms (SMPs) like YouTube, Facebook, Instagram, etc. to influence their online followers towards a particular brand (Markethub, 2016).

To clearly understand, influencer marketing has been distinguished from WOM as: When consumers are spreading messages through WOM, influencer marketing is the technique and WOM is the medium (Markethub, 2016). Another term Opinion Leadership is being confused by a definition given by Rogers & Cartano as: "individual who exert an unequal amount of influence on decision of others" (Rogers & Cartano, 1962) with influencer marketing. But influencers have benefited from ongoing communication with mass audience of strangers (McQuarrie, Miller, & Phillips, 2012).

Purchase Intention

Purchase intentions is a dependent variable in our research question. Purchase intention is described as a part in the complex process of consumer's decision making process (Kotler & Armstrong, 2010). The cognitive activity with reference to the intention to purchase a specific brand is another way to explain it. Kotler & Armstrong (2010) outline the five steps of the consumer decision - making process: need recognition, information search, alternative evaluation, purchase decision, and post - purchase behaviour. Before moving on to the fourth stage, customers build attitudes toward a product or brand during the third stage, which is called the evaluation of alternatives. As a result, we may draw the conclusion that attitude and purpose to buy go hand in hand. The "Theory of Reasoned Action" (TRA) and the "Theory of Planned Behavior" are two hypotheses that explain this link (TPB) (Ajzen & Fishbein, Understanding attitudes and predicting social behavior, 1980) (Ajzen, The theory of planned behavior, 1991).

According to TRA, "Behavior (B) is a function of a person's Behavioral Intention (BI), which in turn determined by two components, (i) The individual's Attitude towards Behavior (AB), and (ii) The Subjective Norms (SN), that operate in the situation. This gives the equation for Behavioral Intention (BI) as: BI = (AB) W1 + (SN) W2, where W1 and W2 stands for how important the component is to the individual".

Attitude is the first component to behavioral intentions. The degree to which a person views the consequences of their conduct favourably or unfavourably is known as their attitude, and it may be developed and maintained over time (Schwartz, 2007) ".

The second component is to behavioral intention is Subjective Norms. It is the normative belief that results from social pressure (Hoyer, 2013). Normative beliefs here means, what others such as family, friends, and co - workers etc. feel about the behavior

The TPB model is an expansion of the TRA model that includes a third component called Perceived Behavioral Control. Ajzen forecasts a scenario in which consumers' intentions to engage in a behaviour are hampered by constraints that limit their control over the behaviour (Ajzen, 1991).

When comparing the TRA and TPB models, we find that TRA performs best when the goal is to anticipate actions that are completely under the control of the user. TPB, on the other hand, works best when the goal is to forecast behaviour that is thought to be beyond the consumer's control (Madden, 1992).

Online Advertisement

Advertisement is another aspect of our research problem. AIDA model of advertisement is much popular among academic literatures on advertisement (Vakratsas & Ambler, 1999). However, this model is not intended to explain the role of the mediator between brand attitude and purchase intentions. Attitude towards advertisement might be the best indicator of measuring effectiveness. There are several models developed on relationship of attitude towards advertisement and purchase intentions. The dual mediation hypothesis model is a five - element model that explains how attitude affects purchasing intention (Hoyer, 2013). Another significant research (Sethuraman, Tellis, & Briesch, 2011) measuring advertising efficiency in terms of advertising elasticity.

3. Research Methodology

The research problem is to compare Influencer Marketing Communication with regular online video advertising. For this Fishbein and Ajzen's (1980) TRA will be modified in order to answer the question. In comparison to TPB model, TRA model will be more adequate framework if the aim is to predict behaviors that are relatively straightforward, *ie.* under volitional control (Madden, 1992). Furthermore, because buying intentions are seen to be volitional and there are little limits, the TRA will be employed as a valid predictor of purchase intentions (Belleau, 2007).

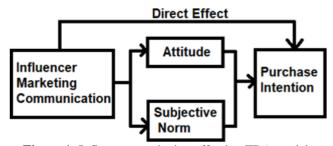


Figure 1: Influencer marketing affecting TRA model.

Research Design

In this study a comparison is made between preference of influencer marketing communication to regular online video advertisement on purchase intention of consumer. This is a descriptive research study as This paper intends to assess difference between influencer marketing communication and regular online advertising on purchase intention of consumers

Sampling

Convenience sampling method has been adopted. For taking the sample an online questionnaire has been framed by using Google docs. The questionnaire consist two sets of question on regular online video advertising and influencer marketing communication. For easy interpretation of questions the researcher also include video link for the two modes of

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advertising. The research is on a sample of 104 respondents mainly from generation Z who are active on Social Media Platforms (SMPs) like Instagram, Twitter, LinkedIn, YouTube etc.

4. Analysis and Interpretation

The proposed hypothesis analysed by using paired difference test on a single sample of repeated measurements to assess difference between influencer marketing and regular online advertising on purchase intention of consumers. For such sample wilcoxon signed rank test has been conducted. Similar study used paired sample T test is used if the distribution found normal. But the distribution failed normality test, so a parametric test cannot be conducted to compare two related samples. Therefore a non - parametric test that is wilcoxon signed rank test is used to test the hypothesis at 5% significance level. The Analysis has been done by using spss.

