

THE STUDY ON THE IMPACT OF INFLUENCER MARKETING ON BUILDING BRAND LOYALTY TOWARDS SMARTPHONES: COMPARISON BETWEEN GENERATION Z AND MILLENNIAL

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ABSTRACT

This study examines the impact of influencer marketing on brand loyalty towards smartphones, focusing on a comparison between Generation Z and Millennials. It explores how influencer motive, attitude towards influencers, and influencer credibility influence brand loyalty across these generational groups. The research conducted in the Mangaluru region with a sample of 253 respondents, random sampling and a descriptive design are used in the study.

The findings indicate that influencer credibility and authenticity are critical in shaping brand loyalty. Generation Z values lifestyle alignment and authenticity, while Millennials are influenced more by credibility and professional alignment. The study concludes that brands should customize their influencer marketing strategies: emphasizing credibility for Millennials and authenticity for Generation Z.

Keywords: Influencer Marketing, Brand Loyalty, Generation Z, Millennials, Influencer Motive, Attitude towards Influencers, Influencer Credibility.

1. INTRODUCTION

Influencer marketing has emerged as a powerful tool for brands, particularly in the smartphone industry, where consumer trust and engagement are crucial. Influencers, who range from mega to nano, vary in their reach and the depth of their audience connections, making them effective in shaping consumer opinions and purchasing decisions. Mega-influencers, often celebrities, have a broad reach but may lack personal connections with their audience, while micro and nano-influencers, with smaller yet highly engaged followings, offer authenticity and trustworthiness.

This marketing approach is especially effective among Generation Z and Millennials, who are significant consumer groups for smartphones. Generation Z, having grown up with technology, values content that is authentic, visually appealing, and aligns with their personal values. They are drawn to influencers who seem genuine and relatable, making influencer marketing an effective way to connect with this group. On the other hand, Millennials seek meaningful interactions and are influenced by brands that engage with them transparently and offer high-quality experiences. For them, influencer credibility and alignment with their values are key factors in driving brand loyalty.

By understanding and catering to the distinct preferences of these generational groups, brands can optimize their influencer marketing strategies, building stronger connections and fostering long-term loyalty.

2. LITERATURE REVIEW

2.1. Influencer Marketing and Brand Loyalty

(Gokerik, 2024) Explored the relationship between customer distrust and influencer marketing, focusing on how it affected brand loyalty and buying intentions. His findings indicated that sincere and reliable influencer content significantly lowered customer cynicism, enhancing brand loyalty and purchase intentions. The study underscored the significance of authenticity and trust in influencer marketing techniques and advocated for further inquiry into the enduring consequences and ethical ramifications of such initiatives.

2.2. Influencer Impact on Consumer Behaviour

(Javed, Rashidin, & Xiao, 2022) Investigated how users shared content and made decisions on Instagram under the influence of fashion influencers. This study looked at how digital influencers affected Pakistani consumers' behaviour using the Dual AISAS model, an improved version of the AISAS model. They found that influencers had a significant impact on consumers' attention, interest, search, action, and sharing stages, expanding the reach and engagement of information. The study emphasized the importance of influencer marketing in the fashion industry, especially in

Pakistan, and highlighted how important unique and captivating material was for influencing consumer behavior and expanding one's social media audience.

2.3. Influencer Characteristics and Effectiveness

(Es-Safi & Saglam, 2021) Analysed the relationships between social media influencer characteristics, brand equity, and purchase intention. After conducting a study with 213 respondents, mostly from Morocco and Turkey, they found significant benefits of influencer qualities, such as knowledge, honesty, and communication skills, on perceived quality, brand associations, brand awareness, brand loyalty, and purchase intention. The study highlighted the importance of influencer reputation, competence, and communication skills in influencing consumer perceptions and purchase behaviour, aiding marketers in making effective use of influencer marketing.

2.4. Social Media Platforms and Consumer Engagement

(Singha et al, 2020): explored the function of social media influencers (SMIs) in regulating business brand reputation amid crises. Their research, rooted in persuasive knowledge theory, identified the downsides of including influencers, such as apparent manipulative intent, which could decrease trust and damage brand reputation. However, they also found that these negative outcomes might be mitigated if the organization and influencer clarified values-driven reasons for their participation. The study demonstrated that while influencer engagement could engender suspicion, effective disclosure of genuine, values-based intentions could help retain brand credibility and boost corporate image throughout crises.

