

UNIVERSITY OF TARTU
Faculty of Social Sciences
School of Economics and Business Administration

Diana Murtazina

KEY FACTORS OF INFLUENCER MARKETING THAT AFFECT CONSUMER
BEHAVIOUR BASED ON THE EXAMPLE OF ESTONIAN COMPANIES

Bachelor thesis

Supervisor: Professor Andres Kuusik

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I have written this Bachelor Thesis independently. Any ideas or data taken from other authors or other sources have been fully referenced.

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Introduction

Individuals spend a substantial amount of time engaging with the displays of electronic devices. These gadgets have become an essential component of our daily life. According to Moody (2023), the total time spent online worldwide is 6 hours and 47 minutes. People use their phones and computers for educational and professional purposes, but we also entertain ourselves using our electronic devices, and we do it through various social media. Today, many social media platforms have different purposes, attributes, and characteristics. For instance, TikTok is used by society to share short videos, the purpose of Pinterest is to make boards and find inspiration through it, and Instagram allows users to update their friends about their lives with photos and videos. With all the diversity of these social media platforms, they have one thing in common: the presence of Influencers.

Influencers know how to effectively interact with the target audience and get high engagement figures, making this type of marketing increasingly attractive to businesses. Influencers create unique content, and thus create meaningful and trustful connections between their followers. Ninety-two percent of consumers trust an influencer more than an advertisement or traditional celebrity endorsement (Weinswig, 2016). This high level of trust is due to the fact that influencers effectively share their opinions, fostering mutual trust in their audience. The dynamics of trust building between influencers and their followers underscores these individuals' critical role in shaping consumer decisions.

In recent times, influencer marketing has gained popularity among aspiring small businesses and large corporations. According to Masuda, Han, and Lee (2022), social media influencers have attracted much attention from companies and brands, not only as potential marketing channels but also as social relationship assets with whom they can collaborate. Indeed, since influencers get trustful relationships with the audience, they can be valuable partners for business, so potential customers could trust the brand too. This highlights the growing importance of influencer marketing, where influencers are used as a strategic tool for the company. We are all somehow influenced by influencer marketing especially on social media. Individuals spend an extensive amount of time on social media platforms, where they watch an ideal-perfect image of influencers' lifestyles. According to data provided by Dixon (2023), the average minutes spent on social media in 2023, is 151 - 2,5 hours. It is a shocking increase compared with data from 2012, when people spent on social media 90 minutes on average. Influencer marketing allows us to look at other individuals' lives, especially the lives of influencers. As a result, target audiences transform into potential consumers as they

follow advertised brands, thereby driving increased engagement rates and making purchases based on influencer recommendations.

The aim of this thesis is to identify the key factors that companies need to consider in order to enhance the effect of influencer marketing on consumer behaviour based on Estonian companies. The author wants to determine what factors of influencer marketing lead to higher interest and engagement rates among potential consumers. Upon reviewing literature related to the bachelor thesis topic, it has come to the author's attention that there needs to be more studies examining the impact of influencer marketing on consumer decision-making, specifically in Estonian companies, creating a research gap.

The author formulated the following research tasks, which completion is necessary to achieve the aim of the thesis:

- Explain the background and objective of influencer marketing highlighting the effect of social media on consumer behaviour;
- Introduce strategic steps, campaign strategies and types of influencers;
- Conduct a thorough analysis of previous empirical studies about factors of influencer marketing that affect consumer behaviour;
- Conduct an interview with Estonian companies regarding factors of influencer marketing;
- Conduct a thorough comparison of responses of each company and synthesize the results.
- Draw conclusions based on the findings.

The structure of this bachelor thesis is organized into two main sections, aligning with the theoretical part and empirical part. The first chapter will provide an overview of the main ideas of influencer marketing, its role in the advertising world, and previous research on the impact of influencer marketing factors on consumer behaviour. Furthermore, each topic discussed in the subchapters is assumed to represent factors that positively influence consumer behaviour, making it useful for empirical analysis.

The second chapter of the thesis will indicate the empirical part of the thesis. The empirical analysis consists of the data and methodology, the analysis of results, and the discussion of findings. The first subchapter aims to provide a detailed overview of the methodology and data used. The author will conduct interviews with representatives of the marketing department of Estonian companies. While conducting interviews with representatives of Estonian companies, the author will obtain valuable insights into the factors of influencer marketing affecting consumer behaviour. The second subchapter will

present the analysis of interviews. The part of the analysis of interviews will examine qualitative information obtained through interviews. Comparing the results of the interviews will provide a deeper understanding of the factors of influencer marketing that affect consumer behaviour.

Finally, the author would like to thank her supervisor, Professor Andres Kuusik, for the professional guidance throughout this thesis and representatives of marketing departments of Estonian companies who participated in interviews and contributed to the success of the thesis.

Keywords: influencer marketing, social media influencers, consumer behaviour, marketing strategies, customer preferences, advertising impact

1. Influencer marketing and its factors affecting consumer choice

1.1. Evolvement of influencer marketing, advantages and the role in advertising

Influencer marketing is one form of marketing that is primarily focused on leveraging individuals with significant online activity, known as influencers, to promote products or services through various social media platforms. Influencer marketing have different definitions, Table 1 represents some of them:

Table 1

Different definitions on influencer marketing

Source	Definition
Byrne et al., 2017	“A type of marketing that focuses on using key leaders to drive a brand’s message to the larger market.”
Lou & Yuan, 2018	“Influencer marketing refers to a form of marketing where marketers and brands invest in selected influencers to create and/or promote their branded content to both the influencers own followers and to the brand's target consumers.”
Grafström et al., 2018	“Influencer marketing uses a person who has built up a lot of followers on a social media platform such as Instagram or blogs.”
Ye et. al, 2021	“Influencer marketing is an effective and cost-efficient marketing tool that uses social media influencers to promote brands to target audiences.”
Tanwar et al., 2022	“Influencer marketing is a strategy used by digital marketers to spread brand messages with the help of social media influencers (SMIs).”

Source: Compiled by the author based on Byrne et al., 2017 ; Lou & Yuan, 2018; Grafström et al., 2018; Ye et. al, 2021; Tanwar et al., 2022.

According to Byrne, Kearney and MacEvill (2017), influencer marketing is characterised as a form of marketing that relies on key leaders to deliver a brand’s message to

the broader market. This definition emphasizes the key role of influencers in shaping perceptions and spreading brand messages. On the other hand, Lou & Yuan (2018) offer a more complex viewpoint, describing influencer marketing as a form of marketing in which brands invest in selected influencers to create or promote branded content. The focus of that idea is not only on the influencers' own followers, but also on reaching the brand's target consumers. Grafström, Jakobsson and Wiede (2018) offer another definition, focusing on the fact that influencer marketing involves individuals with a significant number of followers on social media platforms like Instagram or blogs. This definition captures the core of influencer marketing by identifying the primary role of individuals with significant social media influence. Furthermore, Ye et al. (2021) characterize influencer marketing as a successful and cost-effective tool that leverages social media influencers to promote brands to specific target audiences. This definition underlines the efficiency and effectiveness of influencer marketing in reaching desired consumer segments. Moreover, Tanwar, Chaudhry and Srivastava (2022) define influencer marketing emphasising the connection between digital marketers and social media influencers by spreading brand messages. Influencers therefore act as a cohesive brand communication channel. Considering different definitions, influencer marketing appears as a collaborative strategy that relies on influential individuals to spread brand messages and engage with target audiences in an effective way.

Traditionally, when people think of influencer marketing, they think of an image of a celebrity in a TV commercial or a famous person posing on a billboard (Glucksman, 2017). The individuals we see on TV or billboards can also be considered influencers, expanding the scope of influencer categorization. Sourgoutsidis (2022) introduces a historical hierarchy of influencers, citing gladiators as the first influencers who were considered celebrities in the Roman Empire due to their essential impact on the audience through live performances. The 20th century indicated significant changes, with celebrity promotions gaining popularity worldwide and facilitated by TV. Erdogan (1999), in his study, highlighted that celebrities had the primary influence on consumer behavior before the rise of the social media phenomenon. Celebrities of the 20th century could be characters from TV shows, politicians, singers, artists, and sportsmen. For example, the reality show *American Top Model* was very popular, and reality shows like the *Kardashians* are still loved by many people. All these famous people still have the ability to influence people because of their fame.

