Role of Social Media Influencers on Customer Engagement and Brand Perception: A Critical Appraisal through Literature Review

*1Dr. Pawan Kumar, Associate Professor, Mittal School of Business, LPU
*First and Corresponding Author
2Rahul Jaitley, Research Scholar, Mittal School of Business, LPU

Abstract

The availability and widespread use of social media has made it the preferred medium for companies wanting to spread product information, create public opinion and gain followers. To this end, social media influencers act as a dynamic third-party endorser to spread a brand’s message to vast audience across the world. Consumers who exhibit a positive attitude towards the social media credibility are attracted through social media advertisements. The present study examines the perceptions of agencies for opting social media influencers and their role in customer engagement and brand awareness. For this purpose, the study also assesses different methods adopted by these influencers for influencing customers using a systematic review. Findings of the study indicate customer’s perception and attitude are much influenced via these influencers since they are more capable of communicating to a niche segment. As compared to traditional advertising strategies, this new technological means of influencers paves way to new competitive strength to the agencies in engaging customers and creating brand awareness.

Keywords: Social Media Influencers, Customer Engagement, Brand Perception, Advertising Strategies, Social Media Advertising

Introduction

Technology has opened new doors for digital communication and has also paved the path for companies to connect with consumers. Historically, different companies have been using celebrities for building their brand perception. This is done with help of athletes or other icons promoting products and services for the firm. With the rise of social media, consumers also made the shift to social media for integrated marketing experience. Social network sites apart from providing a communication platform for the companies also enhance visibility for the brand (Tegler, 2009). Further the digital influence brought the advent of social media influencers, i.e. people who can convey social proof and agencies that strategize and create a launch for successful influencer marketing campaigns for the companies. Agencies are marketing partners for firm design integrated channel for end-to-end customer experiences (Bennin & Kappor, 2017)Solis, (2017) in a study explains the growth of social media influencers as a psychological phenomenon, in which an individual assumes the actions of influencers to reflect correct behavior for a given situation or a brand.

Social media influencers are thus seen as sources by brands as an individual who has a loyal and sizeable network of people. Influencers engage with them using various social networking tools such as Facebook, Twitter, and
Instagram and are able to make recommendations on behalf of the brands as third parties to build trust towards the brand. The loyalty of the audience is what provides the influencers with the ability to drive traffic to a company’s website and increase its social media exposure to create the brand’s perception. In a report published by Gallagher (2018), brand engagement as a result of social media influencers has increased from 81% in 2017 to 90% in 2018. Further, company spending on social media influencers is poised to grow at a Compound Annual Growth Rate (CAGR) of 38% amounting to more than USD 7.5 billion by 2022.

**Reasons behind the rising popularity of social media influencers**

Among the reasons behind the rising popularity of social media are the influencers due to their ability to market the products through integrated efforts of lifestyle and public relations initiatives. This initiative has removal of communication barrier between the brand, the consumer, and followers of the influencer through social media. Before the rise of social media, customers’ method of communication was one-sided through television commercials, billboards, print advertisements, and radio ads. However, through social media, consumers can easily interact with the brand and influencers encourage their followers to be active consumer and not just passively watch the advertisement, but actively display social media engagement to drive new content. Influencers use the products and ensure that the consumers are making an informed decision when making a particular brand purchase (Glucksman, 2017).

Further, Solis, (2016), highlights that rising popularity of the social media influencer comes from the consumers and the power they give to their influencers. That is the extent to which they are predisposed by their influencers’ opinion about the brands. Abidin & Ots, (2015) further argues the popularity of social media influencers is based on intimacy and trust between them and their followers. Influencers share their personal opinions making the products or services trustworthy and more relatable than brand ambassadors’ one-way communication, contributing to the growth of the influencers. Furthermore, social media influencers’ popularity rose as a result of topical search options that the consumers have. With the influencers, consumers can choose appropriate information according to their priority and even decide the flow of information they need. Lee & Ma (2012), suggest that consumer’s information-seeking behavior significantly affect their intention to share information and the direct user approach opened by social media influencers make them more relevant to the consumers than other mediums of communication.

The present study examines the perceptions of agencies for opting social media influencers and their role in customer engagement and brand awareness. Also, the study assesses different methods adopted by these influencers for influencing customers.

