

The Impact of Influencer Marketing on Consumer Based Brand Equity

*A research report submitted to the Faculty of Commerce, Law and
Management, University of the Witwatersrand, in partial fulfilment of the
requirements for the degree of Master of Management specialising in
Strategic Marketing submitted by
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ABSTRACT

Purpose:	The purpose of this research is to understand the effects of influencer marketing on customer based brand equity and investigate consumer's willingness to post user generated content that will improve the effectiveness of this form of marketing communication, so that brand custodians can fully understand the opportunities that social media provides on generating electronic word of mouth that will have an impact on customer based brand equity.
Research problem:	There is currently limited literature that has defined influencer marketing, justified an investment of marketing budgets into this form of marketing and explored its effect on consumer based brand equity. Therefore, the gap identified that will be addressed by this research report seeks to investigate the effects of influencer marketing on CBBE and investigate consumers' willingness to post UGC specifically in a South African context.
Research Methodology:	A quantitative (n=228) research methodology was used to achieve the aim of this study by measuring the magnitude of the variations between the main variables. Data for analysis was collected through the use of online surveys distributed via social media platforms.
Results:	The key findings showed that both hypothesis were accepted and four out of the six research

questions were significant. Hypothesis one validated that there is an association reflecting that influencer marketing has a positive effect on consumer based brand equity. Hypothesis two showed significant correlations between influencer marketing and consumers' willingness to posting brand promoting content on social media.

Implications:

The key contributions substantiates influencer marketing as an impactful marketing investment that has a positive effect on consumer's engagements with brand communications, influence on brand choice, shaping of brand perception's and improvement of customer's willingness to post brand promoting content.

DECLARATION

I, **Ndinatsei Nathalie Rumbidzai Mumbengegwi**, declare that this research report is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Management in Strategic Marketing at the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

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Signed at Parktown

On this 18th day of June 2019

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1 INTRODUCTION

The emergence of social media has changed the way in which traditional media was previously viewed as the only option to share branded messages with consumers and has also shifted the rules of brand communication to effectively engage with the target audience.

Because of infinite access to social media platforms, internet users are gradually shaping brand communication that was previously controlled and administered by brand managers (Berthon, Pitt, & Campbell, 2008). Social media has also created additional platforms in which social connections happen often including conversation surrounding the brands that consumers love to consume.

While consumers have always appropriated and modified firm generated brand stories to create their own versions of relevant brand stories, their voices were not strong in the past and could be safely ignored by brand custodians if they chose to do so. But with the advent of social media, brand managers have lost their pivotal role as authors of their brands' stories (Kuksov, Shachar, & Wang, 2013). However, these changes are not all gloom for brand custodians, this phenomenon has also created an additional way in which brands can influence consumers to generate content that can also work towards achieving brand performance goals, usually at a fraction of the cost of using advertising agencies.

According to Gensler, Völckner, Liu-Thompkins, and Wiertz (2013) brand custodians should not be intimidated by the emergence of social media based brand communications, the challenge they face is that of integrating consumer generated brand stories on social media into their communication mix to enable compelling brand stories that lead to an improved brand equity.

In 2016 a dramatic increase in engagements across all social media platforms by consumers was observed in the South African social media landscape and these numbers are estimated to continue increasing as consumers take charge of the communication content that they consume. In other parts of the world, Ahmed and Zahid (2014) report that social media has seen persistent exponential growth in the last decade much like the South African social media landscape. With the

increased use of social media, an increase of user generated content is observed, creating a more empowered consumer who has the freedom to communicate with their 'social network' on their opinions of the brands, products and services that they consume.

Marketers turning to social media for brand communication has given a rise to a new phenomenon referred to as influencer marketing. According to (Lampeitl & Åberg, 2017), they suggest that influencer marketing is an alternative to paid social media advertising, that incorporates valuable, quality content creation with brand communication which enables that messaging to cut through the clutter.

The increasing popularity of social networks requires a shift in brand manager's brand building strategies in order to enhance meaningful engagements with the empowered consumer that now has the power and tools to create their own brand related content. One of the favourable opportunities with influencer marketing is the ability to bypass ad blocking software to reach customers, which is used actively by regular internet users (Cortland, 2017).

Djafarova & Rushworth (2017) found indications that influencers promotions are possibly perceived as of high quality, as it otherwise would not warrant the influencers endorsement and public association with the brand. Internationally, following influencers on social media is most prevalent on Instagram, with a 27% penetration rate in South Africa as of the third quarter of 2017 (Statista, 2017), Instagram is surpassed by Facebook and YouTube that have a similar penetration rate of 46% and 45% respectively. In 2017, influencer marketing – described as the use of social media personalities to sell products – reached an estimate \$2 billion whilst projections of this spend in 2022 will hit between \$5 and \$20 billion (de Villiers, 2018).

The nature of social media is in engaging with friends and like-minded people that are interested in similar topics, products and brands, and in that interaction as stated by Keller and Kotler (2016) marketing communication has a greater effect of generating electronic word of mouth (eWOM) and buzz around products and brands. Obar and Wildman (2015) go on to state that brand advertising messages also has the potential to be rebroadcasted and multiplied by eWOM

between consumers, given their willingness to talk about and share the brand stories that they have been exposed to.

International brands such as Daniel Wellington, a brand developed by a Swedish watchmaker, attribute their profitability exclusively on their use of influencer marketing and are amongst the fastest growing companies in the EU making a profit of \$220 million in its 2015 financial statement (Turula, 2017). We observed Daniel Wellington launch a South African campaign with local influencers to grow their appeal. Locally in South Africa, a surge in social media entrepreneurs that are building businesses exclusively through social media branding and marketing has been observed. Other bigger brands that belong to multinational stables such as Unilever's Shield and Lux brands, Estee Lauder cosmetics, Benefit cosmetics, Benini alcoholic cider drinks and Edcon to name a few are currently tapping into the appeal of local social media influencers and are revolving their brand campaigns around these influencers that also share the branded content that they feature in on their own social platforms that have large social media followings.

Though current literature does not address the full potential of advertising on social media considering electronic word of mouth (eWOM) and customer's willingness to rebroadcast advertising messages as a strategy, this study is going to explore the effects of influencer marketing on customer based brand equity and their willingness to post branded user generated content.

1.1 Purpose of the study

The purpose of this research is to understand the effects of influencer marketing on customer based brand equity and investigate consumer's willingness to post user generated content (UGC). Understanding the impact of the approach will inform how this form of marketing communication can be used effectively in building consumer based brand equity. Therefore, brand custodians will be better equipped to develop strategies that include influencer marketing with an objective to improve brand equity.

Theories that this study relates to will include, social media influencers, influencer marketing, customer based brand equity (CBBE), UGC and co creation, which

are directly applied to the areas of influence that will form the body of this research. However, studies around measuring the effects of influencer marketing on customer based brand equity and customer's willingness to post UGC have not been explored extensively in the South African landscape. Brand managers are still navigating through the phenomenon of influencer marketing and understanding how to fit social media brand communications into their brand building strategies, how much budget to dedicate to it and how to effectively measure its return in relation to building brand equity.

1.2 Context of the study

Parganas, Anagnostopoulos, and Chadwick (2015) summarise the findings of research regarding the influence of social media, finding that it impacts brands in a number of ways. Depending on the industry, the brand attributes that social media has an impact on includes increases in customer equity, an impact on brand image, increases in brand awareness and on brand associations. According to Zhu and Zhang (2010) Social media positively influences the economic outcome of brands and that Word of Mouth (WoM) and social media are inextricable forms of marketing (Kozinets, De Valck, Wojnicki, & Wilner, 2010). With these references, there is sufficient literature and knowledge that clearly outlines the effectiveness of social media to marketing efforts.

Influencer marketing is a phenomenon that has been fuelled by the existence of social media and the nature in which consumers interact with brands on these platforms. Because of this phenomenon, the digital age has also created consumers that expect a personalised experience with every online engagement with a brand or products and influencers seem to have bridged this gap quite successfully with their followers. Rosengren and Dahlén (2015) state that marketers are becoming progressively more reliant on consumers' willingness to approach branded advertising voluntarily which also introduces the important role that user generated content plays to the effectiveness of influencer marketing.

1.3 Problem statement

1.3.1 *Main problem*

According to Freberg, Graham, McGaughey, and Freberg (2011), social media influencers represent a new type of independent third party endorser who shapes audience attitudes through the use of their social media. Hearn and Schoenhoff (2015) explain that the social media influencer works to engage a strong 'insta-fame' capital by cultivating as much attention as possible and crafting an authentic personal brand via social networks which can subsequently be used by companies, brands and advertisers for consumer outreach.

However, there is currently limited literature that has defined influencer marketing, justified an investment of marketing budgets into this form of marketing and explored its effect on consumer based brand equity. Therefore, the gap identified that will be addressed by this research report seeks to investigate the effects of influencer marketing on CBBE and investigate consumers' willingness to post UGC specifically in a South African context.

Therefore, this study is going to explore the effects of influencer marketing on customer based brand equity and their willingness to post branded user generated content.

1.3.2 *Sub-problems*

In order for influencer marketing to be a useful tool for marketers, the nature of the tool requires there to be a willingness by consumers to create branded UGC that is then disseminated to a large social network of friends, associates and followers alike. As stated by previous literature (Cheung & Thadani, 2012; Schivinski & Dabrowski, 2015; Thoumrungroje, 2014; Wilcox & Stephen, 2012), information shared by social influencers is considered to be of high quality and viewed as more credible than information shared by corporates, brands, TV commercials (TVC's) and official brand social media pages.

The first sub-problem that this paper will seek to understand is consumers' willingness to post user generated content.

1.4 Significance of the study

According to Booth and Matic (2011) these new consumer influencers are gaining a large share of voice in the market thanks to the power of the internet and to technologies that bring together people who share common interests. The emergence of new digital technologies such as social media has fuelled the popularity of digital influencers who disseminate branded messages in on-line environments (Uzunoğlu & Kip, 2014). The popularity of social media and the engagements on these networks has given a rise to the phenomenon of social media influencers that according to (Cheung & Thadani, 2012) are now more trusted compared to corporate messages, since these messages directly communicate what are perceived to be consumers own experiences.

We also see that consumers are in charge of the content that they consume and engage with so this new involvement and engagement presents an opportunity for branded messages to cut through the clutter when shared through some type of social influence/connection. The literature states that consumers are impacting brand equity as never before (Booth & Matic, 2011, p. 184)

There is currently limited literature that has defined influencer marketing as a concept or theory, justified an investment of marketing budgets into this form of marketing and explored its effect on CBBE.

Therefore, this study will contribute towards building literature that will authenticate the inclusion of influencer marketing in marketing strategies and further gain knowledge on its effect on consumer based brand equity. The study will also provide guidance to brand and marketing managers so that the discipline can better understand how to shift resources strategically to better influence authentic creation of brand related content that will have an impact on their product or services brand equity. The study will also provide specific insights that will apply to the South African landscape which should provide marketers with

practical strategic approaches on how to use these platforms effectively to build their brands.

1.5 Delimitations of the study

The target population for this study could be a limiting factor in that it may be biased to millennials who are between the ages of 18 and 35 because millennials see social media interactions as part of their daily lives. However, the age group that will be targeted will be between the ages of 18 and 45 equally split between males and females.

The data collection method is self-administered digital questionnaires which may result in a high rate of non-responsiveness, limiting the data collected for analysis which in turn reduces the number of usable results to make recommendations for practical implementation.

The proposed sampling methodology proposed could make it difficult to control demographic selection of the respondents and potential interventions from the researcher maybe impossible once the process has commenced.

The focus on a South African context could also restrict generalisability of the research findings across different geographies if the motives to increase brand equity through influencer marketing differs across cultural consumer traits.

1.6 Definition of terms

Influencer Marketing is defined as a type of marketing that focuses on using key leaders to drive a brands message to a larger market. It is also described as the digital equivalent to word of mouth marketing (Byrne, Kearney, & MacEvilly, 2017)

‘Insta fame’ is more of a colloquial term that is derived from the popularity that social influencers gain when they gain a large following, produce good quality UGC and have meaningful engagements with a large audience. So instead of

being famous for one's job as an entertainer, one is termed as 'insta-famous' because of the influence they have gained online from sharing UGC.

Consumer Based Brand Equity (CBBE) is defined by Bruhn, Schoenmueller, and Schäfer (2012) as the result of both consumer reactions to a company's brand-based communication of other consumers on social media platforms compared to the consumer reactions that an equivalent non-branded product receives

User Generated content (UGC) according to the Organization for Economic Cooperation and Development (OECD), is defined as having three characteristics:

- Content that is made publicly available over the internet
- Content that reflects a certain amount of creative effort and
- Content created outside professional routines and practices

(Christodoulides, Jevons, & Bonhomme, 2012)

1.7 Assumptions

The assumption that the use of social influencers to promote a brand will result in favourable reviews of the products that will increase the consumers appeal to the brand.

