

EFFECTIVENESS OF INFLUENCER MARKETING IN BUILDING RELATIONSHIPS

ABSTRACT

In the contemporary world, social media platforms are well-known to everyone, regardless of their educational background, age, or profession; almost everyone owns a smartphone. As humans, we often find ourselves influenced by those we admire. Every facet of their lives, including their fashion choices, eating habits, activities, and more, impacts the behaviour of others. As a result, companies are adopting influencer marketing as a contemporary method of advertising to reach a broader audience for their products and services. To enhance product sales or brand visibility, businesses are engaging with these influencers or bloggers to persuade their followers, compensating them for their influence. Influencer marketing can be categorized into various types, which include celebrities, mega influencers, macro influencers, micro-influencers, and nano-influencers. This paper intends to investigate how businesses leverage influencer marketing as a promotional strategy.

Keywords: social media platforms, influencer marketing, advertising, mega influencers, macro influencers, micro-influencers, nano-influencers

Introduction

The rise of the internet has changed the world dramatically. In the field of marketing, reaching out to existing and potential customers has become significantly easier thanks to the

33 internet. Various platforms allow for interaction between businesses and consumers,
34 including social networking sites such as Facebook, Twitter, Instagram, and YouTube,
35 among others. Online connectivity offers more direct engagement opportunities with
36 competitors, partners, decision-makers, and others. These social media platforms have
37 opened new marketing channels for businesses, allowing them to increase brand visibility and
38 advertise their products using tools like influencer marketing. An influencer is someone who
39 can attract a large following on a platform like Instagram, and today, many companies are
40 leveraging these individuals as marketing assets to connect effectively with their target
41 audience. These influencers, also known as third-party endorsers or social media influencers,
42 play an essential role in marketing. Influencer marketing can be divided into two categories:
43 earned and paid. Earned influencer marketing generally uses established or unpaid
44 relationships with influencers to enhance a company's brand visibility while also promoting
45 the influencers' career development. Conversely, paid influencer marketing involves a
46 business partnership with influencers. Sponsorship, often referred to as ambassadorship,
47 happens when a company hires a person who is respected by consumers and designates them
48 as the brand ambassador. Influencer marketing has evolved beyond conventional marketing
49 strategies such as print ads, celebrity endorsements, and digital marketing.

50 **Review of Literature**

51 **Severina Cartwright, Hongfei Liu, Iain A. Davies [1]** – This study investigates the role of
52 influencer marketing within B2B organizations. To achieve this, the researcher performed
53 twenty-two detailed semi-structured interviews with senior marketing professionals from
54 various sectors. The study aimed to explore the increasing significance of influencer
55 marketing in the B2B landscape, identify the key characteristics of influencers in B2B
56 markets, and uncover the challenges that B2B marketers encounter when applying this
57 communication strategy. Data was gathered using a theoretical sampling method. The study
58 concluded by informing managers about the role of influencer marketing in nurturing and
59 maintaining relationships beyond the immediate customer base. Additionally, B2B
60 organizations should integrate their influencer marketing strategies with other marketing
61 efforts and the overall organizational culture to effectively meet the marketing objectives of
62 the organization.

63 **Preeti Sharma, Lalita Khanchandani [2]** – This article discusses the swift increase in the
64 use of social media platforms and the rising marketing investments in digital and social
65 media, prompting companies to embrace creative advertising strategies, particularly
66 influencer marketing. The aim of this paper is to examine how brands leverage influencer
67 marketing as a promotional mechanism. The information was gathered through exploratory
68 research. The study's conclusion emphasized that choosing the right influencer to convey the
69 brand message is critically important.

70 **Ifeyanyi Okonkwo, Emmanuel Namkoisse [3]** – This research investigate the evolution of
71 influencer marketing, addressing its ethical implications, the creation of effective campaigns,
72 strategies for risk management, and anticipated future trends, highlighting its importance in
73 the digital era. Secondary data was utilized to forecast the future landscape of collaborations

74 between influencers and brands. The researcher also aimed to describe different types of
75 influencers, such as celebrities, micro-influencers, and nano-influencers. The study outlined
76 that future trends are likely to feature virtual influencers and campaigns driven by artificial
77 intelligence, as influencer marketing progresses towards authenticity and enduring
78 partnerships.

79 **José M. Álvarez-Monzoncillo [4]** – This study examined influencer marketing through a
80 multi-disciplinary and complementary lens, utilizing both structured and unstructured data
81 with techniques that involved manual coding, statistical and computational methods,
82 alongside sociological perspectives like Social Network Analysis (SNA). The research paper
83 concluded with recommendations on implementing digital methods and highlighted some of
84 the prospective advantages of doing so.