**Literature review**

Chinakidzwa, Zimucha, & Chifamba (2016), in a study, suggested brand preference is a potential that forms the basis for competitive advantage and getting brand engagement right is imperative to the process of getting social media working for the company. The author also highlights that companies that are looking to become market winner use customer engagement via social media influencers to provide them with a more rich feedback tool than traditional media. Additionally, Glucksman (2017) highlighted that influencers can benefit the overall image of the brand. While the influencers help in building direct relationships, social media engagement with a brand’s key consumers encourages brand loyalty. In this study, the author highlight that a brand has little control over
conversations that takes place online. Whereas, influencer act as a direct voice that customers and brands can trust to build a two-way conversation. Influencers on Instagram use quick and easy authentic content to streamline brand conversation by method of tagging, which ensures interested consumers go directly to the brand and engagement among the customer are higher (Nandagiri & Philip, 2018). While on YouTube influencers’ through shared videos develop customer engagement by methods of advice and how-to videos. Viewers value influencer opinions and then get engaged by watching these videos (Xiao, Wang, & Chan-Olmsted, 2018).

Further, Enginkaya & Yılmaz (2014), are suggestive that influencers have the capacity to bring together people who share the same interests, lifestyles opinions, and activities. Influencers act as active respondent developing a voice for the brand on social media. This enables brands to keep in touch with target customer pool and also reach them at correct time and place. Authors in the study also highlight that, social media influencers cater to motivational needs of consumers of joining a brand community for self-related social motivation (Kunz, Hackworth, Osborne, & High, 2011). Additionally, Jaakonmäki, Müller, & vom Brocke, (2017) highlight that a company has to choose the right influencer, who is able to affect the level of user engagement. There are creator related factors such as usage of content and context, number of followers, creator’s age, and gender that are imperative to the role of an influencer in driving user engagement. Also, influencers can increase user engagement through content-creation strategies on social media. Such that influencers using pictures of people, emojis, and sceneries increase consumer engagement through positive emotions of relief, joy, and love. However, timing of such posts is also of essence here, if every brand posts pictures with positive emotions on Fridays at 8:00 p.m in evening, it would set off a fatigue effect in users. Social influencers place in augmenting customer perception becomes the key here. They understand the predictors of engagement for different customers and even use varied context in brands, products, or industries to reach consumers at minimal costs and monitor their development in near real-time (Daniel, Crawford Jackson, & Westerman, 2018; Maslowska, Malthouse, & Collinger, 2016).

Impact of social media influencers on brand perception
Booth & Matic (2011) is suggestive of impact of social media influencers on brand perception. Authentic relationship between the influencer and his followers allows them to utilize marketing, public relations, advertising, and social media consistently and in balance to reinforce a brand to create a particular perception. Authors are suggestive that influencers through engaging conversations are capable of diagnosing expectations, bringing clarity to the dialogue and thereby alter brand perception in consumers. Conversely, De Veirman, Cauberghe, and Hudders, (2017) in a study are suggestive that influencers who have a large number of followers diverge the positive effect of perceived uniqueness of the product the minds of the consumer. To build brand perception, size of the audience reach of an influencer is a secondary criterion. This, in turn, decreases customer perception of exclusivity or perceived uniqueness towards the brand. Thus instead of focusing on influencer’s number of followers authors are suggestive that influencers’ audience reach in terms of activities and interests and activities is more important to take into account to create positive brand perception.

Also, the impact of negative reviews by influencers on social media has a damaging effect on brand perception. On the other hand, if an influencer highlights the positive side of a brand, the perception of service quality from the company goes up, thereby, creating a positive impact on customer loyalty and repurchases intentions. Social media influencers further have the ability to mediate customer attitude. They use tools of social media posts, pictures, and videos to develop a positive association with the brand. These tools attract customer and shape their
Buying decisions (Chatzigergiou, 2017). Additionally, Lou & Yuan, (2018) highlights in a study that impact of social media influencers on brand perception are created through perceived value of information by the users and entertainment value of generated content by influencers. Influencer’s impacts on brand perception are capable of generating credibility through unique content. This credibility is derived from four dimensions of peer endorsement including trustworthiness, expertise, perceived likeness, and attractiveness.

These findings are in line with another study conducted by Lim, Mohd Radzol, Cheah, and Wong, (2017). Where, the authors reveal that influencers who lack expertise to advocate a particular product, impair brand perception for the consumers, which then translates into negative purchase intentions. Findings in the study further highlight that impact of social media influencers on brand perception includes their power to stimulate positive attitude and brand perception. Also, a high positive impact customer’s brand perception and purchase intention can be brought by the firms by using congruency between the image of social media influencer and their brand. That is, brand perception in customers is more impacted by influencers they admire or with whom they perceived resemblance.

Further, Jin, Muqaddam, and Ryu, (2019) suggest that impact of influencers on brand perception are brought through building of brand image beliefs and culture association. Authors highlight that in transfer model of information between consumers and a brand, symbolic value of the influencer creates credibility. Influencers positively impact product placement that in turn influences consumer’s buying behavior as well as referral buying (Cooley & Parks-Yancy, 2019).