This research study also makes the assumption that the concept of influencer marketing is widely known by the general population that may or may not necessary frequently use social media.

2 LITERATURE REVIEW

2.1. Introduction

Marketing with traditional media like newspapers, television and news websites was about delivering a message, marketing with social media is about building a relationship and conversation with your audience (Drury, 2008). In this digital era, consumers now have the freedom to create, share and comment on the brands or products that they like or dislike via their preferred social media platform. Based off the relationship building nature of social networks, marketers have a better opportunity to cut through advertising clutter and get their branded content through to their targeted consumers via social platforms through the influence of influencer marketing.

For the purpose of this research, Booth and Matic (2011) set the scene and introduce the premise of this research by outlining that ‘the emerging new influencer community is wielding significant power over the perceptions of brands and companies, largely driven by the digital era through which influencers communicate. They sum it up by stating that influencers are now demanding the attention of marketing professionals who seek continuous engagement with targeted consumers throughout the various channels of the social Web” (Booth & Matic, 2011, p. 16)

Many of these influencers are gaining a large share of voice in the market thanks to the power of the Internet, and to technologies that bring together people who share common interests. “Consumers are impacting brand equity as never before” (Booth & Matic, 2011, p. 184). Therefore, this chapter will evaluate the existing literature to shape the relevance of this research to contribute to the influencer marketing literature.

2.2. Background discussion

Today, social media and technology are flooding the internet, with over 200 million pieces of content per minute (Byrne et al., 2017). Kennedy and Kennedy (2017) state that in today's technologically advanced marketplace, consumers are gaining power with their ability to shape brands through content. This consumer power results in the phenomena of co-creation and the influence created by being an early adopter of a product or service. Influencers are viewed as early adopters because of their ability to seek out the latest trends, be amongst the first to experience the brands, then share their reviews on the brands that shapes initial perceptions and attitudes towards the particular brand.

Consumers have such strong feelings towards brands that they view sharing their views and opinions about brands primarily as fulfilment of their passions personally and informative content sharing for their social networks as a secondary achievement. Virtual communication and online social interactions as described by Duggan (2014) has transformed consumers from being a non-prompted participant to being a group of active creators and influencers (Hutter, Hautz, Dennhardt, & Füller, 2013; Kozinets et al., 2010).

According to Lampeitl and Åberg (2017) found that WOM is the foundation of exerting influence, which allows influencers to reach the mass by one-to-many communication approaches. They also highlight that influence is exerted in a number of ways, including having a large follower base, influence through their social status or ideal characteristics and knowledge on a specific subject matter. Also states that influence is the foundation on which all economically viable relationships are built.

Katz & Lazarsfeld (1955) pioneered the concept of influence in mass communication messages through the two-step communication model which recognized certain people as opinion leaders who receive media information, interpret it and pass it on to other people increasing the messages influence. This model set the foundation and understanding that a group of people in a social network can play a significant role in disseminating messages. Uzunoğlu and Kip (2014) explain how these influencers can mediate messages and affect

communities in the digital environment, where messages can be disseminated rapidly and easily with a potential viral effect.

McCracken (1989) compares influencers to celebrity endorsers who have the power to assist brands in moving meaning of the brand to the consumer and point of consumption through the endorsement process.

2.3. Social Media Marketing

According to Chen and Yazdanifard (2014), social media describes online resources that people use to share 'content': video, photos, images, text, ideas, insight, humour, opinion, gossip, news — the list goes on. These resources include social networks sharing. Ellison (2007) unpack social network sites to include all web-based services that allow individuals to construct a public or semi-public profile within a bounded system and articulate information to a list of other users with whom they share a connection. Social media has become such a savvy way to communicate with a wide target audience that many are making purchases as well as conducting business through these platforms alone.

Communication is truly changing as a result of social media utilisation and thus the dynamics of human relationships take on a new perspective. Indeed, social media platforms allow consumers to form a sort of tribal community around a product or brand. However, brands that adopt social media as a strategy must accept that they are losing the element of control to the consumer and have to adapt to these new dynamics. According to O'Brien (2011), marketing within social media is not just about telling and giving a message, rather it is about receiving and exchanging perceptions and ideas (Drury, 2007)

Among traditional sources of communication, social media has been established as mass phenomena with a wide demographic appeal (Kaplan & Haenlein, 2012). One of the reasons for such rapid popularity of social media among companies is the viral dissemination of information via the internet (Schivinski & Dabrowski, 2015). Studies have shown that consumers consider social media as more

trustworthy sources of information than the traditional instruments on marketing communication used by companies (Karakaya & Ganim Barnes, 2010). Thus marketing and brand managers may assume that brand communications will increase through user generated social media communication (Smith, Fischer, & Yongjian, 2012).

The advent of social media marketing highlights the emergence of an additional communication channel that is underpinned by Katz, Lazarsfeld, and Roper (2017) two step communication model that recognised the ability of influential people to increase the share-ability of messages for impact. Social media marketing also lays the foundation of the concept of influencer marketing that is prevalent on the various platforms. Influencers have emerged as a crucial disseminator of brand communications that increases engagements with consumers.

2.3.1 Influencers as opinion leaders

Building on the theory regarding the two-step communication model to gather relevance for this study, opinion leaders are defined as “the individuals who were likely to influence other persons in their immediate environment” (Uzunoğlu & Kip, 2014, p. 3). They are further characterised as the individuals with a wide set of personal connections, who play a key influential role and who are considered as both source and guide (Uzunoğlu & Kip, 2014). Nisbet and Kotcher (2009) indicate that the significance of opinion leaders relies not only on their ability to serve “as the connective communication tissue that alert their peers to what matters among political events, social issues, and consumer choices” (Nisbet & Kotcher, 2009, p. 329).

The dimensions of opinion leaders are based on three common characteristics and behaviours: “personification of certain values (who one is); competence (what one knows); and strategic social location (whom one knows)” (Uzunoğlu & Kip, 2014, p. 73). Tomaszewski (2006) suggests that opinion leaders are more information savvy and more aware of the latest developments, and thus more

willing to consume media content. Not surprisingly, the emergence of new digital technologies has affected the model of early adopters of diffusion of innovation, and led to emergence of digital influencers who disseminate messages in on-line environments. Keeping pace with innovations and following technologies is not only a personal characteristic but a necessity for influential content creators.

A relevant finding from Zhang, Moe, and Schweidel (2017) is that social media influencers will forward message content to their followers based on the similarity of the content that they post on their social page. Li, Lai, and Chen (2011) also discovered similar findings in that influencers disseminate content based on similar content alignment. Content alignment is significant in that an influencer gets their influence from being knowledgeable in a particular subject and being viewed as an opinion leader or early adopter in that subject matter. The above findings are in line with the influence theory's reference to social connections, ones' characteristics and self-branding or promotion abilities.

2.3.2 Social Media Influencers

Previous academic literature regarding social media influencers is currently limited to gather different views regarding social media influence. However, this section will describe the understanding of the concept from the available literature. Abidin (2016) describes influencers as ordinary internet users who build a large following on social media platforms by creating a remarkable chronicle that depicts an interesting lifestyle that showcases the brands that they consume every day to be able to live that way. Social media provides the platforms through which this individual can become 'insta-famous' because of the narrative that they share about their personal brand and self-representation that interests a group of people that are receptive to the influencers curated content.

The idea behind the term 'insta-fame' supports the principal of personal branding on social media, including the phenomenon of taking selfies and editing them before they are posted online to fit a look or feel that will suit an influencers public persona (Chae, 2017).

Fulgoni and Lipsman (2015) introduce three criteria that an influencer should possess which include having the means to influence people through a large following or social network; the motive to exert influence onto other members of a certain community and the opportunity to influence other people. To create engagements and provide value for their followers, their curated content can be relatable, inspirational or instructive, giving them the 'insta-fame' title based on their public persona (Khamis, Ang, & Welling, 2017).

Personal branding theory could provide an explanation as to why influencers create a representative self-branded persona that allows them to engage with other consumers on a valuable, relatable, inspirational and informative basis

(Khamis et al., 2017)

2.3.3 Influencers in Relation to electronic Word of Mouth (eWOM)

Keller and Berry (2003) suggest that WOM could be viewed as the foundation for exerting influence, where personal experiences with brands are shared from one customer to the next, traditionally through interpersonal communication. However, social media has increased the reach and scope for (eWOM) meaning that two-way conversations with influencers using social media can have broader engagements online compared to offline. It is however important to note a key difference between influencer marketer and eWOM. Influencer marketing is a commercialised communication channel and eWOM is a non-commercialised communication channel.

Online media can be segmented into three media types; paid for, owned and earned media. Influencers generally engage and promote brands online through eWOM, classifying this type of media exposure as paid for media because the brand is benefiting from online peer to peer communication based off similar interests in the social network sphere. Although this channel is commercialised, it is interesting to note that consumers perceive influencer marketing as earned media because the influencer is sharing their opinions and personal experiences with the 'reviewed' brand or product.

The perception above explains why social media influencer marketing is considered to be less intrusive, and thus less annoying, than some traditional marketing techniques since consumers have more control over their exposure to the content (Hutter et al., 2013). Hutter et al. (2013) study found that social media content influences the economic outcome of brands and that WOM and social media are inextricable forms of marketing.

However according to Schlenker and Leary (1982) an introduction of the concept of eWOM has presented a greater social risk in providing a recommendation to a social network in which one's reputation is built and maintained, this could be a limiting factor for influencers to share their open and honest opinions on brands. The literature further confirms that social media communication is still found to be more trustworthy than communication developed by an organisation.

2.3.4 Brand Value Creation

The following literature assesses the process through which value is created for a brand and the idea is to understand what role influencer marketing assumes towards assessing its impact towards brand equity. Keller and Lehmann (2003) developed the brand value chain model based on the belief that value emerges through a unique chain of events. The model is based on the premise that brands value and financial success ultimately resides with consumers.

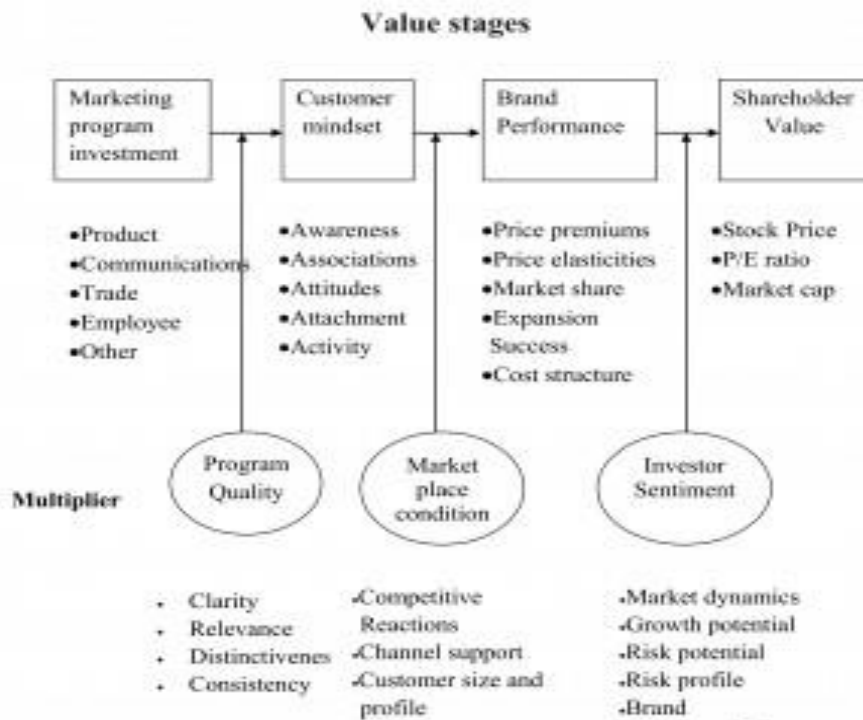


Figure 1. Brand Value Chain (Keller and Lehmann, 2003)

The brand value chain offers a holistic, integrated approach to understanding the value created by brands. According to the model, brand value creation begins with the firms marketing activity. This influences customers who, in turn, affect the brands performance in the open market and is ultimately valued by the financial community. Three important multipliers moderate the extent of transfer between these value stages: the program quality multiplier, the marketplace conditions multiplier, and the investor sentiment multiplier (Keller and Lehmann, 2003).

As the model is a structured approach to assess how value emerges, the process begins when a company invests in a marketing program targeted at a segmented audience. This stage could influence an improvement in a product, trade relations with supplier and employees as well as the quality of brand communications. In this study, the first stage is assumed by influencer marketing which is the construct that represents the marketing investment that should have an influence on customer mind-sets.