This dynamic remained unchanged for a long time until the development of social media platforms such as YouTube, Facebook, Twitter, Instagram and TikTok, that reached popularity among the whole world. Of course, at first, people found social media odd and

unusual. According to Ortiz-Ospina (2019) , the percentage of US adults who use social media increased from 5% in 2005 to 79% in 2019. Social media has become not only a unique tool for communicating with your mates but also a tool for creating your personal brand and visibility in the online world (Marin & Nilă , 2021). The author concluded that the development of social media changed everything as it provided a platform for ordinary people to realize the potential of becoming opinion leaders by uploading content there. The rise to fame through YouTube of Justin Bieber , the worldwide famous artist, illustrates this point vividly. The famous singer started posting his singing covers on YouTube back in 2007. Due to the internet's scalability and speed, some users attract a mass audience, build a loyal fan base, and become a source of recommendations for their followers, which leads to becoming social media influencers (Vrontis et al., 2021). The case of Justin Bieber, who now has millions of followers on Instagram, YouTube, and TikTok, exemplifies the transformative potential of social media.

With social media platforms like YouTube and Instagram, social media occurred as a powerful tool, empowering influence and allowing individuals to become global sensations. This evolution highlights the importance of influencer marketing in today's digital landscape, where connecting with audiences is essential for brands.

Based on Izea's statistics (2023) , 43% of women aged 18 to 29 view social media influencers as their primary source of advice when considering new products. Furthermore, a report by Enberg (2022) underscores Instagram's as the leading platform for influencer marketing among US brands, with Facebook, TikTok, and YouTube following closely behind. This trend aligns with Izea's 2023 findings, revealing that 50% of respondents aged 18 to 29 have purchased a product after seeing it used by an influencer. This indicates the influencers' power of affecting the consumer choice.

Recognizing and establishing a connection with the target audience plays a crucial role in achieving success in marketing (Waller, 2020). Table 2 represents the statistics regarding U.S. user age demographics who have ever purchased something after seeing a post of an influencer.

Table 2

The U.S. user age demographics of consumers who made purchases after influencer's recommendation.

Age	Percentage of Men	Percentage of Women
18 - 29	28	50
30 - 49	24	41
50+	15	27

Source: Compiled by the author based on Faverio & Anderson (2022).

It can be seen that the highest percentage is in the 18-29 age group, indicating its significant influence on purchase decisions and highlighting the importance of matching influencer content to the preferences of this demographic. In addition, the data shows a decreasing percentage in older age groups, confirming the need to develop age-specific targeting strategies to achieve optimal effects in influencer marketing campaigns. However, the differences between age groups are insignificant, indicating companies' potential to effectively engage a diverse target audience through influencer marketing strategies.

The reason for this might be impulse buying behavior. Impulse purchasing is driven by high emotional engagement and limited cognitive control (Weinberg & Gottwald, 1982). According to Stern (1962), there are 4 categories of impulse buying: pure impulse buying, reminder impulse buying, suggested impulse buying, and planned impulse buying. According to Jeffrey and Hodge (2007), the idea of pure impulse buying is that it is initiated by emotional appeal, and it usually differs from the usual consumer behavior. In contrast, suggested impulse buying occurs after seeing the product and visualizing it in practice (Jeffrey & Hodge, 2007). Gunawan and Iskandar (2020) pointed out that reminder impulse buying involves consumers making spontaneous purchases, potentially influenced by prior purchases or exposure to advertisements. Karbasivar and Yarahmadi (2011) explain planned impulse buying by the situation when the consumer intends to buy something, but factors like special offers ultimately influence the purchase decision.

Social media channels impact impulsive purchasing habits, shaping consumer actions, influencer impact, and brand loyalty (Budree et al., 2021). Consumers may feel uncertain about their need for a specific product. However, after viewing a product review on an influencer's page, the desire to purchase can increase. Additionally, promotional discounts

can influence consumers to impulse buying (Husnain et al., 2019). These promotional discounts can be offered by influencers as well.

Companies collaborate with influencers because the influencer's content on social media showcases better feedback from users (Linqia, n.d.). Influencer marketing contains numerous advantages. Firstly, influencer marketing enables brands to reach a highly targeted audience by leveraging its natural marketing advantage of reaching target audiences, spreading virally, and being trusted by fans (Wu, 2022; Jia & Yongyue, 2021). Some influencers are able to make their content go viral because they know how to work with algorithms.

Secondly, influencer marketing is seen as more authentic and trustworthy. Consumers tend to develop higher engagement and better responses to brand messaging when they trust the recommendations and opinions of influencers they follow, as influencer marketing on social media positively impacts consumer trust by delivering informative content, demonstrating trustworthiness, attractiveness, and similarity to followers (Wu, 2022; Lou & Yuan, 2019). Thus, consumers showcase respect and support for the content by liking, saving, and sharing it.

Additionally, influencer marketing facilitates the creation of original and unique content. Influencers possess unique creative styles and personalities that allow brands to distinguish themselves in competitive markets (Wu, 2022). The more creative the collaboration, the more memorable and fascinating it will seem to the audience. Sponsored blogging campaigns contribute to brand engagement in various ways, influenced by the characteristics of the content creator, the content of the blog posts, the type of social media platform used, and advertising objectives (Hughes et al., 2019).

Lastly, influencer marketing provides an opportunity for collaborations and partnerships. Brands can build long-term relationships with influencers, leading to ongoing brand promotion and increased trust and loyalty from their audience. (Wu, 2022). A long-term relationship with influencers involves continuously collaborating and presenting the influencer's face on the company page. Seeing such cooperation, consumers may associate a particular influencer with the brand.

1.2.Types of influencers and campaigns strategies of influencer marketing

In this subchapter, the author will define the differentiated typology of social media influencers and its impact on consumer behavior, highlighting the various factors on which the influencer typology depends on. In addition, the author will provide valuable information regarding the strategic planning that companies must go through when collaborating with

digital creators, and the subchapter covers the topic of campaign strategies that are commonly used in influencer marketing, highlighting their features. The reason for raising these topics is that in the empirical part the author will analyze whether each aspect of this subchapter will be discussed as a specific factor of influencer marketing affecting the consumer behavior.

Before social media development, there was a common tactic called word of mouth, where people verbally spread information about a certain product or service. Word of mouth (WOM) is the process during which consumers share their opinions about several products of particular brands with other consumers (Bao, 2014; Mothersbaugh & Hawkins, 2016). In the Internet age, traditional word of mouth has transformed into electronic word of mouth and is now widespread throughout the world. Consumers can write digital reviews on products and services, whether through social media platforms or blog post websites. Bao (2014), according to Godes and Mayzlin (2009), stated that even though electronic word of mouth is usually done by consumers, companies can use eWOM campaigns for marketing purposes. Opinion leaders, as key players in word-of-mouth (WOM), are active users who interpret media message content for opinion seekers, shaping their consumption decisions by providing influential information acquired through research and forming opinions ahead of the general public (Litvin et al., 2008; Bao, 2014). In other words, social media influencers.

Social media influencers play an essential role in influencer marketing since the success of campaigns often hinges upon their efforts and engagement. There are several types of influencers. Yesiloglu (2020) states that different classifications of social media influencers offer brands different benefits and challenges, and influencer marketing offers key building blocks for both influencers and brands. Influencers are categorized based on the size of their audience, although the threshold for each tier may differ depending on the platform the influencer uses (Gómez, 2019). Bullock (2018) classifies influencers into three groups: Micro influencers, Macro influencers, and Mega influencers. However, besides the mentioned groups, Campbell and Farrell (2020) highlight celebrity and nano-influencers. Each of the classifications is based on the number of followers. Figure 1, compiled by the author, represents information about each type of influencer and the number of followers.