**Strategies used by social media influencers to increase customer engagement and brand perception**

Among various strategies used by social media influencers, De Veirman & Hudders, (2019) highlights the process of material connection to between brand and the messages. This can be created by using e-word of mouth on social media. Through social media, influencers, recommend brands through their social media profiles. This helps shape opinions of the followers and create a particular perception for the brand. The authors also highlight the strategy of using sponsored posts by the firms to build consumer engagement and positively influence brand perception. Sponsored posts are a form of advertisement that is paid for and is dedicated a specific form in editorial content with an appearance from the influencer. On social media platforms such as Instagram, influencers use the strategy of not displaying their commercial relationship with brands they are sponsoring. This helps the user associated with an influencer to reduce resistance on part of the consumers and influencers create increase persuasion translating to customer engagement and brand perception (Wojdynski & Evans, 2016).

Additionally, Childers, Lemon, & Hoy, (2018) highlight that influencers use the strategy of amplifying their brand message using social media. They use natural content to heighten authenticity of content created. This unlike traditional advertising creates a snowball effect. The effect is explained by an influencer, who can get the ball rolling in terms of enhancing message reach to members of social media at large. Influencers use engaged audience, to create and circulate post advertising the product. Consumer engagement and brand perception can further be enhanced by an influencer as they have captivated followers and extended reach. The follower base views their influencer as someone who has specialized knowledge of a product, and someone they already trust and follow. Since the consumer has made a conscious decision to follow the influencer, to drive customer engagement and develop brand perception, the influencer strategizes to highlight the use of products or services in real time. The strategy to build consumer engagement is to keep the message authentic and build brand perception with their credibility.
Further, (Evans, Phua, Lim, & Jun, 2017) suggested persuasion knowledge strategy that influencers use to create customer engagement and brand perception. Authors highlight that influencers spend time with the followers are aware of various persuasive messages they can use to develop an awareness and understanding of the product. Persuasion knowledge is awareness and familiarity that allows influencer to select and execute tactics of coping used by consumer in the buying process. Authors highlight that influencers’ usage strategies such as heightened skepticism, counter-argument, and resistance communication have a negative effect on consumer engagement. These negative communication techniques adversely impact the behavioral intent of consumers also leading to a detrimental effect on brand perception the influencer markets.

Additionally, Ge and Gretzel (2018) indicate that influencers have the capability to use rhetoric to effectively create and translate marketing messages of the firm and broadcast it to required audience. They successfully use speech making power and proficient social media language skills to assert and persuade their followers and positively impact consumer engagement as well as brand perception. The rhetoric strategy works for influencers as it allows not only for them to understand needs and wants of consumers, but also resonate with customers by speaking their language. These languages include the use of emojis, animated stickers, emoticons, and graphics interchange format (GIF), among others.

**Measurement mechanisms for evaluating impact of social media influencers**

Directed links or number of followers for influencers on social media could represent intimate friendships or even shared common interests between influencers and their followers. However, what is required to measure the impact of social media influencers. Li & Gillet, (2013) highlight that there are some seed user attributes that can be used to measure impact of influencers. These include a number of followers, friends, tweets, and date of joining. As well as past influence of seed users that is average, minimum, and maximum of total and local impact of influencers. Cha, Hamed, Fabricio, Gummadi, and Krishna, (2010) in a study suggests that for social media platforms such as Twitter, there are three measures for evaluating their impact. These include the parameters of, mentions or name value of a user, indegree or popularity of influencer, and retweets based on the content value of tweets. A high indegree between users and influencers do not necessarily convert into mentions or retweets. Indegree requires more than spontaneity or accident, influencers rather have to develop concerted efforts to enhance their impact. Also, Reilly, Salinas, & De Leon, (2014) add to the findings, highlighting that influencers are more probable to create higher influence on their followers if they have a high ratio of forwarded messages to the total number of messages posted.

Additionally, Segev, Avigdor, & Avigdor, (2018) suggested that visual content sharing online social network such as Instagram, influence ranking can be measured by an algorithm that is based on intuitive score resultant of network-oblivious statistics. These include regression analysis based on views by followers, views per follower, and views per like. Authors in the study highlight that customer engagement is measured in terms of comments per like and test variance focus that is the ratio and difference between most and least engaging posts of the influencer. Conversely, Li & Gillet (2013) highlight that measures of influence on academic social media platforms are different than those of social media. On academic platforms, impact of influencer is measured in terms of total number of readers, maximum number of readers per paper, and R-Index. It measures a number of published papers that has an equal number of readers to shed a light on both productivity and impact of a scholar. While, on social
media, Anger & Kittl (2011) point at Klout measure to identify the impact of influencers. It measures the online influence of a user based on 1 to 100 scale. Klout analyses are based on more than 25 variables, those based on complex algorithm are used to calculate influencers’ impact and their ability to drive customers to action. The author also highlights the tool of Twitter Grader that scores influencers out of 100 and is based on an algorithm designed to consider factors of followers, update recency, engagement in mention and retweet ratio and follower/following ratio.