Keller and Lehmann (2003) argue that the brand value creation process begins when a company invests in a marketing program. The marketing activities associated with the program influences the customer “mind-set”, which represents the second stage of the value chain. The mind-set then results in certain outcomes for the brand in terms of how it performs in the marketplace. The second stage closely represents consumer based brand equity in the context of the study. Finally, the investment community considers brand performance and other factors. The model further considers three multipliers, which can either increase or decrease the value in the chain, in-between the four value stages.

2.4. Brand Measurements for Creating Value

As we explore the value of influencer marketing, the appeal is the opportunity that it provides as a catalyst for brand communications to reach the targeted consumer. Simon and Sullivan (1993) identify marketing communications as one of the sources that drive brand equity. Yoo, Donthu, and Lee (2000) state in their study that marketing communications exert a positive influence on perceived brand quality as well as on brand loyalty, brand associations, and brand awareness. However previous research concerning the relationship of marketing communication and brand equity only focus on traditional instruments of marketing communication (Keller and Lehmann, 2003).

By financial measurement standards, brand equity is a valuable asset that is recorded in the books as an intangible asset that has a value attached to it contributing to the organisations financial standing. According to Keller and Lehmann (2003) a model for brand value creation can help marketers to trace the value creation process of their brands and better understand the financial impact of the marketing expenditure investments. Therefore, understanding the

process through which value is created will contribute to the literature regarding influencer marketing and its impact on CBBE.

2.4.1 Brand Equity

Brand equity is an essential concept applied to measure brand performance and is a construct that has been used and applied by organisations that produce and sell commercial brands. It is also a universal measure of the return on investment in marketing programs.

Christodoulides, Cadogan, and Veloutsou (2015) define brand equity as a key asset for firms, (Yoo et al., 2000) present it as a focal construct for firms because marketers are interested in the output from the intensive resources channelled into nurturing it, maintaining it and increasing its continual growth. Brand equity became an integral part of marketing performance measurement and crucial to evaluate and understand the holistic impact of marketing (Kristal et al., 2016, p. 248).

2.4.2 Customer-Based Brand Equity

Keller and Lehmann (2003) make the assumption that the value of a brand resides with customers and that brand value creation begins when organisations make marketing investments in programs that are targeted at potential customers which in turn influences their mind sets.

Kristal et al. (2016) reference brand equity as the financial value that it brings to a business and can be seen as an outcome of aggregate consumer response to a brand name, whereas, Christodoulides and De Chernatony (2010) describe the consumer based approach as being based on market perceptions, treating brand equity as the main driving force of increased market share and profitability.

A brand possesses positive customer-based brand equity when the customer response to marketing program investments is more favourable when the brand is displayed, compared to when the brand is not displayed. This kind of positive

customer responses occurs when a customer has previous knowledge and favourable associations of the brand in mind (Keller 1993).

Social and traditional media communications therefore both play an important part in improving the brand equity by increasing the probability that a brand will be incorporated in the consumers consideration set, simplifying the consumers brand choice and turning that choice into a habit (Yoo et al., 2000, p. 775).

Author	Perspective on consumer based brand equity
Aaker (1991)	The value consumers associate with a brand, as reflected in the dimensions of brand awareness, brand associations, perceived quality, brand loyalty and other proprietary brand assets
Keller (1993)	the differential effect that brand knowledge has on customer response to brand marketing activity.
Christodoulides and De Chernatony (2010)	'a set of perceptions, attitudes, knowledge, and behaviours on the part of consumers that results in increased utility and allows a brand to earn greater volume or greater margins than it could without the brand name'
Bruhn et al. (2012)	the result of both consumer reactions to a company's brand-based communication of other consumers on social media platforms compared to the consumer reactions that an equivalent non-branded product receives

Table 1: Perspectives of CBBE

From a consumer psychology point of view, CBBE occurs when a consumer is familiar with the brand and holds some favourable, strong, and unique brand associations in memory.

According to Gürhan-Canli, Hayran, and Sarial-Abi (2016) since Keller's original CBBE article, several global macro changes have influenced how brands are managed in an economy where fast paced technologies and digital platforms offer new ways to engage with consumers.

2.4.3 Brand Equity Dimensions

For the purposes of this research which is to understand the impact of influencer marketing on CBBE, a focus will be placed on three core brand equity metrics, (i.e. perceived quality, brand associations and brand loyalty) as conceptualised in Aaker's (1991) brand equity dimensions' model. The three selected dimensions are directly related to influencer marketing and also related to the consumer's perspective.

2.4.3.1 Brand Loyalty

Brand loyalty according to Yoo and Donthu (2001) indicates the motivation to be loyal to a brand, and it is reflected when consumers select the brand as their first choice. From a consumer perspective, brand loyalty means that a consumer has become reluctant to try alternative brands that claim to provide the same or similar benefits. With reference to social media brand communication, Bruhn et al. (2012) found that the quality of peer engagements in the brand communities has a positive impact on functional, experiential and symbolic brand community benefits, consequently leveraging brand loyalty. The fact that a consumer chooses to follow an influencer means that they have opted in to receive all the branded content that is shared by the influencer and works to the advantage of brands that would like to maximise reach digitally without being affected by ad blocking software's.

2.4.3.2 Perceived Quality

Perceived quality is defined by Aaker (1991) as the consumer's perception of the overall quality or superiority of a product or service with respect to its intended purpose, relative to alternatives. The perceived quality dimension creates value by motivation and creating purchase intention amongst consumers, along with differentiating the brand, creating a basis for brand extensions, appeal interest of retailers to retail and distribute, as well as justify a price premium for the product (Farquhar, 1989). In the context of social media, Riegner (2007) found that online reviews are an important source for consumers to obtain product or service quality information further assuming that consumer interpret UGC to be a derivative from other peer's satisfaction of product and brand quality, therefore, influencing their own perceptions of brand quality.

2.4.3.3 Brand Associations

Brand associations are the perception of a brand upheld in a customer's mind and considered the most significant dimensions, as it is the basis for both brand loyalty and customers purchase behaviour (Lampeitl & Åberg, 2017). CBBE is created with cognitive associations, with effects remembrance, purchase behaviour and customer satisfaction (Aaker, 1991). Previous researchers have reported that brand communication improves brand equity by increasing the probability that a brand will be incorporated into the customers consideration set, thus shortening the process of brand decision-making and turning that choice into habit (Yoo et al., 2000).

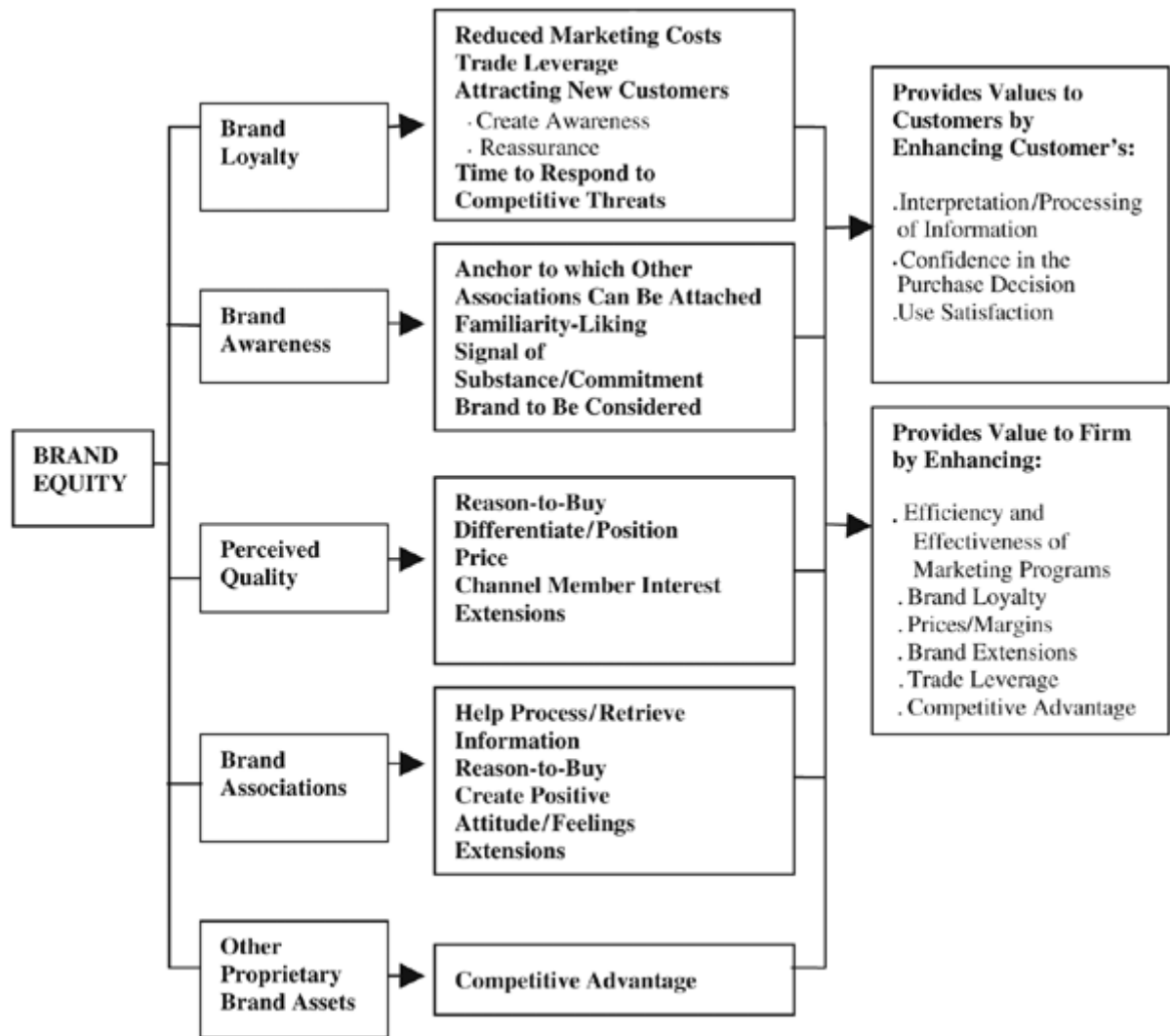


Figure 2: Brand Equity Dimensions (Aaker, 1991)

Further to that, Gürhan-Canli et al. (2016) suggests three new attributes (i.e., innovativeness, responsiveness and responsibility) that would be relevant with rapid technological and digital progress which they believe are particularly important in building and managing brand equity. These findings are in line with Christodoulides, De Chernatony, Furrer, Shiu, and Abimbola (2006) article which also highlighted online experience, responsiveness and fulfilment as important dimensions of CBBE. These attributes are important because they may become points of parity as more brands compete on these attributes as their points of difference.

2.4.3.4 Innovativeness

Innovativeness in broad terms indicates openness and propensity to adopt new ideas and behaviour (Hauser, 2006). While being innovative has always been important, increasing globalisation of markets, higher speed in the introduction of new products and diffusion of practices, and more diverse consumer demands has benefited from digital platforms. To respond quickly to competitive challenges and keep up with rapid technological advances, brands increasingly need to form collaborations with other business partners to be able to innovate. Brand innovativeness has arguably become more important and stronger indicator of brand performance, which influences consumers' judgements and feelings about the brand. With the aid of technological improvements, more brands adopt innovativeness-related attributes as their points of difference in brand positioning and thus as primary drivers of brand equity.

2.4.3.5 Responsiveness

Responsiveness indicates responding in ways that satisfy individuals' basic psychological needs (Thompson, 2006). Correspondingly, brand responsiveness is shown to lead to higher brand attachment by fulfilling the basic psychological needs of autonomy, relatedness and competence. As responsive brands enable the creation of strong and attached relationships, which is critical to creating loyal customer relationships and hence building strong brand resonance (Keller, 2001), we address responsiveness as a vital brand attribute to adopt. Also the costs of reaching consumers fall in digital developments, and as brands try to be present in various social platforms, consumers face increasing information and communications overload.

2.4.3.6 Responsibility

Responsibility refers to evaluations of what an actor was expected to do and what the actor did (Hamilton, 1978). Consumers have increasing expectations for brands to act responsibly. Responsible actions help to leverage brand equity by enhancing brand awareness and image, evoking positive consumer feelings and judgements. By strengthening the sense of connections and community created

with consumers, responsible actions lead to more attached relationships, hence to stronger brand resonance.

They believe that brands need to emphasize these three attributed to create meaningful and enduring relationships with consumers, both because consumers need, demand, and value these attributes more as a result of the macro changes taking place.