2.5. Sector-Specific Influencer Marketing Insights

(Vidani & Das, 2023) Explored the world of influencer marketing and its impact on millennial consumer behaviour, applying the idea of planned behaviour and social learning theory. Their qualitative research suggested that attitudes towards influencers and perceived behaviour control strongly impacted customer behaviour, but peer influence did not. Personal significance, motivation, and trust also favourably affected behaviour, whereas perceived danger did not. Product-influencer fitting emerged as a significant factor for customers, affecting brand recognition, knowledge, preference, and loyalty. The study underlined the necessity of selecting the correct influencers matched with the brand narrative to minimize impressions of inauthenticity. It revealed that micro-influencers and bloggers were favoured for certain product categories, underscoring the necessity for deliberate influencer selection to effectively interact with target audiences.

3. RESEARCH DESIGN

3.1 Objectives

- To examine how influencer marketing affects brand loyalty towards smartphones among Generation Z.
- To study how Millennials' brand loyalty to smartphones is impacted by influencer marketing.
- To compare how Generation Z and Millennials respond to influencer marketing in terms of brand loyalty.

3.2 Research Methodology

This study employed a quantitative research approach to evaluate the impact of influencer marketing on brand loyalty towards smartphones among Millennials and Generation Z in the Mangalore region. An online survey was distributed using a random sampling method, reaching a broad audience, and ultimately garnered responses from 253 participants. The survey focused on participants' attitudes towards influencers and their brand loyalty, with questions designed to capture numerical data for identifying trends and correlations. It was distributed via email and social media platforms to ensure wide participation and data accuracy, while maintaining respondent confidentiality. The study provided a comprehensive and objective analysis of how influencer marketing affects brand loyalty across these generational groups in Mangalore.

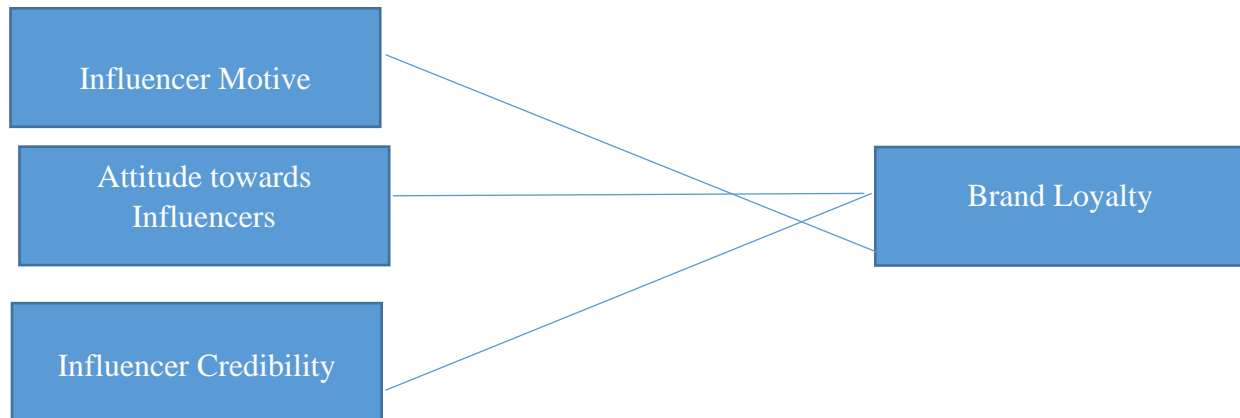
3.2.1 Variables:

Independent variables

Influencer Motive, Attitude towards Influencers, Influencer Credibility

Dependent Variable:

Brand Loyalty



3.2.2 Statistical Tool

Sl. No.	Objectives	Statistical tool
1.	To examine how influencer marketing affects brand loyalty towards smartphones among Generation Z.	Regression Analysis
2.	To study how Millennials' brand loyalty to smartphones is impacted by influencer marketing.	Regression Analysis
3	To compare how Generation Z and Millennials respond to influencer marketing in terms of brand loyalty.	ANOVA

3.2.3 HYPOTHESIS

H1: Influencer motive, Attitude towards influencers, Influencer credibility has a significant positive impact on brand loyalty towards smartphones among Generation Z.

H2: Influencer motive, Attitude towards influencers, Influencer credibility has a significant positive impact on brand loyalty towards smartphones among Millennials.

H3: There is a significant difference between Generation Z and Millennials in the impact of influencer credibility on brand loyalty towards smartphones.

4. DISCUSSION

4.1 Regression

H0: Influencer motive, Attitude towards influencers, Influencer credibility has no significant positive impact on brand loyalty towards smartphones among Generation Z.

H1: Influencer motive, Attitude towards influencers, Influencer credibility has a significant positive impact on brand loyalty towards smartphones among Generation Z.