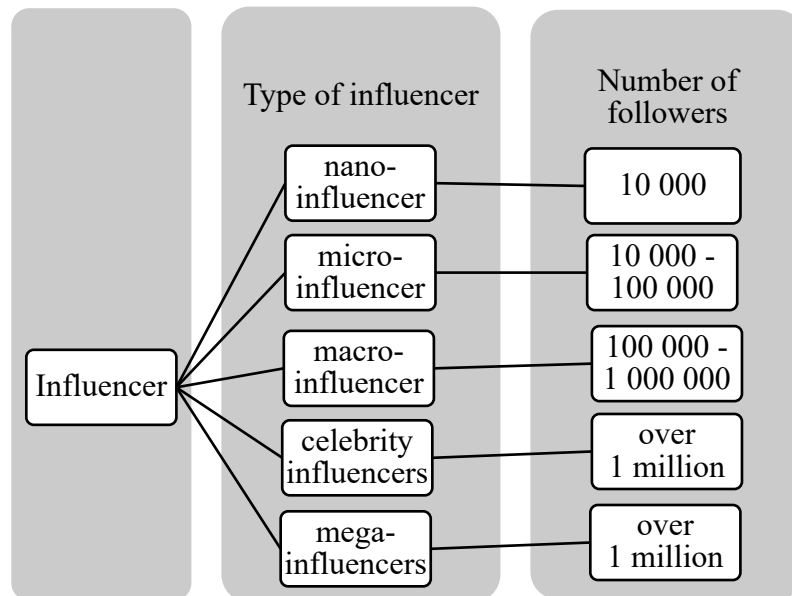


Figure 1 *Classification of influencers based on the number of followers*

Source: Compiled by the author based on Bullock, 2018; Campbell & Farrell, 2020.

Celebrity influencers and mega-influencers have the highest number of followers (over 1 million), macro-influencers are the one who have 100 000 to one million followers, the number of followers of micro-influencers varies from 10 000 to 100 000, and nano-influencers have under 10 000 followers (Campbell & Farrell, 2020).

Discussing the influence on consumer behavior, even though mega influencers can have up to 1 million followers, their consumer engagement rate may vary from 2% to 5% (Marwick, 2013). In contrast, micro influencers have the opportunity to catch attention of consumer in making a purchase of a product, service or brand and they also can enhance the brand's positive image and foster loyalty among their followers by making recommendations (Hai-xia et al., 2015).

According to Campbell & Farrell (2020), the significantly better engagement results with micro-influencers can be attributed to the fact that they earn less for their collaborations compared to mega-influencers, which leads to fewer considerations of commercial gains when consumers evaluate the endorsements made by micro-influencers in contrast to mega-influencers. Moreover, micro-influencers tend to promote products less frequently and with greater specificity, while mega-influencers advertise products more often but with less specificity (Campbell & Farrell, 2020). This suggests that micro-influencers can provide a more elaborate and authentic connection with their niche audience, potentially increasing the perceptual value and credibility of their recommendations. Both micro-influencers and nano-influencers are recognized for building strong relationships with their followers, which leads

to similar effects in terms of their persuasive influence on consumers (Borges-Tiago et al., 2023; Kay et al., 2020; Park et al., 2021).

Furthermore, influencers can be categorized based on the content they share across social media platforms. The range of themes within influencer content is extensive, given the diversity of interests represented in the digital sphere. Zalani (2022) highlights 13 types of influencers based on the content: fashion influencers, health, and wellness influencers, beauty influencers, lifestyle influencers, food influencers, pet influencers, sports and fitness influencers, travel influencers, parenting influencers, gaming influencers, technology influencers, entertainment influencers, b2b influencers. There are many differentiated content creators for the personalized interests of humans. Some people might be interested in the recipes of food influencers, while others are more concerned about travel topics.

Before initiating a collaboration between a specific brand and an influencer, strategic planning is essential. Brands should control the collaboration, ensuring a comprehensive understanding of the campaign's potential efficiency and success. Leung, Gu & Palmatier (2022) highlighted the four management strategies of online influencer marketing: selecting an influencer who fits the firm's marketing needs, monitoring the influencer's content creation process, measuring the performance of online influencer marketing, and repurposing the influencer's content in firm led marketing communications. These 4 strategies are supposed to be made by companies.

Selecting an influencer is a crucial initial step involving the identification of an influencer whose niche and content align with the values and positioning of the brand. Additionally, consideration may be given to specific characteristics that a firm looks for in an influencer. Brands can choose influencers based on the associations they aim to establish in people's minds (Keller, 2003). For example, if an influencer specializes in makeup, cosmetics, or skincare, some cosmetics companies may choose to collaborate with them. Right after companies select influencers whose followers, positioning, and abilities are a perfect fit with their brands, they can take advantage of influencer marketing to improve the effectiveness of their marketing communications (Leung et al., 2022).

Monitoring the process of content creation comes after the selection of an influencer, and it means the process of controlling the idea of desired content and controlling of its implementation (Heide et al., 2007). There should be a mutual understanding between the firm and the influencer. Leung, Gu and Palmatier (2022) state that companies need to approve the desired campaign, and influencers, on the other hand, should follow the guidelines and justify expectations.

The measurement of the influencer marketing campaign should be integrated into the brand's additional marketing strategies, and the assessment of performance should be conducted in accordance with the campaign's nature (Brown & Fiorella 2013). Performance measurement provides an accurate portrayal of engagement from the target audience. As for measurement of campaign success, firms take into consideration key performance indicators. There are several key performance indicators that help marketers to identify how well the collaboration with influencers will be. Key Performance Indicators (KPIs) in digital marketing include measuring why, how, and for what purpose users interact with web pages and ads (Saura et al., 2017). It can be categorized onto different groups: brand awareness, engagement and sales conversion (Dower, 2019). The table 3 indicates key performance indicators, and its measurement.

Table 3

Key performance indicators and its measurement

Key performance indicators	Measurement
Brand awareness	Number of influencers' followers; number of impressions; number of the brand's social media followers; number of video views; total reach; web traffic and Google search volume.
Engagement	Likes and reactions; comments; shares and retweets; clicks and link interactions; mentions and tags; direct messages
Sales conversion	Sales quantity; average order value; subscriptions; downloads; click-through rate.

Source: Compiled by the author based on Dower, 2019; Alain, 2022; Singh, 2023.

The last additional step of strategic planning used by firms is repurposing the influencer's content. Repurposing content means reusing previously implemented content of influencer with different objectives. Therefore, successful influencer content can be repurposed across diverse media channels such as the brand's website, social media platforms, online shops, emails, or even utilized in paid social media ads. (Leung et al., 2022).

When the company and influencer agree on terms and conditions of collaboration, they have to think of campaign strategy. There are several strategies that social media influencers implement while working with brands.

For example, a giveaway contest is one of the most common strategies of a campaign (Nazare, 2019). According to Dewi and Pujiyono (2020), a giveaway is a contest in which prizes are given at no cost to winners who participated by following the rules of the giver,

and if all criteria are met, the prizes are awarded by the owner of the online store. For example, in 2021 the vast cosmetics brand Too Faced organized a giveaway campaign with influencer Irina Odobescu (iomakeupofficial on Instagram), the terms included to like the campaign post, to follow the accounts of the brand and digital content creator and to tag 2 people in the comment section. The study of Etim et al. (2024) findings depicts that celebrity endorsement, giveaway contest campaign as one strategy of influencer marketing had significant positive effects on consumers' purchase behavior.

Another strategy of influencer marketing is gifting. Gifting involves a company giving its product or service to an influencer for free typically in return for a mention or review (Nazare, 2019; Glenister, 2021). While certain PR agencies and brands opt for the widespread distribution of gifts, a more progressive strategy featuring personalized and aesthetically pleasing packaging has demonstrated outstanding effectiveness (Glenister, 2021). For example, big cosmetics and skincare brands such as Rare Beauty, Rhode, Fenty Beauty send PR packages to influencers, so they can review it on social media channels as Instagram and TikTok.