The digital revolution has substantially facilitated interactive consumer brand relationships, making targeted and timely responsiveness a highly demanded brand attribute (Gürhan-Canli et al., 2016). This need further validates the uniqueness of influencer marketing as consumers build relationships with influencers that they feel free comfortable interacting with on the brand communication shared.

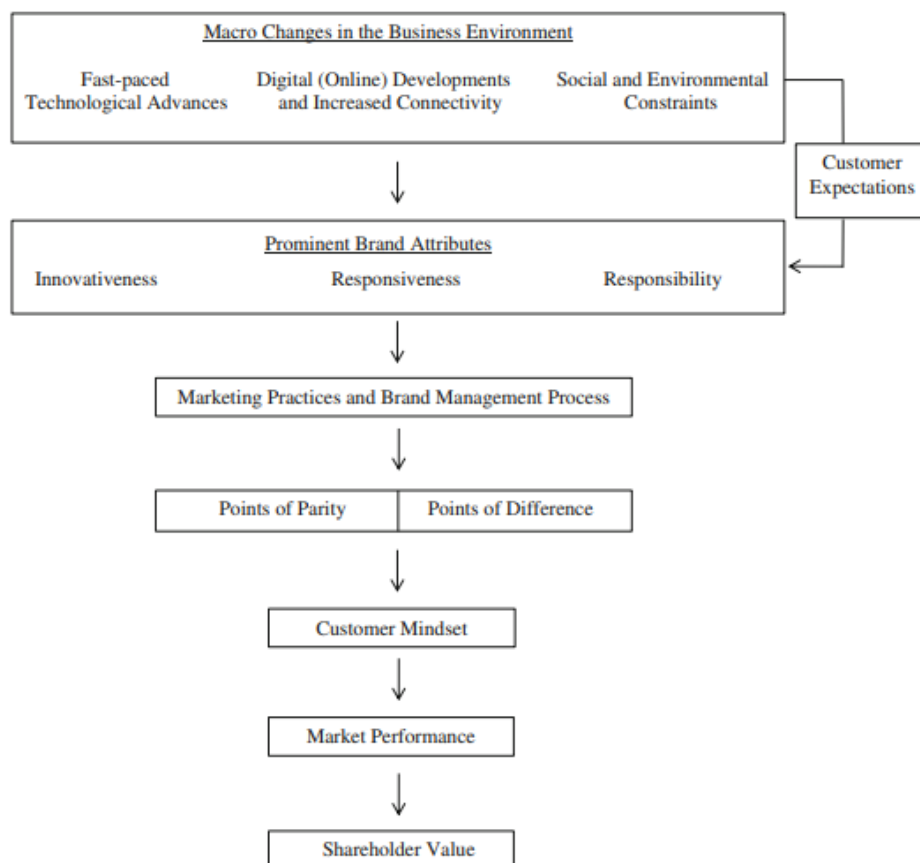


Figure 2: The Macro environment: Brand Management Framework (Gürhan-Canli, Hayran, and Sarial-Abi, 2016)

2.4.4 Hypothesis 1

Djafarova and Rushworth (2017) found indications that influencer's promotions are perceived as of high quality otherwise it would not warrant public endorsements by influencers. (Uzunoğlu & Kip, 2014) characterises influencers as individuals with a wide set of personal connections, who play a key influential role and considered as both source and guide. Referencing (Keller and Lehmann, 2003) brand value chain model, the efficiency of the marketing program investment, dependant on the program quality multiplier will result in changes to the customer mind-set which directly impacts brand performance and ultimately shareholder value.

To shape the hypothesis for this report, influencer marketing represents the marketing investment, categorized as commercialised communication but often perceived as earned media by consumers. It can be further assumed that customers are likely to be more receptive to influencer marketing initiatives based on the personal relationships that exist with influencer, which results in consumers' willingness to voluntarily engage with marketing investments from the perception that influencer marketing is earned media which is therefore of higher quality.

H0: Influencer marketing will not generate a positive effect on consumer-based brand equity

H1: Influencer marketing will generate a positive effect on consumer-based brand equity

H1a: Consumers are motivated by influencers to engage with particular brand communications

H1b: Social influencers have the biggest influence on consumer's brand choices

H1c: There is a correlation between the amount of time spent on social media and knowledge of social influence

H1d: Social influencers motivate frequent social media users to engage with brand communications

2.5. User Generated Content (UGC) and willingness to Post

Christodoulides et al. (2012) states that UGC involvement has an impact on consumer based brand equity.

According to Berthon et al. (2008), UGC studies suggest that consumers participate in content creation for a variety of reasons, including the notion that consumers are driven to create their own advertisements for self-promotion or intrinsic enjoyment or in the hope of changing public perceptions. Christodoulides et al. (2012) summarise the literature on UGC and identify four types of factors as motivating actors for creating UGC; co-creation, empowerment, community and self-concept.

Arvidsson and Caliandro (2015) introduce the concept of brand public which they describe as being formed when a crowd is given a lasting direction or focus as it is aggregated around a media device, such as a newspaper, or a mediated event like a public affair or a celebrity. This concept has relevance to the topic as the concept describes characteristics of publics that revolve around a media, which would be social media for this research purpose and the idea that opinions, perspectives and experiences are shared with a network of people also representing the construct of influencer marketing with marketers sharing their opinions on topics and brands.

Their findings show that publicity achieved by participating in brand publics can in some cases be part of a general economy of micro-celebrity where it can be converted into reputational status or social media fame/termed 'insta-fame' in this research paper, which can be capitalised in other pursuits (Arvidsson & Caliandro, 2015, p. 19). findings support (Berthon et al., 2008; Christodoulides et al., 2012) findings that influencers simply enjoy creating UGC for the experience

of being seen and the satisfaction of knowing that others, also perfect strangers, acknowledge them and 'like' them.

2.5.1 UGC and co-creation

The emergence of co-creation also saw the growth and popularisation of influencers. Influencers are regular consumers that want to be heard. Therefore, they use their popularity as an opinionated consumer to create quality brand related content that they share on their social pages usually sharing their honest opinions on the brands that they review. Influencers generally have a strong following on social media and have somewhat become their own form of celebrity particularly on platforms such as YouTube, Instagram and Facebook.

McCracken (1989) compares influencers to celebrity endorsers who have the power to assist brands in moving meaning of the brand to the consumer and point of consumption through the endorsement process. Through piggybacking on brands, UGC allows consumers to draw attention to themselves and, thus, to communicate who they are from their own perspective (Berthon et al., 2008) adding onto their motivation to continue creating quality, engaging content.

The relevance of the correlation between UGC and co-creation is that influencer marketing is highly reliant on the fact that consumers are co creating content with brands with the objective to shape perceptions that could increase purchase intention or brand awareness. Therefore, understanding the literature underlies the relevance of the hypothesis set out by this research paper.

2.5.2 Impact of User Generated Content

The perceived value of co-creation means that consumers see themselves as an integral part of the value creation system, influencing when, where, and how value is generated through multiple points of exchange (Prahalad & Ramaswamy, 2002). The positive effects of consumer's social media engagements on brand awareness, WoM activities, and purchase intentions are

strong arguments for the relevance of social media in respect to the management of brands (Hutter et al., 2013).

In contrast, Bruhn et al. (2012) found in their research study that UGC does not impact consumers brand perceptions regarding reliability, credibility and trustworthiness. They also found that UGC does not have a significant impact on brand awareness in their overall findings that covered three industries.

2.5.3 Customers Willingness to post brand promoting UGC

Khamis et al. (2017) associates self-branding with the phenomenon of influencers, explaining that self-branding is a strong public image that is expected by ordinary people, termed as 'influencers' in this study who have gauged the marketing possibilities of contemporary convergent technologies, particularly social media.

As such, the literature argues that there is particular emphasis on the construction of identity as a product to be consumed by others, and on interaction which treats the audience as an aggregated fan base to be developed and maintained in order to achieve social or economic benefit (Khamis et al., 2017, p. 2). This could allude to the fact that influencers associate themselves with selective brands to increase their sense of self and popularity on social networks further increasing their following on various social media platforms.

Hearn and Schoenhoff (2015) explain that influencers work to generate a form of "insta-fame" capital by cultivating as much attention as possible and crafting an authentic personal brand which they can leverage with brands for further reaching brand communications.

2.5.4 Hypothesis 2

According to Berthon et al. (2008), UGC studies suggest that consumers participate in content creation for a variety of reasons, including the notion that consumers are driven to create their own advertisements for self-promotion or intrinsic enjoyment or in the hope of changing public perceptions. (Arvidsson &

Caliandro, 2015) proposed a motive for customers to participate in brand publics, where users desire to gain publicity with the brand as a medium, to create a diverse set of self-identities by posting brand related content. It can be assumed that consumers that develop brand promoting UGC are motivated to use brands to create publicity for themselves and their self-identity which results in the 'insta-fame' status on social platforms.

H0: Influencer marketing does not increase consumers' willingness to posting brand promoting content on social media

H2: Influencer marketing increases consumers' willingness to posting brand promoting content on social media

H2a: Consumers are willing to be associated with a particular brand on their personal Instagram page as a form of user generated brand promoting content

H2b: Respondents imagine posting inspirational pictures brands on their Instagram

2.6. Conclusion of Literature Review

The literature begins accessing social media marketing and how it has changed brand communications. According to O'Brien (2011), marketing within social media is not just about telling and giving a message, rather it is about receiving and exchanging perceptions and ideas (Drury, 2007). The advent of social media marketing highlights the emergence of an additional communication channel that is underpinned by Katz et al. (2017) two step communication model that recognised the ability of influential people to increase the share-ability of messages for impact. Social media marketing also lays the foundation of the concept of influencer marketing that is prevalent on the various platforms. Influencers have emerged as a crucial disseminator of brand communications that increases engagements with consumers.

Following the two step communication theory, the literature expands on the concept of influencers as opinion leaders. Opinion leaders are defined as “the individuals who were likely to influence other persons in their immediate environment” (Uzunoğlu & Kip, 2014, p. 3). Nisbet and Kotcher (2009) indicate that the significance of opinion leaders relies not only on their ability to serve “as the connective communication tissue that alert their peers to what matters among political events, social issues, and consumer choices” (Nisbet & Kotcher, 2009, p. 329).

Having identified influencers as opinion leaders, the literature defines social media influencers in the context of the research paper. Abidin (2016) describes influencers as ordinary internet users who build a large following on social media platforms by creating a remarkable chronicle that depicts an interesting lifestyle that showcases the brands that they consume every day to be able to live that way. Fulgoni and Lipsman (2015) then introduces three criteria that an influencer should possess which include having the means to influence people through a large following or social network; the motive to exert influence onto other members of a certain community and the opportunity to influence other people.

According to Lampeitl and Åberg (2017), WOM is the foundation of exerting influence, which allows influencers to reach the mass by one-to-many communication approaches. Influencers in relation to eWoM Hutter et al. (2013) study found that social media content influences the economic outcome of brands and that WOM and social media are inextricable forms of marketing. We also note that influencer marketing is commercialised but perceived by consumers as earned media by consumers and voluntarily engage with it.

Having understood the emergence of this new communication channel social media and how it has changed brand communication through communication, for the purpose of this research paper, the literature unpacks the brand value creation process, how it is created and how influencer marketing can contribute to this process. Keller and Lehmann (2003) make the assumption that the value of a brand resides with customers and that brand value creation begins when

organisations make marketing investments in programs that are targeted at potential customers which in turn influences their mind sets.

Brand value measurements are then valuated based on the brand equity constructs. Brand equity is an essential concept applied to measure brand performance and is a construct that has been used and applied by organisations that produce and sell commercial brands. It is also a universal measure of the return on investment in marketing programs.

Kristal et al. (2016) reference brand equity as the financial value that it brings to a business and can be seen as an outcome of aggregate consumer response to a brand name, whereas, Christodoulides and De Chernatony (2010) describe the consumer based approach as being based on market perceptions, treating brand equity as the main driving force of increased market share and profitability

Further to that, Gürhan-Canli et al. (2016) suggests three new attributes (i.e., innovativeness, responsiveness and responsibility) that would be relevant with rapid technological and digital progress which they believe are particularly important in building and managing brand equity. These findings are in line with Christodoulides et al. (2006) article which also highlighted online experience, responsiveness and fulfilment as important dimensions of CBBE.

The literature finally explores UGC and customer's willingness to post brand promoting UGC on the premise that UGC and co-creation saw the emergence of influencers and the impact on CBBE. Christodoulides et al. (2012) states that UGC involvement has an impact on consumer based brand equity. (Arvidsson & Caliandro, 2015, p. 19). findings support (Berthon et al., 2008; Christodoulides et al., 2012) findings that influencers simply enjoy creating UGC for the experience of being seen and the satisfaction of knowing that others, also perfect strangers, acknowledge them and 'like' them.