85 **Ann-Sofie Gustavsson, Arij Suleman Nasir Sarvinoz Ishonova [5]** – The research
86 investigates the strategies employed by Swedish SMEs in their efforts to build relationships
87 with influencers. The findings indicated that various factors, including brand values, the
88 duration of the collaboration, the nature of the product, both paid and earned collaboration
89 types, and the nature of the relationships, played a significant role in the relationship-building
90 practices of Swedish SMEs.

91 **Johan Grafström, Linnéa Jakobsson, Philip Wiede [6]** – The research examines the
92 factors that influence Swedish Millennials' perceptions of influencer marketing on platforms
93 like Instagram and blogs. The findings reveal various factors, including the coherence of
94 promotions delivered by an influencer, the level of credibility and trustworthiness of the
95 content, as well as changes in an influencer's style that impact the attitudes of Swedish
96 millennial towards influencer marketing.

97 **Ida Martikainen, Anttonina Pitkänen [7]** – This research aims to explore and understand
98 how consumers perceive authenticity in influencer marketing, particularly concerning
99 Instagram posts. The investigation relied on qualitative exploratory research, which involved
100 interviewing influencers. The findings of the study indicated that consumers' perceived
101 authenticity is significantly associated with higher engagement in influencer marketing on
102 Instagram.

103 **Iman Veissi [8]** – This study starts by exploring influencer marketing on a specific social
104 media platform. The researcher collected secondary data through a quantitative survey
105 conducted by Annalect and M3 research. Influencer marketing is characterized by the
106 researcher as a concept that generates mixed emotions among the audience (users). Instagram
107 has progressed from being solely a photo-sharing platform to one that serves multiple
108 purposes and carries various implications; yet sharing continues to be a fundamental aspect.
109 In terms of buying choices, posts from Instagram influencers are regarded as more
110 trustworthy than conventional advertisements, even though audiences may question the
111 sincerity of an influencer's endorsement of products they do not truly use or believe in.

112 **Kousik Boro , Rajesh Deb Barman [9]** – The study examines influencer campaigns across
113 various platforms, assessing their advantages, disadvantages, and overall success. Beginning

114 with Facebook, influencers leverage its extensive audience and targeted advertising
115 capabilities. This research relied on secondary data, concluding that effective influencer
116 marketing requires a deep understanding of each platform and the behaviours of its users.

117 **Ritesh Shrikant Sule, Shraddha Wani [10]** – This study examines the evolution of
118 influencer marketing, tracing its origins from early 20th-century celebrity endorsements to its
119 current importance on platforms like Instagram, TikTok, and YouTube. It delves into the
120 roles of social media algorithms, detailing how data gathering, content evaluation, and user
121 interaction affect content exposure. Furthermore, it investigates the challenges of addressing
122 negative comments. The researcher has collected data through primary sources by employing
123 the functionalities of social media algorithms. The research concludes that influencer
124 marketing will remain a vital element of digital marketing, driven by innovation and shifting
125 consumer expectations.

126 **Research Gap**

127 The literature review indicates that the effects of influencer marketing on consumers
128 have been thoroughly studied in organisations. Nonetheless, there is insufficient research
129 evidence regarding the influence of influencer marketing on customer relationship building in
130 India. Therefore, it is perceived that a research gap exists in this area, and the current study
131 aims to address this gap.

132 **Significance of The Study**

133 Influencer marketing has emerged as a crucial factor in building customer
134 relationships within the Indian business environment. Additionally, numerous businesses
135 encounter difficulties in meeting their objectives promptly due to insufficient knowledge of
136 influencer marketing methods, leading to customer dissatisfaction with their products and
137 services. Moreover, only a small fraction of companies in India are implementing influencer
138 marketing tactics. Therefore, it is vital to examine and understand influencer marketing to
139 effectively nurture relationships. As a result, this research aims to identify the influencer
140 marketing strategies that are vital for improving business performance and attracting a larger
141 pool of potential customers.

142 **Objectives of the Study**

- 143 ➤ To study the influencer marketing role in the effectiveness of building relationship
144 with customers.
- 145 ➤ To analyse and find out the different strategies using by businesses for increasing
146 their profit: and growth.

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148 **Methodology**

149 This study uses secondary data. to understand consumer behaviour, it analyses
 150 influencer marketing strategies, and for this purpose, information has been collected from
 151 published research journals, books, websites, and newspaper sources.

152 **Major areas where influencer marketing is being used in India**

153 In India, influencer marketing primarily thrives in the fashion, beauty, and lifestyle
 154 sectors due to high levels of engagement and the abundance of content on social media, with
 155 brands utilizing influencers to expand their reach and boost sales in these categories; other
 156 notable areas include food, fitness, travel, and technology, where influencers can present
 157 products and experiences to pertinent communities. Important aspects of influencer
 158 marketing in India include: fashion, beauty, and lifestyle being the leading sectors for
 159 influencer activity, and various social media platforms such as YouTube, TikTok, Twitter,
 160 Facebook, and Instagram being used for marketing purposes, with Instagram emerging as the
 161 most favoured platform for influencer marketing. Micro-influencers and nano-influencers are
 162 becoming increasingly popular because of their strong engagement rates and perceived
 163 authenticity. In addition to traditional sponsored posts, brands are adopting more interactive
 164 and immersive forms of content, such as unboxing videos, live streams, and product reviews,
 165 to engage their audiences more effectively.