Additionally, Glenister (2021) highlighted sponsored content as another strategy of influencer marketing. Stubb and Colliander (2019) in accordance with Evans et al. (2017), stated that digital creators often create sponsored content in the form of product reviews, they share posts promoting the product on platforms like Instagram, YouTube, blogs, or Twitter, and in return, they receive compensation from the sponsoring brand. Considerable number of big brands, such as Calvin Klein and L'Oréal Paris, use this type of strategy.

An alternative strategy is to use discount codes. Discount codes are used as an additional promotional tactic aimed at incentivizing followers to show interest and make a purchase (Egelbäck et al., 2023). According to Glenister (2021), using promo codes allows a brand to check the effectiveness of a campaign, especially with specific influencers, providing insight into each influencer's performance and potentially identifying variations in their approaches when working within a group. Consumers are able to use discount codes for a limited period (Gross & Wangenheim, 2022).

Overall, influencers are classified based on audience size and content themes. Size-based classifications include celebrity, mega, macro, micro, and nano-influencers, each with specific follower thresholds. Content-based classifications include 13 types, such as fashion, health and wellness, and technology influencers. The author highlighted 4 strategies used in influencer marketing: giveaway contests, gifting, sponsored content, and discount codes. Big brands implement each of them and have a significant impact on overall engagement.

However, it is crucial to arrange strategic planning before initiating collaborations, with Leung, Gu, and Palmatier (2022) emphasizing four management strategies: influencer selection, content creation monitoring, campaign performance measurement, and influencer content repurposing.

1.3. Prior studies on influencer marketing' factors affecting consumer's behaviour

Consumer behaviour can be characterized in many different ways. In terms of influencer marketing, it is better to discuss consumers' online brand-related activities since the author's topic is related to activities in social media. As mentioned in the previous subchapter, the key performance indicators help marketers see the campaign's results. Consumer engagement is the essential key performance indicator since it depicts the user's interactions with the brand's content. Consumers' online brand-related activities can be divided into three categories: consuming, contributing, and creating (Muntinga et al., 2011). All indicated categories examine consumer engagement in social media channels.

The consuming category indicates the consumer's lower brand-related social media activities involving such actions as watching the brand's videos and photos, reading comments on brand profiles on social media, and reading product reviews (Muntinga et al., 2011). For example, if an individual repeatedly rewatching a video on Instagram, that's a demonstration of consuming category activity. Contributing is followed by the previous category, and it includes interactions with content such as following the brand's social media, engaging with content by liking posts, commenting, or sharing it with others. Creating is ranked as the highest online brand-related activity, and it illustrates brand-related content created by consumers. (Muntinga et al., 2011).

Reviewing previous studies on influencer marketing factors that affect consumer behavior, the author has compiled Table 4 that provided reader with information about the methodology used in the study and the identified influencer marketing factors affecting the consumer behavior. Although there is a research gap due to the lack of studies concerning Estonian companies, the author has found previous empirical studies relevant to the thesis's topic.

Table 4

Previous empirical studies about impact of influencer marketing factors

Source	Methodology	Identified factors
Vidani et al. (2023)	Semi structured interview	Trustworthiness and credibility of influencer; recommendations made by influencer; alignment of content with personal interests and tastes of consumer; influencer's expertise;
Bognar et al. (2019)	Survey	Recommendations of influencers.
Andonopoulos et al. (2023)	Survey	Authenticity, trustworthiness and inspirational capacity.
Masuda et al. (2022)	Survey	Trustworthiness, perceived expertise, and parasocial relationships.
Shuqair et al. (2023)	Survey	Positive emotional tone of advertisement

Source: Compiled by author based on Vidani et al., 2023; Bognar et al., 2019; Andonopoulos et al., 2023; Masuda et al., 2022; Shuqair et al., 2023.

To start with, the study of Vidani, Meghrajani and Das (2023) investigates the behaviour of millennials towards influencer marketing and its impact on consumer behaviour. It explores how influencers affect purchase intentions. Using a qualitative approach, researches conducted interviews with millennials who follow influencers and industry experts to gain insights about impact of influencer marketing on millennials purchasing behaviour. Results show that influencers' values such as their expertise, relevance to personal interests, credibility and authenticity are valued by millennials. Authenticity as a factor was also mentioned in the study of Andonopoulos, Lee, and Mathies (2023), where they examined whether the performance of social media influencers is solely linked to their authenticity. The results showed that highly authentic social media influencers are perceived as more trustworthy, leading to increased customer inspiration and stronger purchase intentions. Consumers who perceive Social Media Influencers as more authentic are more likely to have greater intentions to purchase endorsed products, consistent with prior research. (Andonopoulos et al., 2023). Besides authenticity, Andonopoulos, Lee, and Mathies (2023) also mentioned such factors as trustworthiness and inspirational capacity. When social media

influencers are seen as trustworthy, they have the power to inspire their followers, which in turn influences how consumers respond to calls to action online.

Furthermore, the paper written by Masuda, Han and Lee (2022) reveals that trustworthiness, perceived expertise, and parasocial relationships significantly influence purchase intentions prompted by influencer video advertising, with parasocial relationships having a particularly strong influence. The authors introduce the dimensions of persuasion theory and explore the intricate phenomenon of parasocial relationships that appear between influencers and their followers. Persuasion theory explores the methods behind influencing attitudes, beliefs, and behaviour of individuals. According to Hoffner & Bond (2022), parasocial relationships are socio-emotional connections that people develop with media figures such as celebrities or influencers. An individual can interact with close friends, and with social media influencers by liking the content, which is blurring the lines between social and parasocial (Grafström et al. , 2018). In the context of influencer marketing, the cultivation of parasocial relationships becomes a dynamic aspect that can significantly impact consumer behaviour.

Shuqair et al. (2023) tested how the endorsement type (hedonic and utilitarian) in combination with facial expressions influences the consumer. Shuqair et al. (2023) define hedonic social media endorsements as content that is "emotional, entertaining, humorous, and enjoyable", contrasting with utilitarian endorsements that are described as content that is "informative, functional, and practical". The findings of the study highlight a crucial insight: the effectiveness of broad smiles in influencing positive consumer responses, particularly when paired with hedonic endorsements. This leads to an increased engagement levels and an increased motive to purchase among consumers. It is crucial to obtain relevant emotional tone in advertisement. In most cases, influencers present in their collaboration with happy expressions, depicting that they are happy about a particular product. (Shuqair et al. , 2023).

Bognar, Puljic and Kadezabek (2019) conducted a survey questionnaire with 200 consumers, examining their attitudes towards influencers and changes in behaviour caused by them. The study reveals the fact that the frequency of announcements of influencers positively impacts consumers' attention. The survey's results show that most of the respondents search for products used and recommended by influencers, buy them and put the choice in favour of products that Influencers have recommended. Furthermore, consumers are engaged in discussions with close people about influencer recommended by products, thereby strengthening the effect of word of mouth. Correspondingly, the research findings of Vidani, Meghrajani & Das (2023) indicate that recommendations made by influencers had a

substantial impact on consumer purchasing behaviour. Millennials tend to trust and act upon these recommendations, considering them credible and trustworthy. Additionally, the alignment of influencer content with personal interests and tastes emerged as a crucial factor influencing consumer behaviour. Consumers are more likely to follow influencers whose content resonates with their individual preferences and interests, making the content more relevant and meaningful to them. (Vidani et al. ,2023).

Overall, previous studies have shown that influencer marketing has a significant impact on consumer behaviour. The factors of influencer marketing that affect consumer behaviour include the influencer's authenticity, trustworthiness, relevance of content, emotional positive appeal and inspirational capacity (Andonopoulos et al., 2023; Vidani, et al. ,2023; Shuqair et al. ,2023; Masuda et al., 2022). Additionally, factors such as influencers' expertise, credibility, and parasocial relationships between content creator and their following list also play key roles in shaping purchase intentions (Masuda et al. , 2022; Vidani et al. ,2023), including recommendations made by influencers (Bognar et al., 2019; Vidani et al. ,2023).

In conclusion, the theoretical chapter comprehensively discussed the essential aspects of influencer marketing from its evolution, strategies and types of influencer marketing to its factors affecting the consumer behaviour. Brands can benefit from chosen the right campaign strategy, that allows them to get the high engagement rate. Recognizing diverse types of influencers and their content categories allows for more targeted collaborations, aligning with specific brand goals. Distinguishing the identified factors in prior studies will help author to address it in the second chapter and compare it with empirical analysis results.