The relevance of the correlation between UGC and co-creation is that influencer marketing is highly reliant on the fact that consumers are co creating content with brands with the objective to shape perceptions that could increase purchase intention or brand awareness. The perceived value of co-creation means that consumers see themselves as an integral part of the value creation system,

influencing when, where, and how value is generated through multiple points of exchange (Prahalad & Ramaswamy, 2002).

3 RESEARCH METHODOLOGY

3.1 Research approach/paradigm

Although it is a relatively new concept, influencer marketing has a foundation in literature and has been framed as being perceived by consumers as earned endorsements by brands when influencers share their curated content to reach the brands intended audience with little interruption. However, this research aims to uncover what impact influencer marketing has on CBBE and to assess consumer's willingness to share brand promoting content. Therefore, this research study frames influencer marketing as an independent variable on CBBE and a quantitative research methodology will be used to achieve the aim of this study which is to find the extent of a variation and diversity and to measure the magnitude of that variation.

Quantitative study designs are specific, well structured, have been tested for their validity and reliability and can be explicitly defined and recognised (Kumar, 2005). According to Bryman and Bell (2015) quantitative research usually emphasizes quantification in the collection and analysis of data. As a research strategy it is deductive and objective and incorporates a natural science model of the research process. According to Kumar (2005) in quantitative research, the measurement and classification requirements of the information that is to be gathered demand that study designs are more structured, rigid, fixed and predetermined to ensure validity and reliability of the information and its classification.

Advantages for using quantitative study designs are that they have more clarity and distinction between designs and methods of data collection when compared to qualitative designs and enable identification of relationships between concepts in focus. Relevance to this study is that we are testing and validating three constructs, influencer marketing, CBBE and consumers' willingness to post brand promoting messages to see if there are any relationships or correlations (Kumar, 2005). The nature of quantitative research is that it can be replicated by another researcher for verification and reassurance because of its structured approach to data collection.

Data for analysis will be collected through the use of online surveys distributed via social media platforms, namely LinkedIn, Facebook and Twitter given the assumption that the target audience frequents these social media platforms and would be aware of the concept under study. The brand and social media influencers to be included in the questionnaire will be selected based on specific criteria that would classify them as an influencer in the South Africa context with a followership of at least 20,000 subscribers/followers. A link to the surveys will then be shared on the afore mentioned social media platforms. The collected data will then be analysed using three main statistical methods to quantify the results. One Way ANOVA, Pearson Correlation and cross tabulations.

The instruments that will be used in the survey questionnaire will be adapted from previous studies, drawn from relevant literature to this study. A five point Likert scale will be used as the measurement tool ranging from strongly disagree to strongly agree.

3.2 Research Design

Research design is defined by Malhotra et al. (2007) as a framework or blueprint for conducting the marketing research project. The research design also specifies the details of implementing the research, laying the foundation for conducting the project ensuring that it is done effectively and efficiently (Malhotra et al., 2007).

Research designs are mostly categorized as either exploratory or conclusive. Conclusive research is more formal and structured than exploratory research, based on large representative samples and the data is subjected to quantitative analysis (Malhotra et al., 2007) which, is in alignment to the paradigm that will be applied to this study.

The objective of conclusive research is to test specific hypotheses and examine relationships, its characteristics are based on information that needs clear definition from a formal and structured research process so that the findings are conclusive and can be applied to decision making scenarios (Malhotra et al., 2007).

For the purposes of this research, a descriptive research design will be applied. As defined by (Malhotra et al., 2007) this is a conclusive research design approach with an objective to describe something, usually market characteristics. In this instance we are exploring the characteristics of influencer marketing as defined by the literature and how this will impact CBBE. An advantage of using descriptive research is that this approach is characterized by the prior formulation of specific hypotheses and works well with the nature of the specificity required by quantitative research which is appropriate for this research project. Unlike exploratory research which is designed to discover ideas and insights (Malhotra et al., 2007).

The methodology that will be applied for this research paper is cross sectional, which entails “the collection of data on more than one case and at a single point in time in order to collect a body of quantifiable data in connection with two or more variables which, are then examined to detect patterns of association. Usually involves surveys (Venter, 2017).” According to Malhotra et al., (2007), cross-sectional designs are the most frequently used designs in marketing research and defines it as a method that involves the collection of information from any given sample of population elements only once.

3.3 Population and sample

3.3.1 Population

Malhotra et al., (2007) defines a population as the aggregate of all the elements that share some common set of characteristics and that comprise the universe for the purposes of the marketing research problem. The target population for this research paper will consist of online respondents that regularly engage on social media platforms and self-report engaging with brand related content on social media. Ideally the target population should be representative of the South African population, should be active on at least two social media platforms and must self-report having active engagements with brand communication via social media platforms. However, because of the nature of the internet and social media, it

may be difficult to put geographical boundaries in place for the respondents that will be exposed to the link for the questionnaire.

The population may also be biased to millennials who are between the ages of 18 and 35 because millennials see social media interactions as part of their daily lives. However, the age group that will be targeted will be between the ages of 18 and 45 equally split between males and females.

3.3.2 Sample and sampling method

To focus the output of the research, Instagram will be the selected social media platform that will be analysed for this study because influencers tend to upload their user generated content (UGC) to Instagram and link it to their other social media pages. The nature of Instagram is also to share a perfect image of the influencer's lifestyle & UGC at a specific moment in time with the capability of uploading rich media content with the introduction of the Instagram TV feature/plugin.

A probability sampling technique in which the sample is chosen by selecting a random starting point and then picking every i th element in succession from the sampling frame (Malhotra et al., 2007).

"Systematic sampling is similar to simple random sampling (SRS) in that each population element has a known and equal probability of selection. However, it is different from SRS in that only the permissible samples of size n that can be drawn have a known and equal probability of selection. The assumption here is that the elements are ordered in some respect. On the other hand, when the ordering of elements is related to the characteristics of interest, systemic sampling increases the representativeness of the sample. A simple random sample maybe unrepresentative because it may contain a small sample size. If the ordering of elements produces a cyclic pattern, systemic sampling may decrease the representativeness of the sample" (Malhotra et al., p. 348).

If information related to the characteristic of interest is available for the population, systemic sampling can be used to obtain a more representative and reliable

sample than SRS. Another advantage is that systematic sampling can be used without knowledge of the elements of the sampling frame.

The sampling approach that will be used will be the systemic sampling approach which gives each viable case an equal probability of selection to assess the validity of the proposed model. This method will be appropriate for the study because systemic sampling can be used to obtain a more representative and reliable sample for analysis (Malhotra et al., p. 348).

A fairly large sample of 229 usable questionnaires were analysed to gain meaningful data to prove or disprove the hypothesis' that was set out for this research report.

3.4 The research instrument

Surveys are an appropriate instrument for this study because the data collection method requires a large sample size for the findings to apply and inform brand and marketing practices. Malhotra et al., (2007) describes the survey method of collecting data as administering structured questionnaires to a sample of a population and designed to elicit specific information from respondents. In structured data collection, a formal questionnaire is prepared and the questions are asked in a prearranged order.

The research instrument for this study will concisely introduce the respondents to the purpose of the study without giving any information that may shape or create bias for the way that the respondents would instinctively answer the questions. Malhotra (2007) states that a questionnaire has three objectives 1) translating information needed into questions that they will be willing to answer 2) it must motivate them to respond to complete the questionnaire and 3) it should aim to minimise response errors.

Advantages of using a questionnaire is that it is simple, reliable, reduces variability and is relatively cost effective to administer with a downside that respondents could decide to not complete their responses or to respond at all

because they don't understand the subject matter or they may just be unwilling or unmotivated to provide the desired information.

The questionnaire was adapted from previous scales used in literature and adapted to suit the context of this research study. The questions were measured using a 7 point Likert scale ranging from strongly disagree to strongly agree. Reliability and validity was accessed using Cronbach's alpha which should have a coefficient higher than 0.69 to represent fair internal consistency. Brand equity constructs were measured by items from Aaker (2009).

3.5 Procedure for data collection

The questionnaires that will be designed to collect the appropriate data will be self-administered by the research respondents. They will be recruited through sharing a link on various social media pages (Facebook, LinkedIn and Twitter) that will give respondents access to the research questionnaire. To create awareness to the research study, the link to the questionnaire will be promoted to reach a larger population of the targeted respondents who we assume are frequent social media users anyway. Promoting the link also serves to remove bias from getting responses from people that may know the researcher personally.

Informed consent and ethical considerations will be adhered to before commencement of the data collection process. The initial section of the questionnaire will include screening questions to determine eligibility to participate upfront. The main criteria for eligibility would be defined by each respondent self-reporting their frequent engagement with social media and their knowledge of social influence. Frequent interactions will be quantified as engagement of more than several times a week.

3.6 Data analysis and interpretation

A data analysis method will be required to test the hypothesis so that the hypothesis can be accepted or rejected to ultimately answer the research question. Malhotra (2010) suggests that an analysis of variance (ANOVA) should

be used to test the means of two or more groups. Although Berenson, Levine, Szabat, and Krehbiel (2012) caution that this analysis maybe misleading given that its objective is to analyse differences among group means not variances. However, to respond to the first hypothesis that seeks to compare two summated scales, analysing a difference of means of the two groups will be sufficient to accept or reject that hypothesis.

Cross tabulations will also be used to analyse the research questions. According to Malhotra (2007), cross tabulations are used to merge frequency distributions of two or more variables in a single table, it helps to understand how different variables relate to one another. To analyse correlations, Fischer's exact test will be applied because it is accurate, robust and unbiased when analysing associations between rows and columns of a contingency table.

Lastly a Pearson correlation will be applied, according to Malhotra (2007), it is the most widely used statistic to analyse the strength of associations between two variables also indicating the degree of variations between the two variables. This statistical analysis will be used to assess hypothesis two which intends to assess the degree of variation between influencer marketing and customer's willingness to post user generated content.

3.7 Limitations of the study

Applicability of the literature and theories to the South African landscape and context was the first limitation. The geographical restriction may increase the difficulty in finding relevant literature that applies directly to the right landscape of the study.

The research should have been focused on a specific social media platform to understand the variables that affect each platform and if there are any differences in appeal across the platforms. Therefore, a weakness of the research's findings maybe that these will be too generalized to apply across each social media platform.

The data collection method is self-administered questionnaires which may result in a high rate of non-responsiveness, limiting the data collected for analysis which in turn reduces the number of usable results to make recommendations for practical implementation.

The proposed sampling methodology proposed could make it difficult to control demographic selection of the respondents and potential interventions from the researcher maybe impossible once the process has commenced. Using Likert scale also has its own disadvantages such as respondents potentially selecting a neutral option which created biases to analysis of data.

The focus on one brand and influencer could also restrict generalisability of the research findings across different industries if the motives to increase brand equity through user generated social media communication differs across industry.

3.8 Validity and reliability of research

To ensure overall reliability and validity of this study's measurements, Cronbach's alphas will be applied. It ranges from 0 – 1 with a higher values indicating greater internal consistency. According to Malhotra (2007), if several items are used to measure each dimension, internal consistency reliability can be computed for each dimension. This would be appropriate given that the variables being tested for the hypothesis are summated constructs that reliability per construct would need to be assessed.

3.8.1 External validity

External validity is concerned with the question of whether the results of a study can be generalized beyond the specific research context (Bryman & Bell, 2015). This research should be valid within the South African context across all brands, products or services. The findings of this research should be practically applicable to any marketing professional who would like to have an influence on brand equity constructs via the array of social media platforms.

3.8.2 Internal validity

Bryman and Bell (2015) defines internal validity as the concern with the question of whether a conclusion that incorporates a causal relationship between two or more variables holds water also relating mainly to the issue of causality. The research meets the internal validity criteria based off the variables that been established to suggest causality and responsibility for variation in their relationship between variables.

3.8.3 Reliability

Reliability relates to the probability that repeating a research procedure or method would produce identical or similar results. It provides a degree of confidence that replicating the process would ensure consistency (Bush, 2007). According to Bryman and Bell (2015), reliability is concerned with the question of whether the results of a study are repeatable. The term is commonly used in relation to the question of whether the measures that are devised for concepts in the social sciences are consistent. This research meets the reliability criteria based on the specific questions that will be posed to extract information that will establish the results of the study.

CHAPTER 4: PRESENTATION OF RESULTS

4.1 Introduction

To sufficiently test the hypothesis outlined by this research paper, data was collected through dissemination of self-administered digital surveys through social media platforms. The results of the data collected will be presented and described in this chapter starting with the data flow, followed by an outline of the descriptive statistics relating to the demographics of the sample; followed by a presentation of the results pertaining to the specific hypothesis set out in this research paper.