Other measures of gauging impact of influencers include their message propagation speed, coverage of a marketing message, lead management, and rate of dynamic diffusion. Dynamic diffusion assesses the impact of each influencer on the growth of a particular conversation within a stipulated time frame (US8312056B1, 2011). Furthermore, Tang & Yang, (2012) suggests the impact measure based on replying relationship of the influencer in form of forum threads that each influencer is able to generate. The next step is to measure response immediacy with which the information is posted, with similar content the influencer is considered more impactful. The authors also suggest the weighted in-degree measure of influencer’s impact. In this method, each head of the node is assigned a weight based on degree to which the influencers impact the decision of their followers and influencers score is the sum of weights of all in-link edges of the network.

Conclusion

With the new technology opening new avenues for digital communication, social media influencers are now a significant voice for the brands. They connect the consumers to their audience and form brand perception. With the rise of social media, influencers are a part of integrated marketing experience using the sites as a communication platform to build visibility for the brand profiles. Impact of the social influencers has increased due to their intimacy with their followers and trust between them. The rise in influencers can also be added to the guided topic search option provided by them. Consumers can choose needful information based on their priority making the flow of information need-based and relatable. Conclusively, the study will highlight the impact of consumer engagement and brand perception as a result of influencer engaging with them on social media.

The literature review in the study highlight that consumer engagement is driven by commitments that allow users to get impacted by influencers. The factors affecting consumer engagement include the scope of connections allowed by social media as both open and cost-effective option for sharing ideas and influence consumers more easily. Further, with social media overcoming physical proximity influencers positively impact the scope of dialogue between the firms and their customers. The impact of social media influencer on customer engagement includes coaching the users and elaborating the use of product.

Additionally, influencers impact brand perception with enhanced customer-brand interactions impacting the bottom line profits for the brands in a positive way. With the ubiquitous presence of social media, influencers spread positive word of mouth for the brands and prevent the companies from facing information overload.

Empirical analysis of the studies conducted in the past has also been highlighted to suggest the relationship between impact of influencers on consumer engagement and brand perception, further to develop a conceptual framework for the study. The framework highlight a causal-chain framework developed using the antecedents - influencer–personal outcome-and organization outcome model. Through critical analysis of previous studies highlight the impact of social media influencers on customer engagement and brand perception. By analyzing 22 studies that meet inclusion criteria of original studies, research, survey, review, and systematic review, findings of
the study highlight impact of social media influencers on customer engagement. These include a source of rich feedback medium, two-way conversation tool, and engagement of customers through video tools among others. Additionally, impact of influencer on brand perception includes their ability to diagnose user expectation and alter customer perception through dialogue. By enhancing brand perception for a firm, social media influencers impact customer loyalty and repurchase intentions.

Additionally, the critical analysis also points the strategies used by social media influencers, including the practices of e-Word of mouth, sponsored posts, real-time messaging, and snowballing effects. These enable the influencers to keep the message authentic and build brand perception with their credibility among followers.

Finally, critical analysis highlights some measurement mechanism to calculate the impact that influencers have. These include the parameters of mentions, indegree, and repostings. Analysis also revealed measurement ratios such as ratio of forwarded messages to the total number of messages posted, ratio and difference between most and least engaging posts of the influencer, and retweet ratio, and follower/following ratio. There are also other dedicated indicators that can point a firm towards impact of influencers including Klout measure, Twitter Grader, and Weight-in degree. The proceeding study will further analyze the model based on responses gathered from one to one interview of 15 agency representatives and 15 influencers as well. Conclusively, the study will attempt to highlight why agencies opt for social media influencers and how they help to drive brand perception and customer engagement.

Reference


Kumar, V., Aksoy, L., Donkers, B., Venkatesan, R., Wiesel, T., & Tillmanns, S. (2010). Undervalued or


Trusov, M., Bucklin, R. E., Pauwels, K., Trusov, M., Bucklin, R. E., Pauwels, K., & Smith, R. H. (2009). Effects Traditional an of Word-of-Mouth Versus Findings from Site Marketing: Internet Social. *Journal of Marketing*. https://doi.org/10.1509/jmkg.73.5.90


Van Gelder, S. (2005). The Brand Domain. In *Global brand strategy: unlocking branding potential across countries, cultures & markets* (p. 260). Kogan Page Ltd. Retrieved from https://books.google.co.in/books?id=fK9BvGXgGiEC&dq="the+total+impression+that+consumers+have+of+a+brand,+based+on+their+exposure+to+the+brand.+This+consists+of+both+the+image+that+consumers+e
orm+of+the+brand+and+their+experience+with+the+brand