2.Key factors of influencer marketing identified by Estonian companies

2.1.Introduction of methodology and data

In this chapter, the author will represent the methodology and data used in her thesis. Methodology relies on the previous studies that were discussed in the theoretical chapter, with focus on finding the key factors of influencer marketing that affect consumer's behavior.

The author will use a qualitative approach. Qualitative data analysis is a valuable approach for comprehending and exploring phenomena from the viewpoint of individuals or groups (Noble & Smith, 2014). In terms of methodology, while prior studies predominantly relied on surveys, the author will employ semi-structured interviews. This choice is made to facilitate an in-depth analysis of the experiences of various Estonian companies. Through this method, the author will be able to reach the aim of the thesis of identifying the key factors that companies need to consider to enhance the effectiveness of influencer marketing on

consumer behavior. The interview responses will provide a clear depiction of the experiences of various companies across different niches, clarifying factors that companies should prioritize during collaborations with influencers. The steps taken to conduct an empirical analysis are presented in the Figure 2.

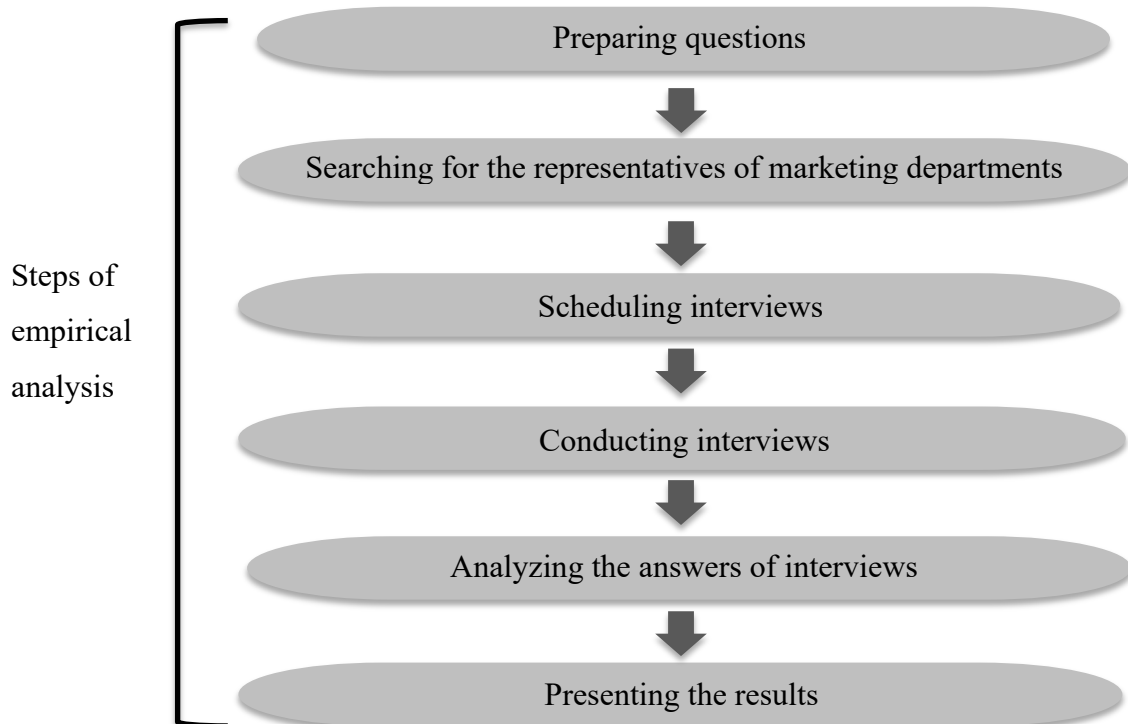


Figure 2 *The research steps taken in the empirical analysis*

Source: Compiled by the author

The author has prepared questions for the interview with accordance to the theoretical part discussed in the first chapter. The questions can be found in the Appendix A. Certainly, additional questions may arise during the discussion to better understand the topic. The questions are divided into three categories of topics: types of influencers, strategies of influencer marketing and the impact of influencer marketing' factors. Influencers typology is presented in the second subchapter. With accordance to Bullock's (2018) classification of influencers, the author will investigate what types of influencers the company prefer to collaborate with. Campbell & Farrell (2020) stated that collaborations with micro influencers generates better results, thus, author will discover whether the prioritization of influencer's type has some impact on consumer's behavior.

The second category will help the author to find out what strategies used in collaboration with influencers showed the best results with consumer's behavior. In the

theoretical part, the author highlighted the following campaign strategies: giveaway contest, gifting, sponsored content and utilizing discount codes (Nazare, 2019; Glenister, 2021; Egelbäck Starud & Claesson, 2023). In addition, the author will identify key performance indicators that companies pay attention to that illustrate the consumer's behavior. Questions related to key performance indicators will be related to Table 3.

Finally, the third category of questions will help author to identify whether factors that identified in previous research studies in Table 4 have some impact on consumer's behavior. Additionally, there will be questions about marketing representatives' opinion in terms of what factors of influencer marketing companies should pay attention to.

Moving to the second step of empirical analysis, the author started the process of searching from analyzing companies' social media pages in Instagram or TikTok. The author has selected 8 Estonian companies for obtaining the interviews. The data was collected on 19.03.2024. The factors that were considered during selection process:

- A company is based in Estonia or has at least one of offices in Estonia;
- A company has an Instagram or TikTok account, and it should be active there;
- On a company's account it's possible to see collaborations with Influencers;

The selection of companies was facilitated through their presence on Estonian influencers' Instagram pages, indicating collaborative partnerships. As for the method of discovering influencers, the author initiated the process by navigating to an Estonian influencer's profile and subsequently explored related digital creators via the "suggested for you" feature on Instagram.

Organizations used in the study are: Selver, Luuv, Euroonics , Caffeine, Sportland, Mõnnakas, Marsaana. Previously, there have been selected 8 companies for conducting interviews. However, the primary objective of these interviews is to reach the point of data saturation. Throughout the interview process, on the 7th interview the saturation point was achieved, so conducting the interview with representative of the 8th company seemed unnecessary. Table 5 indicates the list of companies' handles on Instagram and the number of followers.

Table 5

Information related to Instagram accounts of brands

Name of the company	Industry	Handle on Instagram	Number of followers
Selver	Grocery store	@selvereesti	12,3 k
Luvv	Skincare products	@luuvcosmetics	5 k
Euronics	Electronics store	@euronicseesti	12,3 k
Caffeine	Coffeeshop	@caffeine.ee	4,9 k
Sportland	Sport clothing	@sportlandeesti	54,6 k
Mõnnakas	Clothing store	@monnakas	11,3 k
Marsaana	PR agency	@marsaanabaltic	3,1 k

Note: The information was collected on April of 2024; K refers to thousands.

Source: Compiled by the author based on data from Instagram.

Selver is one of the largest and most popular grocery stores in Estonia. The author researched Selver's collaborations with Estonian influencers, most recently on TikTok. It's also possible to see collaborations on the Instagram page, but they are from 2-3 years ago. Now they mostly post photos of their products. Luvv is a natural cosmetics brand founded in 2017. They implement aesthetically pleasing content on their Instagram page. Looking at the Instagram page, there are many collaborations with influencers, implementing strategies of shared posts, giveaways, and discount codes. Euronics is an international company operating in Estonia, offering home appliances and electronics. Looking at their Instagram page, it is possible to see numerous collaborations with influencers. Every month there is a new collaboration with different content creators. Caffeine is the famous network of coffeeshops in Estonia, although it also operates in Latvia and Lithuania. Sportland was founded in Estonia and is currently a well-recognized company. The organization offers a wide range of sportswear and sports equipment, and promotes an active lifestyle on its social media. Looking at the brand's Instagram page, the author found out that Sportland is working hard to implement influencer marketing strategies. Mõnnakas is a clothing store of fluffy and soft clothes such as hoodies and jackets. The brand shows different types of engaging content on its Instagram page, showing positive vibes and collaborations with influencers. Marsaana is a public relations, communications, and social media agency that connects influencers with brands. Interviewing this company is beneficial for the author's thesis, as the company is a

link between brands and influencers and should be aware of all the factors that influence consumer behavior.