244 total cases were collected through the self-administered questionnaires that were accessible through a link that was shared with the respondents via social media platforms. Of the 244, 173 were classified as viable cases that included useful data for analysis and 71 of those classified as incomplete variable cases due to the respondents not having answered all questions set out in the questionnaire. From the 71 incomplete variable cases, 56 of these cases were maintained due to the respondents answering questions that would have useful data towards answering the hypothesis, whilst 15 cases were dropped completely because they did not present any useful information for data analysis.

Therefore, this data flow resulted in 229 viable cases that were included in the data analysis. The below flow chart shows the viability of the cases collected from the data collection process.

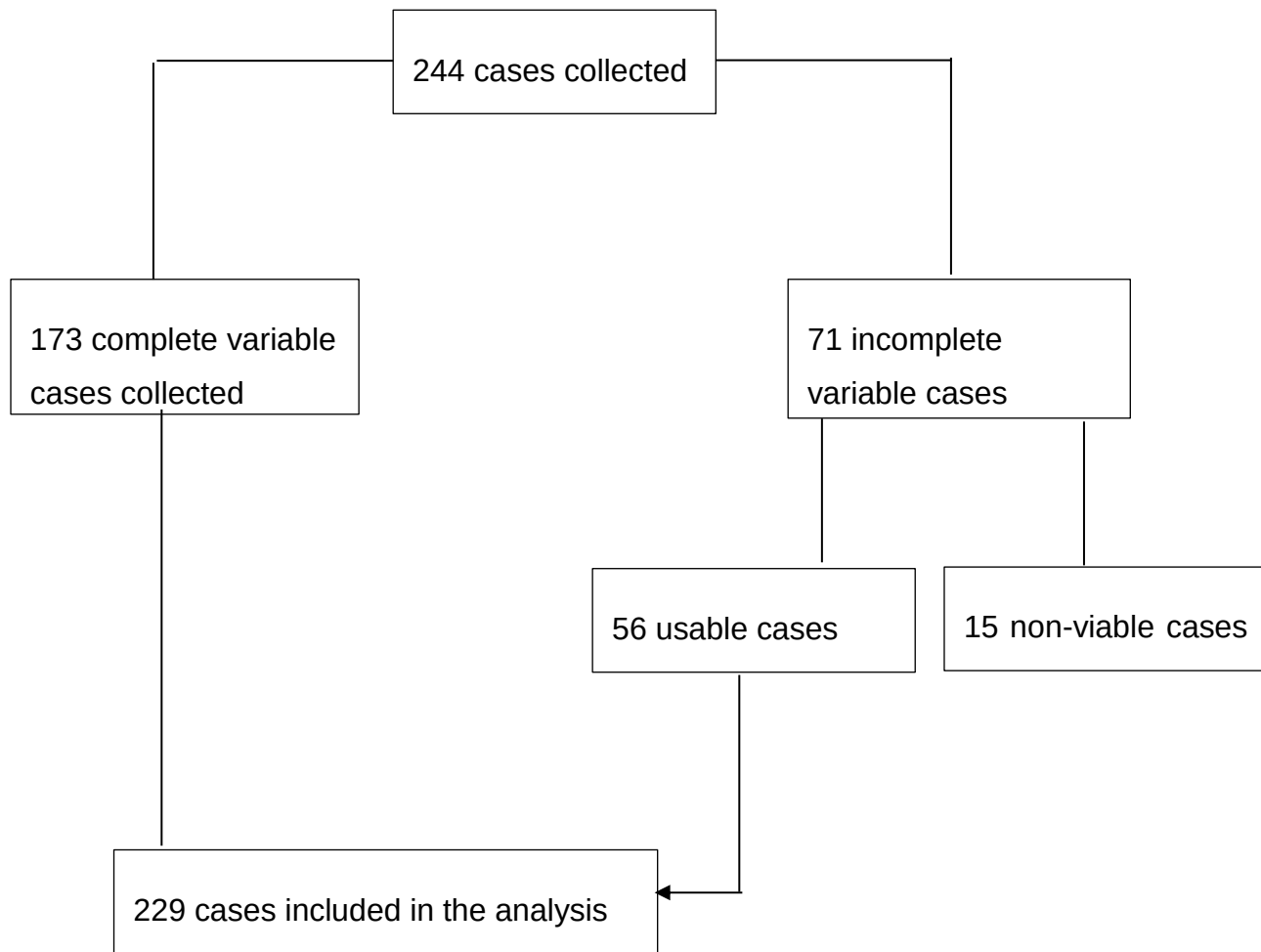


Figure 2: Research data flow diagram

4.2 Demographic profile of respondents

The data collection process set out to collect at least 200 responses from online respondents that regularly engage on social media platforms and self-report engaging with brand related content on social media. Ideally the target population should be representative of the South African population, should be active on at least two social media platforms and must self-report having active engagements with brand communication via social media platforms. 229 viable cases were collected from the process which was satisfactory for the purposes of the research paper.

Statistics for viable cases

		Q2	Q3
N	Valid	229	229
	Missing	0	0

Table 2: Viable responses

The gender distribution tabulated 25 of the respondents as males representing 10.9% of the respondents, 200 as females representing 87.3% of the sample and 2 opted to not disclose representing only 0.9% of the sample. The question regarding the respondents gender had three options to accommodate the complicated discourse of gender where gender classifications may not necessarily align to the definitions prescribed by biology. The third option was defined as “rather not say”.

		Frequency	Percent	Valid Percent
Valid		2	.9	.9
	Female	200	87.3	87.3
	Male	25	10.9	10.9
	RNS	2	.9	.9
	Total	229	100.0	100.0

Table 3: Gender distinctions

The age distribution, indicated that 193 cases included a viable age response whilst 36 cases had missing cases. The mean age of the respondents was 24.7, with the median age being 22 and the mode age being 18 years old. With four options to select from for age, 24% of the respondents were white, the majority being black, constituting 58.1% of the total sample. 11.4% were coloured with the minority being Indian respondents at 5.2% of the total sample.

Statistics		Age	Gender	Race
N	Valid	193	227	226
	Missing	36	2	3
Mean		24.731	1.899	1.633
Median		22.000	2.000	1.000
Mode		18.0	2.0	1.0
Std. Deviation		6.8282	.3304	.8857
Variance		46.625	.109	.785
Skewness		1.437	-1.890	1.256
Std. Error of Skewness		.175	.162	.162
Kurtosis		3.110	4.308	.594
Std. Error of Kurtosis		.348	.322	.322
Range		43.0	2.0	3.0
Minimum		18.0	1.0	1.0
Maximum		61.0	3.0	4.0

Table 4: mean, median and mode of demographics

4.3 Results pertaining to Hypothesis 1

Hypothesis one set out to understand whether influencer marketing will generate a positive effect on consumer-based brand equity. A one-way variance of analysis was applied to compare the means between two variables that consisted of multiple questions to develop a summated construct.

Test of Homogeneity of Variances		Levene Statistic	df1	df2	Sig.
InfluencerMkt	Based on Mean	3.386	45	102	.000
	Based on Median	2.265	45	102	.000
	Based on Median and with adjusted df	2.265	45	32.000	.009
	Based on trimmed mean	3.239	45	102	.000

ANOVA

InfluencerMkt

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2304.656	79	29.173	2.285	.000
Within Groups	1302.267	102	12.767		
Total	3606.923	181			

Table 5: Frequencies on motivation to engage with brand communications

The p value rated at .000 shows statistical significance in the difference of the variables measured.

Conclusion: the null hypothesis is rejected showing a positive association between influencer marketing and consumer based brand equity. Therefore, the hypothesis is accepted.

4.3.1 Research Question 1

Towards formulating hypothesis one for this research, research questions were formulated to add to the findings towards accepting or rejecting the set out hypothesis. The first research question set out to understand if influencers could motivate consumers to engage with brand communications. A cross tabulation analysis for the outputs of the research question depicted in table 6 below;

		Frequency	Percent	Valid Percent
Valid	Yes	113	49.3	60.8
	No	73	31.9	39.2
	Total	186	81.2	100.0
Missing	System	43	18.8	
Total		229	100.0	

Table 6: Frequencies on motivation to engage with brand communications

The data revealed that 60.8% of the respondents answered affirmatively to being motivated by social influencers to engage with brand communication, with 39.2% of respondents not feeling the motivation from influencers. There were 43 missing cases to this particular question accounting for 18.8% of the overall respondents included for analysis in this research paper.

4.3.2 Research Question 2

The second research question preceding hypothesis one aimed to explore if influencer marketing could influence consumers brand choices. The specific question posed in the questionnaire was “what is the biggest influence on your brand choices?”. A cross tabulation analysis was also used to understand the responses. Table 7 is depicted below;

	Frequency	Percent	Valid Percent
Valid	1	.4	.4
Branded adverts	61	26.6	26.6
Colleagues	4	1.7	1.7
Family	28	12.2	12.2
Friends	85	37.1	37.1
Social influencer	50	21.8	21.8
Total	229	100.0	100.0

Table 7: Frequencies on influence on brand communication

All respondents within the sample answered this question revealing that the biggest influence on brand choices were friends with 37.1%, followed by brand advertisements with 26.6% and social influencers being rated as the third influence towards brand choice selection.

4.3.3 Research Question 3

The third research question made the assumption that there is a correlation between the amount of time spent on social media and their knowledge or intention to follow social influencers. The two questions were consolidated and analysed using a condensed scale that was verified through Fisher's exact test.

Frequency of Social Media Use and Following Social Influencers Cross tabulation

Count

		Follow_SI			Total
		No	No idea	Yes	
Frequency_SM	Once a day	3	2	13	18
	Once a week	0	2	3	5
	Not use	7	4	6	17
	Once a month	1	1	10	12
	Several times a day	12	6	144	162
	Several times a week	1	2	12	15
Total		24	17	188	229

Table 8: Cross tabulation Frequency of social media and following social influencers

All respondents in the sample responded to both questions. 13 respondents that reported being on social media once a day followed social media, with 144 respondents that were on social media several times a day reporting to follow social influencers. Cumulatively resulting in 157 frequent social media users reporting to follow social influencers, constituting 69% of the sample population. In comparison, cumulatively 23 respondents either had no idea what a social influencer was or did not follow them, resulting in 10% of the sample population. 31 of the remaining respondents reported using social media less than once a day but did confirm following social influencers in comparison to 18 that did not follow or know of social influencers.

A Fischer's exact test was run and showed statistical significance accepting the correlation between the frequency of social media use and knowledge of social influencers.

Pearson chi2(4) = 32.7873 Pr = 0.000

Fisher's exact = 0.000

4.3.3 Research Question 4

The fourth research question explored if social influencers could motivate frequent social media users to engage with brand communications. Reporting affirmatively, family showed an expected frequency of 12.2, friends 41.9, Colleagues 2.4, social influencers 27.9 then brand adverts 28.6 as depicted below.

Influence on BC	Motivate_SI		Total
	Yes	No	
Family	7 12.2	13 7.8	20 20.0
Friends	36 41.9	33 27.1	69 69.0
Colleagues	3 2.4	1 1.6	4 4.0
Social influencer	44 27.9	2 18.1	46 46.0
Branded adverts	23 28.6	24 18.4	47 47.0
Total	113 113.0	73 73.0	186 186.0

Pearson chi2(4) = 34.2829 Pr = 0.000

Fisher's exact = 0.000

Using Stata, a Fischer's exact test was run and the test showed statistical significance rejecting a null hypothesis.

4.4 Results pertaining to Hypothesis 2

Hypothesis two set out to explore whether influencer marketing could increase customer's willingness to engage in posting brand promoting content on social media. In order to determine the strength of association between the two metric variables, a Pearson correlation analysis was run to determine statistical significance.

Correlations

		InfluencerMkt	WillingnessUGC
InfluencerMkt	Pearson Correlation	1	.432**
	Sig. (2-tailed)		.000
	N	186	179
WillingnessUGC	Pearson Correlation	.432**	1
	Sig. (2-tailed)	.000	
	N	179	179

** . Correlation is significant at the 0.01 level (2-tailed).

Table 9: Pearson Correlation output

The analysis shows a significant correlation between the two variables with a p-value of .000. Therefore, the second hypothesis is accepted.

4.4.1 Research Question 1

Formulating hypothesis two that set out to understand the correlation between influencer marketing and customers' willingness to post brand promoting user generated content. The first research question explored if respondents were willing to be associated with a particular brand on their personal Instagram page

	Frequency	Percent	Valid Percent
Valid	65	28.4	28.4
agree	21	9.2	9.2
disagree	49	21.4	21.4
neutral	27	11.8	11.8
somewhat agree	8	3.5	3.5
somewhat disagree	31	13.5	13.5
strongly agree	4	1.7	1.7
strongly disagree	24	10.5	10.5
Total	229	100.0	100.0

Table 10: Frequencies on association with brands on Instagram

A tabulation approach was used to depict the responses from the sample population to answer the specific question. Only 28.4% of the cases were valid to be included in the analysis. 14.4% of respondents strongly, somewhat and agreed to the statement. 11.8% were neutral and 45.4% either disagreed, strongly or somewhat.