166 **List of Top Influencers in India (2024)**

Name	Category	Instagram	You Tube
Sarah Hussain	Food	547 K	151 K
Amar Sirohi	Food	1.4 M	3.7 M
Neha Shah	Food	357.5 K	36.5 K
Abinas Nayak	Food	179 K	414 K
Kunal Kapoor	Food	1.7 M	4.9 M
Kirti Bhoutika	Food	276 K	55.5 K
Ranveer Brar	Food	1.9 M	5.4 M
Kabita Singh	Food	1 M	12.6 M
Meghana	Food	1.7 M	4.2 M
Shivesh Bhatia	Food	875 K	687 K
Santoshi Shetty	Fashion/Lifestyle	751.6 K	34 K
Karron Dhingra	Fashion/lifestyle	678 K	4.1 M
Ayush Mehra	Fashion/lifestyle	1.2 M	118 K
Siddharth Batra	Fashion/lifestyle	256 K	139 K
Sakshi Sindwani	Fashion/lifestyle	518 K	94.7 K
Kritika Khurana	Fashion/Beauty	1.7 M	760 K
Aashna Shroff	Fashion/lifestyle	967 K	185 K
Komal Pamdey	Fashion/lifestyle	1.8 M	1.3 M
Sejal Kumar	Fashion/lifestyle	837 K	823 K
Masoom Minawala	Fashion/lifestyle	1.3 M	55.2 K
Soumya Gupta	Beauty	871 K	478 K
Juhi Godambe	Beauty	523 K	54.6 K
Malvika Sitlani	Beauty	567 K	758 K
Mrunal Panchal	Beauty	4.2 M	781 K
Shreya Jain	Beauty	458 K	748 K

Swati Verma	Beauty	1.4 M	30 K
Debasree Banerjee	Beauty	305 K	265 K
Shriti Arjun Anand	Beauty	567.7	9.9 M

167 **Sources:** <https://www.influencer.in/top-creator-in-india/food-influencers/>,
168 <https://buzzfame.in/fashion-lifestyle-influencers-india/> , <https://www.influencer.in/top-creator-in-india/fashionlifestyle-influencers/>

170 **Role of Influencers**

171 Influencers play a crucial role in marketing as they leverage their established follower
172 base and credibility to promote brands and products, cultivating a sense of authenticity and
173 trust among consumers, which enhances brand visibility and engagement, ultimately driving
174 sales by connecting with targeted audiences through their social media platforms and content
175 creation. The advantages include increased brand visibility, improved credibility and
176 authenticity, better audience interaction, and more.

177 **Food influencers:** Food influencers: Studies show that psychological factors
178 significantly affect food selections, relating to both short-term and long-term emotional
179 conditions. It is widely recognized that certain nutrients can influence the biological
180 mechanisms that govern thoughts, feelings, and actions. Food influencers support brands in
181 multiple ways, such as reaching particular demographic groups, boosting credibility, shaping
182 consumer actions, and creating enthusiasm.

183 **Fashion influencers:** They play a key role in marketing by endorsing brands,
184 establishing fashion trends, and influencing consumer purchases. Fashion influencers add
185 value to brands in several important areas such as boosting brand visibility, creating trends,
186 swaying buying decisions, launching new products, providing styling advice, and forming
187 exclusive partnerships.

188 **Beauty influencers:** They are pivotal in marketing as they act as trusted authorities
189 and trendsetters, promoting beauty products to a broad audience through authentic reviews,
190 tutorials, and recommendations, which significantly shape consumer behaviour and influence
191 beauty trends, often increasing sales for brands by building trust and credibility with their
192 followers. Key elements of a beauty influencer's marketing function include showcasing
193 products, setting trends, authenticity and trust, engaging with audiences and expanding reach,
194 raising brand awareness and consideration, and educating consumers.

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200 **Conclusion**

201 The research offers an in-depth insight into influencer marketing. In general, the
202 findings indicate that influencer marketing plays a crucial role in fostering connections with
203 customers. The research underscores the necessity of focusing on relationship-building with
204 customers through influencer marketing tactics. Achieving this could involve on-going
205 research and development initiatives and addressing customer feedback and
206 recommendations. Additionally, data can be gathered through surveys conducted on social
207 media platforms.

208 **Limitations of the study**

209 The research did not include other areas of influencer marketing like education and
210 health, so the findings of this study should be interpreted specifically within the realms of
211 beauty, lifestyle, and fashion. This study is based entirely on secondary data. Information was
212 collected from multiple sources, including research papers, websites, journals, and
213 magazines. There is a lack of available data on this topic.

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