The decision to select such different niches is to understand whether companies will identify the same factors or there are some differences. The author is not only interested in one particular industry, so the companies selected for interviews are so diverse.

In terms of the approach taken, the author sought to establish contacts through social media channels, namely LinkedIn and Instagram. LinkedIn enables users to search for individuals employed by a specific company, thus facilitating connection and invitation for an interview. In the event of a lack of response on LinkedIn, the author proceeded to contact representatives through Instagram by typing their names in the search section. Another method employed was the identification of contacts through company websites and the sending of a direct, personalised email. Furthermore, the author employed the technique of snowball sampling, whereby he inquired of his acquaintances whether they knew of individuals employed in the marketing department. The interviews were scheduled via online communication channels.

In each of the companies, the author interviewed people closely involved in social media management. There is one representative per company, and a total of 8 people were interviewed. Six of them are social media managers, one is a social media specialist and one is a social media coordinator. The author decided to interview these people because they are the ones who should be responsible for creating content and working with influencers.

The author gave options for representatives of marketing departments by conducting interviews offline in the neutral zone, for example, in some coffeeshop, or online using the platform Zoom. In result, half of interviews were conducted online, another half of interviews were conducted offline. During interviews, the author was recording audio or video, later the author made a transcription of data. All the interviews were conducted in English language. Table 6 represents the length of each of the interviews.

Table 6

Research process

Interview	Interview date	Interview length
A	13.04.2024	22 minutes
B	24.04.2024	35 minutes
C	29.04.2024	18 minutes
D	17.04.2024	24 minutes
E	22.04.2024	35 minutes
F	23.04.2024	21 minutes
G	24.04.2024	32 minutes

Source: Compiled by the author.

The interviews lasted from 18 minutes to 35 minutes. The average length of conducted interviews equals 26 minutes. As for analysis of interviews, the author will analyze outcomes of interviews by using thematic analysis. Thematic analysis, a qualitative research technique, identifies repeating themes and patterns in interviews, which leads to enhancing the understanding and quality of research outcomes (Aronson, 1995).

2.2. Analysis of results from interviews

In this chapter, the author will discuss the results of the conducted interviews. The results of interviews will clarify the key factors that companies have to consider in order to enhance the effect of influencer marketing on consumer behaviour. The author will analyse the results by repeating patterns in interviews. The author will highlight the most repeated points in the interviews.

Before starting the investigation of influencer marketing factors affecting the consumer behaviour, the author asked interviewees what key performance indicators do they use in order to track consumer's behaviour in social media channels. All participants cited reach and engagement rate as their primary metrics. Interviewee C's response to this inquiry is as follows:

“The main indicators are usually reach and engagement rate. We can see how many people viewed the content, and how many people interacted with content by liking, saving or sharing it.” (Interviewee C, 2024)

Interviewee E also mentioned stories click on Instagram as another approach to measure user behaviour. Stories clicks mean the number of clicks on the links that are presented in stories on Instagram. In this way, companies can see how many times people clicked the link to see the item which showcases their interest in a product.

In chapter 1.3. , the author discusses three categories of consumers' online brand-related activities in the context of consumer behavior. Within this thesis, only the consumption category and the contribution category will be considered, as they can be measured by companies using social media metrics, as witnessed by the example of Instagram metrics.

Prioritization of content quality over follower count. The first point that the author noticed among conducted interviews is that companies prioritize content quality over follower count. For example, starting from the selection process, interviewees mentioned that they work with various influencers both with micro influencers and with macro influencers. There is an absence of mega influencers in Estonia so that is why none of the companies have worked with them. As for the criteria that companies pay attention to while select influencers, it appeared to be that followers do not that matter as much as the quality of content.

“The number of followers really doesn't matter for us. Instead, we do pay attention to the engagement rate and to the quality of content. If an influencer' statistic shows strong engagement rate and if an influencer produces appealing content, we see value in collaborating with them, regardless of their follower count. Thus, it will be beneficial for us, because we are sure that influencer will make a very good content that will attract attention of audience and will gain high engagement rate” (Interviewee B, 2024)

“So, we chose people not by the number of followers they have, but by the type of content they create and its quality.” (Interviewee D, 2024)

Interviewee G mentioned the reason for not take into consideration the follower count is because it can be full of fake accounts:

“It is not a secret that people it is so easy to cheat followers, so influencers can buy followers but most of them will be bots, so this is why the followers count does not matter for us.”(Interviewee G, 2024)

Alignment of influencer content with brand's positioning. Another important factor while selecting the influencers for collaborations is aligning influencer content with the interests and demographics of its target audience, ensuring synergy between the influencer's following and the brand's customer base. In contrast, Vidani, Meghrajani and Das (2023) mention alignment of influencer content with consumer's interests indicating the effect on

consumer behaviour. In the author's perspective the target audience and brand usually share the similar values. This highlights the significance of audience relevance in driving consumer engagement.

“Our consumers and followers are mainly consisting of women who have kids, so collaborating with an influencer whose content focuses on, for instance, car repairs would seem odd. It's completely opposite niche, so his follower's interests do not align with with interests of followers of our brand” (Interviewee F, 2024)

Niche of an influencer matters. One of the questions from the interview questions was whether companies pay attention to niche of the influencer. It seems as it all depends on the goals of brands. Some companies use specific influencers for some new products presentations, while some company is willing to obtain a particular audience. For example, one brand mentioned that they want to obtain a bigger number of middle age women, that's why they decided to collab with family-oriented influencers.

“We realized that we actually want to start targeting people that are like in their 30s, a bit older people who have a bit more money than these young girls, thus, we started to collaborate with influencers who are over 30 years to tap into their follower base.” (Interviewee A, 2024)

Representatives of 2 different Estonian companies mentioned that they use special Influencers for different campaign of their new products. And for these products they use people who would have relatable audience to the brand's values which also indicates the niche as an important factor to consider.

“For instance, during our content shoots, we plan around six major campaigns each year, covering various themes like sports or shoes. For these, we bring in significant influencers, big Estonian sportsmen names in it.” (Interviewee E, 2024)

“Yes, we select influencers for particular campaigns. For example, if the niche of influencer is travelling, we cannot send them the home appliance for review, instead, we send them some other products that should be useful for their content.” (Interviewee G, 2024)

Giveaway contests and discount codes. Moving to the next topic of the interviews which was campaign strategies of influencer marketing, the author made a deep analysis of discussions and it has come up to the attention that the most successful strategy is giveaway contests and discount codes. According to interviewees' opinions, that's the type of campaign that has the highest engagement rates meaning of clicks on the link, new followers, comments and likes which indicates consumer's behavior. This is what drives consumer to make a move.

“Giveaways were this one thing that worked the best. Usually, we had the shared post with the photo of influencer with information about giveaway and requirements to follow like to like the post, to mention, for example, 2 friends and to follow. It generates the best results since you as a consumer have to follow the brand’s account.” (Interviewee A, 2024)

Discussed in the previous theoretical part, the author underlined giveaway as one of campaign strategies and now it depicts that it shows good results for brands improving the overall engagement rate. This factor was expected by author since results of the study of Etim et. al (2024) indicates that giveaway contests had significant positive effects on consumers’ purchasing behavior. Utilization of discount codes had a place for discussion as well:

“I think, the most successful campaign strategy is using discount codes, because you can see how many people actually came from the collaboration with influencer.” (Interviewee F, 2024)

Discount codes were also previously mentioned in the theoretical part. The idea behind using discount codes with influencers is focused on the fact that only influencer posts a content with the brand’s product where they share a unique discount code that their followers can use it while making a purchase. This campaign strategy seems to work really well because it was mentioned by all the respondents.

Shared content. Besides that, respondents also mentioned that they occasionally use shared content on Instagram, while one of the companies mentioned that they are planning to use it in their practice more often.