The regression analysis evaluated the impact of Influencer Motive, Attitude towards Influencers, and Influencer Credibility on Brand Loyalty towards smartphones among Generation Z. The findings supported the alternative hypothesis, showing that all three factors significantly enhance Brand Loyalty. Specifically, Influencer Motive ($B = 0.242$, $p = 0.005$), Attitude towards Influencers ($B = 0.256$, $p = 0.004$), and Influencer Credibility ($B = 0.553$, $p < 0.001$) demonstrated statistically significant positive effects. These results highlight the importance of influencer marketing in building brand loyalty among Generation Z, suggesting that brands should focus on aligning influencer motives, fostering positive attitudes, and ensuring influencer credibility to effectively engage this demographic.

4.2 Regression

H0: Influencer motive, Attitude towards influencers, Influencer credibility has no significant positive impact on brand loyalty towards smartphones among Millennials.

H1: Influencer motive, Attitude towards influencers, Influencer credibility has a significant positive impact on brand loyalty towards smartphones among Millennials.

The regression analysis examined the impact of Influencer Motive, Attitude towards Influencers, and Influencer Credibility on Brand Loyalty towards smartphones among Millennials. The results showed that Influencer Motive ($B = 0.265$, $p = 0.040$) and Influencer Credibility ($B = 0.661$, $p < 0.001$) significantly and positively impact Brand Loyalty. However, Attitude towards Influencers ($B = 0.161$, $p = 0.265$) did not show a significant effect. These findings indicate that, for Millennials, the credibility of influencers and their motives are crucial in fostering brand loyalty, while their overall attitude towards influencers may not be as influential. Therefore, brands should prioritize aligning influencer motives with their marketing strategies and ensuring the credibility of the influencers they work with to effectively build loyalty among Millennials.

4.3 ANOVA

H0: There is no significant difference between Generation Z and Millennials in the impact of influencer credibility on brand loyalty towards smartphones.

H1: There is a significant difference between Generation Z and Millennials in the impact of influencer credibility on brand loyalty towards smartphones.

The ANOVA analysis assessed differences between Generation Z and Millennials regarding the impact of influencer marketing elements—Influencer Motive, Attitude towards Influencers, and Influencer Credibility—on brand loyalty towards smartphones. Significant differences were found across all factors. Specifically, there were substantial variations in Influencer Motive ($F = 70.293$, $p < 0.001$), Attitude towards Influencers ($F = 93.564$, $p < 0.001$), Influencer Credibility ($F = 96.244$, $p < 0.001$), and Brand Loyalty ($F = 60.989$, $p < 0.001$). Generation Z and Millennials perceive these factors differently: Generation Z prioritizes authenticity and relatability, while Millennials focus on expertise and social status. These differences underline the necessity for marketers to tailor their influencer strategies to resonate with each demographics' distinct preferences, enhancing engagement and fostering stronger brand loyalty.

5. FINDINGS

The study reveals that trustworthiness is crucial for both Generation Z and Millennials, though Millennials prioritize credibility and professional alignment, while Generation Z values authenticity and lifestyle resonance. Millennials exhibit higher brand loyalty toward smartphone brands compared to Generation Z, indicating the need for tailored influencer strategies. Instagram and YouTube are preferred platforms for influencer marketing, especially among Generation Z, who are highly engaged with visual and content-driven platforms. Active engagement with influencer content, such as sharing and commenting, significantly boosts brand loyalty, with varying motivations across generations. Additionally, transparency in paid promotions does not undermine the perceived honesty of influencers, as long as they maintain authenticity in their content.

6. CONCLUSION

In conclusion, influencer marketing has emerged as a highly effective strategy for building brand loyalty, with its impact varying across different demographic groups. The study highlights that credibility is a critical factor for both Generation Z and Millennials. Millennials demonstrate higher brand loyalty and place greater importance on the credibility and motives of influencers compared to Generation Z, who are more influenced by the authenticity and lifestyle alignment of influencers. This distinction underscores the need for tailored strategies to effectively engage each group. For Millennials, brands should prioritize collaborating with influencers who have a proven track record of credibility and align with their professional and personal values.

However, for Generation Z, the focus should be on authenticity and influencers who resonate with their lifestyle and interests. Additionally, the high engagement levels with influencer content indicate the importance of creating interactive and shareable content to drive consumer interactions. Brands should leverage these engagement patterns by incentivizing participation and developing content that resonates with the audience's preferences. Addressing the diverse educational and financial backgrounds of the target audience is also crucial. For highly educated consumers, detailed and informative content will be more effective, while showcasing a range of products catering to different budgets can appeal to a broader audience.

In conclusion, by aligning influencer marketing strategies with generational preferences, fostering genuine influencer relationships, and considering the diverse characteristics of the target audience, brands can enhance their marketing efforts, build stronger customer relationships, and drive long-term brand loyalty.

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