Attitude

Hypothesis has been tested by comparing the variable Q4 in relation to Q13. Similarly Q5 to Q14, and Q6 to Q15. In Table 1 and Table 2 results are summarised. In the result Q4 had a mean of 3.07 which increased to 3.23 in Q13 with the p - value of 0.465. Since p value is more than 0.05 thus statistically insignificant. Similarly In case of regular Q5 had a mean of 3.69 which increased to 3.84 in Q14, with p value of 0.036 which is insignificant. Again in case of regular Q6 had a mean 3.53 which decreased to 3.38 with p value of 0.005 which is again insignificant.

Table 3: Descriptive statistics for Attitude

Descriptive Statistics				
N	Mean	Std. Deviation	Minimum	Maximum
104	3.3077	.82529	1.00	4.00
104	3.2308	.57843	2.00	4.00
104	3.6923	.72510	2.00	5.00
104	3.8462	.53552	3.00	5.00
104	3.5385	.74941	2.00	4.00
104	3.3846	.74139	2.00	4.00
	N 104 104 104 104 104	N Mean 104 3.3077 104 3.2308 104 3.6923 104 3.8462 104 3.5385	N Mean Std. Deviation 104 3.3077 .82529 104 3.2308 .57843 104 3.6923 .72510 104 3.8462 .53552 104 3.5385 .74941	N Mean Std. Deviation Minimum 104 3.3077 .82529 1.00 104 3.2308 .57843 2.00 104 3.6923 .72510 2.00 104 3.8462 .53552 3.00 104 3.5385 .74941 2.00

 Table 2: Test Statistics for Attitude

Test Statistics ^a					
	Q13 - Q4	Q14 - Q5	Q15 - Q6		
Z	731b	- 2.098c	- 2.828b		
Asymp. Sig. (2 - tailed)	.465	.036	.005		

Subjective Norm

Hypothesis has been tested by comparing the variable Q7 in relation to Q16. Similarly Q8 to Q17, and Q9 to Q18. In Table 3 and Table 4 results are summarised. In the result Q1 had a mean of 3.23 which increased to 3.07 in Q16 with the p - value of 0.091. Since p value is more than 0.05 thus statistically insignificant. Similarly In case of regular Q8 had a mean of 2.46 which increased to 2.92 in Q17, with p value of 0.000 which is significant. Again in case of regular Q9 had a mean 3.30 which decreased to 3.23 with p value of 0.346 which is insignificant.

Table 3: Descriptive statistics for Subjective Norm

Descriptive Statistics					
	N	Mean	Std. Deviation	Minimum	Maximum
Q7 Regular	104	3.2308	.69994	2.00	4.00
Q16 Influencer	104	3.0769	.83250	2.00	4.00
Q8 Regular	104	2.4615	.63740	2.00	4.00
Q17 Influencer	104	2.9231	.92108	2.00	5.00
Q9 Regular	104	3.3077	.82529	2.00	5.00
Q18 Influencer	104	3.2308	.89476	2.00	5.00

Table 4: Test Statistics for Subjective Norm

Test Statistics ^a				
	Q16 - Q7	Q17 - Q8	Q18 - Q9	
Z	- 1.690b	- 6.928c	943b	
Asymp. Sig. (2 - tailed)	.091	.000	.346	

Direct Effect

Hypothesis has been tested by comparing the variable Q1 in relation to Q10. Similarly Q2 to Q11, and Q3 to Q12. In Table 5 and Table 6 results are summarised. In the result Q1 had a mean of 3.61 which increased to 3.92 in Q10 with the p - value of 0.006. Since p value is more than 0.05 thus statistically insignificant. Similarly In case of regular Q2, and Q3 had the values

3.46 and 3.38 where the corresponding items Q11 and Q12 increased to 4.07 and 3.76. The p - values were significant with the p - value 0.001.

Table 5: Descriptive statistics for direct effect

Descriptive Statistics					
	N	Mean	Standard Deviation	Min	Max
Q1: Regular	104	3.6154	.83965	2.00	5.00
Q10: Influencer	104	3.9231	.61836	3.00	5.00
Q2: Regular	104	3.4615	1.08765	1.00	5.00
Q11: Influencer	104	4.0769	.61836	3.00	5.00
Q3: Regular	104	3.3846	.92755	2.00	5.00
Q12: Influencer	104	3.7692	.80328	3.00	5.00

 Table 6: Test Statistics for direct effect

Test Statistics ^a					
	Q10 - Q1	Q11 - Q2	Q12 - Q3		
Z	- 2.774b	- 5.421b	- 4.029b		
Asymp. Sig. (2 - tailed)	.006	.000	.000		

We find that, when influencer marketing communication go through Attitude and Subjective Norm the result is insignificant. But in case of direct effect we found an increase in the means after treatment. Since two among three items in direct effect is significant. Hence, we reject null hypothesis and accept alternative hypothesis i. e. there is a difference between influencer marketing and regular online advertising on purchase intention of consumers. As this study is conducted on durable good viz. Smartphone. Therefore, this result is different from the similar study conducted on non - durable goods.

5. Conclusion and Suggestion

Among video advertisement, influencer marketing communication has a unique place. The paper assess difference between influencer marketing communication and regular online advertising on purchase intention of consumers by using TRA model for durable goods. The

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author a paired difference test conducted of repeated measurements by using wilcoxon signed rank test on a single sample. Sample collected through survey questionnaire distributed online in order to reach them in a natural environment

Business Organisation invest lots of money on advertisement. A large portion of investment would spoil if the choice of ad is improper or irrelevant to the product advertised. In this study we found that influencer marketing communication is a good choice when product is of durable in nature. However in case of nondurable product influencer marketing communication is not a good choice.

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