“Usually when we work with an influencer, we make a shared content, this tool really improves the engagement rate because this post can be seen not only by followers of our brand, but also by followers of an influencer”. (Interviewee C, 2024)

Additionally, among interviewed companies there were mentioned PR packages, when companies send out the gifts to influencers but they do not require a post on influencer’s page. Previously, when analyzing the academical literature, such as Glenister, 2021, the author highlighted that gifting is a risky campaign strategy, since there is no guarantee that the influencer will post a product review. Interviewee D share the similar point of view:

“I can’t say that PR packages is the best campaign strategy, because sometimes some influencers do not review it in social media, it is just because we do not require it. It happened to us a few times.” (Interviewee D, 2024)

Authenticity, trustworthiness and credibility of an influencer. Lastly, author discussed with interviews factors that have an impact on consumer’s behavior. The author

asked interviewees about their opinion on factors affecting consumer's behavior that appeared mostly on previous empirical studies (Vidani, Meghrajani & Das , 2023, Andonopoulos, Lee, & Mathies, 2023 ; Masuda, Han & Lee , 2022). Each of the interviewees agreed on the fact that authenticity, trustworthiness and credibility positively affect consumer's behaviour. And here is the explanation of one of the interviewees:

“When an influencer is authentic and trustworthy, their recommendations are taken seriously. And when consumers feel they can trust influencer's recommendations, they're more likely to be impacted by their behaviour and purchases. And this trust is connected with consumer behaviour because it transforms into engagement and then into purchasing decision.” (Interviewee E, 2024)

Influencer's sense of aesthetics and creativity. The author also asked interviewees' opinions about factors of influencer marketing that positively affect consumer behaviour. The representatives of marketing department indicated another common thing: companies are looking for influencers with the sense of aesthetics and creativity.

“When I choose the influencer to collaborate with, first thing that I look at is how aesthetic the feed and the content is. It really matters, because the image of profile should be aesthetically pleasant for the brand and for the followers of brand.” (Interviewee C, 2024)

“Aesthetics is what attract the eye, if the feed, photos, reels of an influencer are generally not attractive and beautiful, then we do not work with this influencer. With influencers who have aesthetic reels and photos, usually collaborations show very good results.” (Interviewee A, 2024)

The company emphasizes the aesthetics and creativity of influencer-generated content, preferring natural collaborations over overly promotional or scripted content. This indicates that authentic, creatively executed campaigns are more likely to engage consumers effectively.

What is more, brands mentioned that they are not into working with influencers who is involved in some conflicts or has bad reputation, and with those who post on a daily basis collaboration with numerous different brands meaning that they make an advertisement for everything.

“We do not work with influencers who have collaborations with many brands. Without naming specific individuals, there are some influencers we avoid because it seems like they promote products from different brands too frequently. After all, if we, as a company, don't have confidence in an influencer's trustworthiness, it's hard to expect our followers to trust them either.” (Interviewee B, 2024)

Freedom of creativity. Another factor that was underlined by participants of interviews is freedom of creativity. Companies do not usually provide strict instructions to influencers for making collaborative campaign. In contrast, companies encourage and appreciate the initiative of Influencers in creative ideas and give full freedom in self-expression.

“Before collaborating with influencer we have a briefing with them to discuss our expectations and questions, but we don't require them to do step-by-step tasks to get exactly that kind of content. We value and are more into creative freedom, we are interested to see how an influencer would shoot a video of our product from their perspective so the collab would not look scripted.” (Interviewee E, 2024)

“By empowering influencers to their own creativity, we make our content more diverse, which improves overall reach, audiences want to rewatch our content because they find it attractive, because each influencer and their pitch is unique.” (Interviewee G, 2024)

Positive emotions. Additionally, Interviewees C, F, A and G mentioned the importance of positive message of the advertisement, highlighting the appearance of good mood and smile. Interviewee F explains this factor in the following way:

“Your followers will see that you are satisfied with the products, and they will be motivated to purchase them themselves.” (Interviewee F, 2024)

To conclude the empirical analysis, this chapter illustrates valuable insights from Estonian companies in terms of influencer marketing and its key factors that affect consumer behaviour. Based on the interviews with representatives with Estonian companies, the author noticed that Estonian companies prioritize qualitative aspects over the number of followers, which is the insight for the author.

Starting from the first factor, content quality is what companies pay attention to while select influencer to collaborate with. As it was mentioned by Interviewee B, influencer with good content ensure the sufficient quality of campaign because it will attract attention of consumers. As it was stated by Wu (2022), influencers' creative style allows brands to stand out among competitors.

Moving forward, the findings highlight that alignment of influencer's niche and content with the positioning of particular brand is crucial. In fact, the study of Vidani, Meghrajani & Das (2023) underline the factor of influencer's content alignment with personal interests and tastes of consumer. Therefore, these findings suggest that influencer's niche and content should be relevant both for potential consumers' interests and for brand's positioning. This is why the selection process is very important in collaboration with

influencers, as it was identified by Leung, Gu & Palmatier (2022) as the first strategic step on influencer marketing.

In addition, there is a balance between the beliefs of participants of interviews and viewpoints of previous empirical studies authors such as Vidani, Meghrajani, and Das (2023) and Andonopoulos, Lee, and Mathies (2023). Such factors as authenticity, trustworthiness, and credibility are important personality characteristics of influencers that affect consumer's behavior. Moreover, as it was mentioned by interviewees, the sense of creativity and aesthetics of influencer is appreciated by companies. Creativity usually sets a content creator apart from others, which makes them unique and interesting to potential consumers. The authenticity and aesthetics of the influencer's content play a vital role in engaging potential consumers and establishing a loyal customer base. Furthermore, all participants agreed that the freedom to express creativity in collaborations between bloggers and companies plays an important role so that advertising doesn't look that evident.

Moreover, 4 out of 7 respondents highlighted the necessity of positive emotions of the collaboration since audience will be inspired by your emotions and will be motivated to get the same item. Similar result was presented in the study of Shuqair et al. (2023).

Once a suitable influencer is found for collaboration, the companies have to run campaign strategies which is also considered as one of crucial factors affecting the consumer's behavior. The most successful one according to representative of marketing department of Estonian companies are giveaways and discount codes. Shared content is also an important influencer marketing factor, as it increases overall reach and engagement rates since the post is seen by both sides of audience. These campaign strategies lead to increased engagement rate and interaction. Such strategies not only motivate consumers to take action from liking the content to buying the product but also improve the visibility and reach of the brand.

To sum up, the author found several similarities with prior studies such as alignment of influencer content, authenticity, trustworthiness and credibility of an influencer, and positive emotional tone of advertisement. In addition, author's findings also include the content quality, the niche, the campaign strategies as giveaway contests, discount codes and shared content, the influencer's sense of aesthetics and creativity and the freedom of creativity. Thus, companies have to pay attention to these factors in order to enhance the effect of influencer marketing on consumer behaviour. Companies should incorporate them in their practices since it will lead to higher engagement rate.

Conclusion

Influencer marketing is the type of marketing that numerous companies currently use. That approach leverages consumer interest, improving reach, engagement rate, and online brand presence. The bachelor thesis seeks to fill the research gap by identifying factors that Estonian companies should consider to enhance the effect of influencer marketing on consumer behavior. The theoretical background and empirical analysis obtained by the author of the thesis offer recommendations that can help companies in Estonia to use influencer marketing to enhance consumer engagement and brand visibility. Furthermore, influencers will benefit from this thesis since it depicts the characteristics of content creators that companies value.

The theoretical part of this study focuses on an overview of influencer marketing, the types of influencer marketing, and the campaign strategies, as well as an analysis of previous empirical studies. In each subchapter, the topic of impact on consumer behavior was raised. All the topics discussed in Chapter 1 contributed to the creation of questions for the semi-structured interviews that helped the author to underline the essential factors of influencer marketing. The analysis of previous empirical studies indicates the similarities in the findings of the author's work. For example, the results of Vidani, Meghrajani, and Das (2023) show that the personal attributes of influencers, such as trustworthiness and credibility, impact millennials' consumer behaviour. Similarly, the study of Antonopoulos, Lee, and Mathies (2023) mentioned such factors as authenticity, trustworthiness, and inspirational capacity.