4.4.2 Research Question 2

Research question two intended to understand if respondents could imagine posting inspirational pictures with their brand on their Instagram. A tabulation approach was used to depict the responses from the sample population answer the specific question.

	Frequency	Percent	Valid Percent
Valid	64	27.9	27.9
agree	32	14.0	14.0
disagree	37	16.2	16.2
neutral	21	9.2	9.2
somewhat agree	14	6.1	6.1
somewhat disagree	31	13.5	13.5
strongly agree	11	4.8	4.8
strongly disagree	19	8.3	8.3
Total	229	100.0	100.0

Table 11: Frequencies on willingness to post an image with a brand on Instagram

Only 27.9% of the cases were valid to be included in the analysis. 24.9% of respondents strongly, somewhat and agreed to the statement. 9.2% were neutral and 38% either disagreed, strongly or somewhat.

4.5 Reliability using Cronbach's Alpha

According to Malhotra (2007), if several items are used to measure each dimension, internal consistency reliability can be computed for each dimension.

This measure was applied given that the variables for the dependant and independent for the hypothesis were made up of summated constructs and reliability per construct needed to be assessed. To ensure overall reliability and validity of this study's measurements, Cronbach's alphas was applied. Malhotra (2010) states that Cronbach's Alpha should be more than 0.6 to be considered sufficient with higher values more than 0.8 indicating greater internal consistency. The dimensions developed for this study were greater than 0.9 with the exception of perceived quality constructs which exceeded 0.8 all being considered as excellent according to (Cronbach, 1990) and reliable to use for further analysis.

4.6 Summary of the results

H:	Stated Hypothesis	Analysis	Outcome
R1	Consumers are motivated by social influencers to engage with particular brand communications	Cross tabulation	<u>Accepted</u>
R2	Social influencers have the biggest influence on consumer's brand choices	Cross tabulation	<u>Accepted</u>
R3	There is a correlation between the amount of time spent on social media and knowledge of influencer marketing	Fischer's exact test	<u>Accepted</u>

R4	Social influencers motivate frequent social media users to engage with brand communications	Fischer's exact test	<u>Accepted</u>
H1	Influencer marketing will generate a positive effect on consumer-based brand equity.	One Way ANNOVA	<u>Accepted</u>
R1	Consumers are willing to be associated with a particular brand on their personal Instagram page as form of user generate brand promoting content	Cross tabulation	<u>Rejected</u>
R2	Respondents imagine posting inspirational pictures of brands on their Instagram	Cross tabulation	<u>Rejected</u>
H2	Influencer marketing increases consumers' willingness to posting brand promoting content on social media	Pearson's Correlation	<u>Accepted</u>

CHAPTER 5: DISCUSSION OF THE RESULTS

5.1 Introduction

In this chapter, an interpretation of the data analysis will be discussed to gauge the insights that can be applied to add value to the literature and this field of study. The chapter will also evaluate the findings based on the literature to determine which results apply given that this was not an original piece of work. Conclusions will be drawn from the discussions of the results.

5.2 Demographic profile of respondents

The data collection process aimed to reach at least 200 viable cases of an equal split of male and females between the ages of 18 – 45 in order to have sufficient data for meaningful analysis. The assumption was that there would be an even distribution across the age groups to gauge whether there were differences in relevance for influencer marketing based on age group or gender bias. However, this was not the case from the findings. The majority of the respondents were females constituting 87.3% of the responses which could be a function of the algorithm used to promote the questionnaire on social media in order to reach the targeted population.

It is not surprising that the mean age was 24 and the mode age 18, given an assumption made earlier in the limitations that millennials maybe more likely to respond to the questionnaire because of their savviness and frequent engagements with social media. This was an expected outcome. However, the racial split of the respondents did not add any valuable insights for the outcomes of the research.

5.3 Discussion pertaining to Hypothesis 1

H0: Influencer marketing will not generate a positive effect on consumer-based brand equity

H1: Influencer marketing will generate a positive effect on consumer-based brand equity

According to the literature review, Parganas et al. (2015) summarise the findings of research regarding the influence of social media, finding that it impacts brands in a number of ways including a brands image, awareness and associations. Influencer marketing was an independent variable that was achieved by summing means from various questions and consumer based brand equity was also achieved by summing means of various questions to achieve a dependant variable.

The ANOVA analysis showed significant differences between the sample means indicating a difference between the two groups; influencer marketing and consumer based brand equity. The p-value rated at .000 further showed the statistical significance in the difference of the variables measured. The findings are supported by Booth and Matic (2011) who also find that consumers are impacting brand equity as ever before.

As a result of the one-way ANOVA analysis, the hypothesis was accepted. It can therefore be concluded that influencer marketing does generate a positive effect on consumer brand equity.

5.3.1 Discussion pertaining to research question 1

H1a: Consumers are motivated by influencers to engage with particular brand communications

In support of the hypothesis, for influencer marketing to have an impact, it was important to gauge whether consumers felt that influencers gave them motivation to engage with brand communication. This was an important question to explore because the assumption is that influencers are an effective catalyst for

engagement for brand communications and had to explore the statistical significance to support the findings. According to the literature, Djafarova and Rushworth (2017) found that influencers promotions are perceived as being of high quality and viewed as more credible. The data analysis affirms this finding given more than 60% of the study's respondents confirmed the significance of an influencers motivating powers to engage with brand promoting communications.

As a result of the cross tabulation, the research question was accepted showing that influencers do indeed motivate consumers to engage with particular brand communications.

5.3.2 Discussion pertaining to research question 2

H1b: Social influencers have the biggest influence on consumer's brand choices

What was interesting is that E. Keller and Berry (2003) suggest that an essential building block in exerting influence is word of mouth, where personal experiences with brands are shared from one customer to the next, traditionally through interpersonal communication. Though influencer marketing wasn't rated as the biggest influence in this study, we see that friends have the highest rating which motivated the value of word of mouth. It is interesting that influencers are viewed as being more credible based on the perceived friendly relationships created by connections via social media, it could be inferred that influencers branded communication are being viewed as recommendations of brands by a 'friend' based on their engagements regarding similar interests. Though this is out of the scope of the research the inference was apparent.

We also see that brand adverts are ranked as the second highest influence. What is interesting is that the literature states that influencer marketing, although commercialised, is viewed as earned content. So content shared by an influencer is not viewed as a brand advert though it is indeed a commercialised tool that has seen many influencers make a career out of content creation and sharing. So there could be blurred lines between the distinct differentiation between influencer marketing, branded adverts and word of mouth through friends,

potentially making influencer marketing that much more valuable as a brand building investment.

It can be concluded that social influencers have impactful influences on the consumer's brand choices.

5.3.3 Discussion pertaining to research question 3

H1c: There is a correlation between the amount of time spent on social media and knowledge of social influence

The assumption that frequent social media users would have more knowledge on social influence was arrived at based on the fact that the concept of social influence is predominant on social media platforms and this group of people would follow social influencers and be more aware of the content creation abilities. Because we were looking for a correlation between the two, Fischer's exact test was used to determine the statistical significance of the correlation.

The research question was accepted, evident from the p-value of .000. It can be concluded that frequent social media users are more aware of social influences.

5.3.4 Discussion pertaining to research question 4

H1d: Social influencers motivate frequent social media users to engage with brand communications

The analysis of this research question required the cross tabulation of the question regarding consumer's motivation to engage with brand communications and their biggest influence on their brand choices. The significance of this research questions was to understand the correlation between the motivation to engage with brand communications and what that meant for influence on brand choices. Because of the comparison of two variables, a Fischer's exact test was appropriate to get an exact significance of the correlation which contributed to the validity of the findings of hypothesis one.

The research question was accepted, evident from the p-value of .000. It can be concluded that there is a correlation between the motivation to engage with brand communications and influence on brand choices in favour of the impact of influencer marketing.

5.4 Discussion pertaining to Hypothesis 2

H0: Influencer marketing will not increase consumers' willingness to posting brand promoting content on social media

H2: Influencer marketing increases consumers' willingness to posting brand promoting content on social media

Christodoulides et al. (2012) study states that UGC involvement has an impact on consumer based brand equity. The relevance of the correlation between consumers' willingness to post brand promoting user generated content and consumer based brand equity is that influencer marketing is highly reliant on the fact that consumers are co-creating content with brands with the objective to shape perceptions that could have a positive impact on brand equity attributes.

The analysis used Influencer marketing as the independent variable and customer's willingness to post brand promoting content on social media as the dependant variable. Given that the two constructs were made up of various questions these were summated to form the variables to be tested by the Pearson correlation analysis method. With the analysis, the Correlation is significant at the 0.01 level (2-tailed). The findings were expected following the literature that alluded to a positive correlation as stated by Prahalad and Ramaswamy (2002) who found that the perceived value of co-creation means that consumers see themselves as an integral part of the value creation system, influencing when, where, and how value is generated through multiple points of exchange.

Based on the one-way ANOVA, the hypothesis is accepted and shows statistical significance that influencer marketing increases customer's willingness to post brand promoting content on social media

5.4.1 Discussion pertaining to research question 1

H2a: Consumers are willing to be associated with a particular brand on their personal Instagram page as a form of user generated brand promoting content

This research question was formulated based on literature by Arvidsson and Caliandro (2015, p. 19) Findings, also supported by (Berthon et al., 2008; Christodoulides et al., 2012) that influencers simply enjoy creating user generated content for the experience of being seen and the satisfaction of knowing that others, also perfect strangers, acknowledge them and 'like' them. This question also aimed to unpack how willing consumers would be to be associated with a particular brand and sharing this association with their followers.

However, the low response rate to this particular question could be a result of the use of the Daniel Wellington brand that did not evoke strong associations in most of the respondents. The association with the brand throughout the data collection process showed very low affiliation with the brand, with majority of the respondent moderately disliking the brand.

Based on the low response rate, the research question is rejected. It can be concluded from the cross tabulation that respondents were not willing to be associated with the particular brand on their personal Instagram page as a form of user generated brand promoting content.

5.4.2 Discussion pertaining to research question 2

H2b: Respondents imagine posting inspirational pictures brands on their Instagram

According to Berthon et al. (2008), UGC studies suggest that consumers participate in content creation for a variety of reasons, including the notion that

consumers are driven to create their own advertisements for self-promotion or intrinsic enjoyment or in the hope of changing public perceptions. The analysis of this research question could support the inference that consumers can create inspirational content associated with brands and share this content as a form of word of mouth with their followers which impacts brand equity attributes. However, the response rate to this question was low and alluded more to disagreement with the particular statement. The assumption is that the brand that was selected for the research question was neutral at best with more respondents not having an affiliation to the brand giving the biased results.

Based on the low response rate, the research question is rejected. It can be concluded from the cross tabulation that respondents were not willing to posting inspirational pictures with the specific brand in question.

5.5 Conclusion

In conclusion, both hypotheses were accepted and four out of the six research questions were significant. Contrary to the research questions, consumers are not willing to be associated with a particular brand on their personal Instagram page as a form of user generated brand promoting content nor did they imagine posting inspirational pictures with brands on their Instagram. This can be attributed to the particular brand that was used in the research instrument that was generally disliked by the respondents. Therefore, contributing to their lack of motivation to create brand promoting content.

For hypothesis one that tested whether influencer marketing would generate a positive effect on consumer-based brand equity, the results showed a significant association between the two constructs. As provided by the literature according to Parganas et al. (2015) that influence of social media impacts brands in a number of ways, this study affirmed this through the one-way ANOVA analysis. The research questions that supported hypothesis one were also accepted showing that there is a significant correlation in the amount of time spent on social media and the knowledge of social influence, which infers that social influencers

motivate consumers to engage in brand communications which can be translated into having a strong influence on brand choice ultimately.

For hypothesis two that tested whether influencer marketing increases consumers' willingness to posting brand promoting content on social media, the analysis showed statistical significance between the correlation of the two variables. This outcome is supported by the literature which states that the correlation between UGC and co-creation is that influencer marketing is highly reliant on the fact that consumers are co-creating content with brands with the objective to shape perceptions that could increase purchase intention or brand awareness. However, the supporting research questions are rejected, outlining that consumers are not willing to be involved with generating and posting user generated content. It is our analysis that motivation to create brand promoting content is reliant on the relationship with the brand and an influencer for consumers to want to engage in posting brand affiliated user generated content. This outcome was unexpected, however the overall hypothesis showed significance.