In the empirical part of the study the author conducted semi-structured interviews with representative of marketing departments of 7 Estonian companies. Semi-structured interviews with industry representatives provide the author with valuable insights in terms of selection the right influencer for collaboration and campaign strategies. The theoretical background supported the findings from the interviews, meaning that findings from empirical analysis reflected the author's expectations.

The insights from the interviews include 9 factors to consider. Based on findings, the author recommends to pay attention to content quality of an influencer but not the number of followers since followers can consist of bots. Focusing on the content quality companies ensure that their collaborations will reach real audience and companies can expect that collaborative content will be implemented with high quality. Another important factor is that there should be an alignment of influencer content with brand's image as well as the relevant niche. Ensuring that the influencer's niche and content resonates with brand's image and values will generate better results, building a stronger connection with potential consumers.

Representatives of companies also mentioned the importance of sense of aesthetics and creativity, including the particular personal characteristics of influencer as authenticity, trustworthiness and credibility. Consumers are more likely to trust recommendations from influencers who showcase authenticity and trustworthiness. Furthermore, freedom of creativity was noted by representatives of interviews since companies want to have differentiated content that leads to follower's higher interaction with content. Moreover, the positive tone of advertisement play an essential role in affecting consumer behavior. This finding correlates with previous study's finding of Shuqair et al. (2023). Lastly, as for the campaign strategies, the author, with accordance to companies' representatives, recommended to implement discount codes, giveaways and shared content as it can reach larger size of audience and this motivates a potential consumer to engage with the content.

Summarizing the work, the author would like to mention that there are different factors that leads to enhanced effect of influencer marketing on consumer behaviour. People usually tend to follow the recommendations of influencers, thus considering all the mentioned above factors collaboration of companies and content creators in the right direction can lead to improved advertising metrics, attracting new potential consumers.

Additionally, there are limitations to this study that would benefit from further research in the future. Taking into the account the fact that this bachelor thesis is beneficial for companies who are willing to implement influencer marketing approach and for influencers who is willing to start working with companies, the author was focused on the companies' perspective of view. However, insights from consumers could provide a more comprehensive understanding of effect of influencer marketing on consumer behavior. The author worked on the interviews with the companies, however, it would be also beneficial to conduct a questionnaire or interviews with Estonian consumers in order to understand what factors of influencer marketing positively affect their behavior. Further studies are recommended to understand the psychology of consumer's behavior.

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APPENDIX A

Questions for the interview

Topic	Questions
Types of influencers	<p data-bbox="596 383 1366 566">How does your company categorize influencers, and what criteria do you consider most crucial when selecting influencers to represent your brand? For example, do you primarily look at the number of followers, the type of engagement they generate, or their content niche?</p> <p data-bbox="596 607 1366 745">Does your company prioritize influencers based on their niche or do you work with influencers across various niches? Which type has been more successful for your brand, and can you share specific reasons for this success?</p>
Campaign strategies of Influencer marketing	<p data-bbox="596 786 1366 857">What kind of campaign strategy do you use with influencers?</p> <p data-bbox="596 898 1366 1010">Could you discuss any specific influencer marketing campaigns that have shown particularly positive results for your company?</p> <p data-bbox="596 1050 1366 1167">How does your company ensure that the content created by influencers aligns with your brand's messaging and objectives?</p> <p data-bbox="596 1216 1366 1288">What key performance indicators you pay attention to while implementing collaborations with influencers?</p>
Previous research about impact of influencer marketing' factors	<p data-bbox="596 1339 1366 1451">Previous study suggest that authenticity, trustworthiness and credibility are the qualities that positively impact consumer's behaviour, do you agree with that? Why?</p> <p data-bbox="596 1491 1366 1563">Does emotional tone play a key role in influencer campaign?</p> <p data-bbox="596 1603 1366 1720">What factors, in your opinion, companies need to consider in order to improve the effectiveness of influencer marketing on consumer behaviour?</p>

Resümee

Mõjutusturunduse võtmetegurid tarbijate käitumise
mõjutamiseks eesti ettevõtete näitel

Diana Murtazina

Viimasel ajal mõjutusturundus on kogunud üha enam populaarsust nii ambitsioonikate väikeettevõtete kui ka suurkorporatsioonide seas. Mõjutajad, üksikisikud, kes oskavad tõhusalt suhelda sihtrühmadega ja saavutada kõrget kaasamismäära, on muutnud selle turundusvormi üha atraktiivsemaks tõhusat turundusstrateegiat otsivatele ettevõtetele. Käesoleva lõputöö eesmärk on välja selgitada võtmetegurid, mida ettevõtted peavad arvestama selleks, et suurendada mõjutusturunduse mõju tarbijate käitumisele. Töö raames olid analüüsitud ainult Eesti ettevõtted. Lõputöö teemaga seotud kirjanduse ülevaate käigus märkas autor märkimisväärset lünka uuringutes, mis analüüsivad mõjutajaturunduse mõju tarbijate otsuste langetamisele Eesti ettevõtetes, tuues seega esile uurimuse puudused.

Autori poolt saadud teoreetiline alus ja empiiriline analüüs annavad soovitusi, mis võiks aidata Eesti ettevõtetel kasutada mõjutusturundust tarbijate kaasamise ja brändi nähtavuse suurendamiseks. Lisaks pakub lõputöö kasu ja huvi mõjutajatele, illustreerides ettevõtete poolt hinnatud omadusi.

Teoreetilises osas käsitletakse põhjalikult mõjutusturunduse olulisi aspekte, alates selle arengust, strateegiast ja liikidest kuni tarbijate käitumist mõjutavate teguriteni. Kaubamärgid saavad kasu, kui nad valivad sobiva kampaaniastrateegia, et saavutada kõrge kaasamismäär. Erinevate mõjutajatüüpide ja nende sisukategooriate tundmine võimaldab sihipärasemat koostööd, mis on kooskõlas konkreetsete brändi eesmärkidega. Varasemad uuringud näitavad, et mõjutajate turundus mõjutab märkimisväärselt tarbijate käitumist, kusjuures tuvastatud tegurid hõlmavad mõjutajate autentsust, usaldusväarsust, sisu asjakohasust, emotsionaalselt atraktiivseid reklaame, inspireerivat sisu, mõjutajate teadmisi, usaldusväarsust, parasotsiaalseid suhteid sisu loojate ja jälgijate vahel ning mõjutajate soovitusi. Nende varasemates uuringutes tuvastatud tegurite eristamine aitab autoril neid järgmises peatükis käsitleda ja võrrelda neid empiirilise analüüsi tulemustega.

Tarbijakäitumine on käesolevas uuringus määratletud selliste veebitegevuse kategooriate kaudu nagu tarbimine ja panustamine, mida ettevõtted saavad mõõta sotsiaalmeedia mõõdikutega, milleks näiteks on Instagrami mõõdikud.

Uuringu empiirilises osas viis autor läbi poolstruktureeritud intervjuud seitsme Eesti ettevõtte turundusosakondade esindajatega. Tulemused näitavad, et mõjutusturunduse mõju

suurendamiseks tarbijate käitumisele peaksid ettevõtted arvestama selliseid tegureid nagu sisu kvaliteedi eelistamine jälgijate arvule, mõjutajate sisu vastavusse viimine brändi positsioneerimisega, konkreetsete nišside sihtimine, kingituste ja sooduskoodide pakkumine, sisu jagamine, mõjutajate autentsus, usaldusväarsus, loovus, mõjutajatele loomingulise vabaduse andmine ja positiivsete emotsioonide esindamine koostöös.

Selle uuringu üks nõrk koht, mis mõjutab selle objektiivsust, on keskendumine ettevõtte vaatenurgale. Otse tarbijatelt kogutud täiendavad teadmised võiksid anda põhjalikuma ülevaate mõjutajaturunduse rollist tarbijate käitumisele. Tarbijate käitumispühholoogia mõistmiseks on soovitatav täiendavate uuringute läbiviimine.

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