CHAPTER 6: CONCLUSIONS, IMPLICATIONS AND RECOMMENDATIONS

6.1 Introduction

This chapter concludes the study with discussion around the results, the literature that shaped the hypotheses and the implications of the output from the analysis.

6.2 Conclusions of the study

The gap identified that was to be addressed by this research report sought to investigate the effects of influencer marketing on CBBE and investigate consumers' willingness to post UGC given that influencer marketing was a generally new concept covered by academic literature. There was also limited literature that had defined influencer marketing, justifying it as a viable approach for marketing investment with a substantial return on investment.

The study addressed this gap by reviewing the literature and affirming the positive effect that influencer marketing has on consumer based brand equity. Supported by literature, Yoo et al. (2000) study suggested that marketing communication exerts a positive influence on perceived brand quality, loyalty and associations. Inferring that influencer marketing is an investment that will result in a return on investment with its impact on CBBE. It also has a positive influence on consumer behaviour with co-creation and posting brand promoting content on social media.

It can also be concluded that the purpose of this research was met. The main purpose was to understand the effects of influencer marketing on customer based brand equity and investigate consumer's willingness to post user generated content (UGC) that will improve the effectiveness of this form of marketing communication, so that brand managers can fully understand the opportunities

that social media provides on generating eWOM that will have an impact on customer based brand equity.

The theoretical contribution of this study is to affirm that influencer marketing does have a positive effect on consumer based brand equity, therefore it can be included as a marketing investment which is supported by K. L. Keller and Lehmann (2003) theory regarding the brand value chain that suggests that marketing program investments have an impact on consumers mind-sets.

The second contribution to this study is that marketers can nurture customer's willingness to post brand promoting content on their social media to motivate engagements with brand communications and ultimately choices on brands. However, the willingness to create this content is closely correlated with influencers whose promotions are perceived as being of high quality which is beneficial to any brand communication strategy.

6.3 Implications and Recommendations

This study contributed towards building literature that will authenticate the inclusion of influencer marketing in marketing strategies and further gain knowledge on its effect on consumer based brand equity. The study also provided guidance to brand and marketing managers so that the discipline can better understand how to shift resources strategically to better influence authentic creation of brand related content that will have an impact on their product or services brand equity.

With influencer marketing having an influence on engagement with brand communication and motivating consumers to associate themselves with brands through content creation, the implications are that branded content will continue to be shared through consumers increased willingness to share brand promoting content. The other implication is that there should be very focused objectives as to which brand equity construct influencer marketing should show an impact on. Therefore, the first recommendation for brand custodians is to be very specific about what the objective for the brand is and what should the marketing investment achieve. In this case influencer marketing is the investment, it can be

used to increase engagement with brand communications, influence brand choices and shape consumer perceptions.

Further to that, brand custodians have to make sure that an influencer is selected based on a specific criteria other than their large following on social media. Specific criteria that should be considered is their keen interest on a specific subject area, the quality of their engagement with followers and their online persona's value alignment to that of the brands value. If the above is adhered to effective engagement with the brands communication will be achieved, which shapes brand perception's that in turn has an effect on influence on brand choice.

In relation to customer's willingness to creating brand promoting content, it is our recommendation that brand custodians create more opportunities that encourage co-creation of brand communication that is true to the brands identity and that is designed to meet the brands objectives whilst staying true to the influencers concept of self. Through literature, consumers see themselves as integral parts of the value creation system, therefore brand custodians should use their investment in influencers to shape the brand perceptions that would encourage other consumers to create content that they disseminate to their followers which increases reach for the brand communications. As was evident in this research study, because the respondents had a low perception of the brand used, there was no motivation to be associated with the brand, let alone create content and share it on their social media.

(Arvidsson & Caliandro, 2015) proposed a motive for customers to participate in brand publics, where users desire to gain publicity with the brand as a medium, to create a diverse set of self-identities by posting brand related content. It can be assumed that consumers that develop brand promoting UGC are motivated to use brands to create publicity for themselves and their self-identity which results in the 'insta-fame' status on social platforms. Brand custodians are also encouraged to explore the importance of brand publics to motivate consistent and quality content creation.

Though beyond the scope of this research paper, because of the popularity of influencer marketing, brand custodians have to allow for authenticity of curated

content when co-development of brand content has taken place. Literature highlights that influencer marketing is viewed as more credible, therefore if curated content is not favourable for the brand, custodians have to take advantage of the solicited feedback to inform improvements that can be made to product improvements and engage influencers more on their opinion for product/brand improvements.

6.4 Suggestions for further research

For further research it would be beneficial to continue to explore the implicit implications of influencer marketing's effect on consumer based brand equity and consumers' willingness to post brand promoting user generated content. It would add to knowledge and literature to further explore which brand equity constructs correlate highest with influencer marketing so that there is a better understanding of where the concept is most impactful noting that Bruhn et al. (2012) found that user generated content does not have an impact on brand awareness. This study did not analyse correlations on each brand equity construct, which could have been useful.

With regards to content creation it would also be recommended that future research looks into the appeal of influencers across different industries to gauge if there are significant differences in appeal based on industry and content created.

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APPENDIX A: ACTUAL RESEARCH INSTRUMENT

11/9/2018

Qualtrics Survey Software

Consent



Dear Sir/Madam

*My name is Ndinatsei Mumbengegwi and I am a Masters of Management student in Strategic Marketing at Wits Business School in Johannesburg. As part of my studies I have to undertake a research project, and I am investigating **The Impact of Influencer marketing on consumer based brand equity**.*

As part of this project I would like to invite you to take part in an answering a questionnaire that will assist to address the hypothesis set out by my research. This activity will take around 7 - 10 minutes to complete.

You will not receive any direct benefits from participating in this study, and there are no disadvantages or penalties for not participating. You may withdraw at any time or not answer any question if you do not want to. The questionnaire will be completely confidential and anonymous as I will not be asking for your name or any identifying information, and the information you give to me will be held securely and not disclosed to anyone else.

If you have any questions afterwards about this research, feel free to contact me on the details listed below. This study will be written up as a research report which will be available online through the university library website. If you have any queries, concerns or complaints regarding the ethical procedures of this study, you are welcome to contact the University Human Research Ethics Committee (non-medical), telephone + 27(0)11 717 1408, email Shaun.Schoeman@wits.ac.za

*Yours sincerely,
Ndinatsei Mumbengegwi
e: ndinatsei@gmail.com*

*Supervisor: Professor Russell Abratt,
e: Russell.Abratt@wits.ac.za*

- ☐ Yes, I consent
☐ No, I do not consent

Demographics

My age is

	18	23	27	32	37	42	46	51	56	60	65
Select age											

I am

- ☐ Male
☐ Female
☐ Rather not say

My ethnicity

<https://wits.eu.qualtrics.com/ControlPanel/Ajax.php?action=GetSurveyPrintPreview>

1/7

- ☐ Black African
- ☐ White
- ☐ Coloured
- ☐ Indian/Asian

Influencer marketing and social media usage

How much time do you spend on social media?

- ☐ None at all
- ☐ Almost none
- ☐ Less than an hour daily
- ☐ A few hours a day
- ☐ A few times a week
- ☐ Once a week

How often do you use Instagram?

- ☐ Do not use Instagram
- ☐ Several times a day
- ☐ Once a day
- ☐ Several times a week
- ☐ Once a week
- ☐ Monthly

Do you follow any social influencers?

- ☐ Yes
- ☐ No
- ☐ Have no idea what a social influencer is

Are you motivated by social influencers to engage with particular brand communications?

- ☐ Yes
- ☐ No

Who do you consider as having the biggest influence on your brand choices?

- ☐ Family
- ☐ Friends
- ☐ Colleagues
- ☐ Social influencers
- ☐ Branded advertising

What would you say has a high influence on your brand choice? (You may select up to 3 choices)

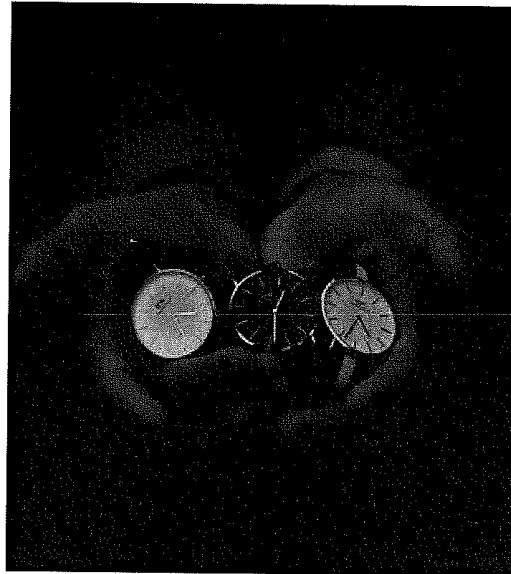
- ☐ Word of mouth
- ☐ In-store promotions

- ☐ Social media posts
- ☐ Social influencers
- ☐ TV adverts
- ☐ Radio adverts
- ☐ Digital adverts
- ☐ Outdoor adverts

In order to complete the upcoming questions, we will now show you an advertisement from Daniel Wellington watches that you will need to reference to complete the questions



(Image credit Instagram: @Mihlali_n)



(Image credit Instagram: @danielwellington)



danielwellington • Follow

danielwellington 1, 2 or 3? Pick your favorite (left to right) and let us know in the comments below! (Photo via @chinflix)
#DanielWellington

Load more comments

bhupeshghule 3rd one ♥♥♥

pattissimo 🍷🍷🍷

puccaana I love the middle one!

danielshviegas I pick orient Bambino



135,585 likes

October 10

Add a comment...

My relation to the brand depicted above?

- ☐ I am familiar with the brand
- ☐ I have heard about this brand before
- ☐ I have never heard of this brand before

Are you familiar with the person in the picture?

- ☐ I have never seen the person before
- ☐ I may have seen the person elsewhere
- ☐ I know exactly who the person is

Consumer Based Brand Equity

Personal opinion...

	Like a great deal	Like a moderate amount	Like a little	Neither like nor dislike	Dislike a little	Dislike a moderate amount	Dislike a great deal
How I feel about this brand	☐	☐	☐	☐	☐	☐	☐

This brand...

	Strongly agree	Agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Disagree	Strongly disagree
...has high quality pictures in their advertising	☐	☐	☐	☐	☐	☐	☐
...has advertising that is represents an interesting lifestyle	☐	☐	☐	☐	☐	☐	☐
...has advertising that is interesting for me	☐	☐	☐	☐	☐	☐	☐

	Strongly agree	Agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Disagree	Strongly disagree
...has advertising that is inspirational	☐	☐	☐	☐	☐	☐	☐

This brand...

	Strongly agree	Agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Disagree	Strongly disagree
... is a trendsetter on social media	☐	☐	☐	☐	☐	☐	☐
...has advertising that influences others	☐	☐	☐	☐	☐	☐	☐
...has advertising which is typically seen on social media	☐	☐	☐	☐	☐	☐	☐
...has advertising that promotes its products as better than others	☐	☐	☐	☐	☐	☐	☐

In comparison to other brands, I believe that Daniel Wellington...

	Strongly agree	Agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Disagree	Strongly disagree
...is of high quality	☐	☐	☐	☐	☐	☐	☐
...is one of the best in its category	☐	☐	☐	☐	☐	☐	☐
...has advertising that represents an interesting lifestyle	☐	☐	☐	☐	☐	☐	☐
...has advertising that is interesting	☐	☐	☐	☐	☐	☐	☐
...has advertising that is inspirational	☐	☐	☐	☐	☐	☐	☐

In comparison to other brands, I believe that Daniel Wellington

	Strongly agree	Agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Disagree	Strongly disagree
...is a trendsetter on social media	☐	☐	☐	☐	☐	☐	☐
...has advertising that influences others	☐	☐	☐	☐	☐	☐	☐
...has advertising which is typically seen on social media	☐	☐	☐	☐	☐	☐	☐
...has advertising that promotes its products as better than others	☐	☐	☐	☐	☐	☐	☐

	Strongly agree	Agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Disagree	Strongly disagree
...is a popular choice that increasingly more people choose to buy	☐	☐	☐	☐	☐	☐	☐
...is an innovative brand that is first out with new product improvements	☐	☐	☐	☐	☐	☐	☐

From the image that I have seen, I believe that...

	Strongly agree	Agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Disagree	Strongly disagree
...I would purchase the brand before other brands in that category	☐	☐	☐	☐	☐	☐	☐
...I am prepared to pay more for this brand in comparison to other brands in the category	☐	☐	☐	☐	☐	☐	☐
...This brand would have to become much more expensive than other brands before I would choose another brand	☐	☐	☐	☐	☐	☐	☐

From the image that I have seen, I believe that..

	Strongly agree	Agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Disagree	Strongly disagree
...I trust the brand	☐	☐	☐	☐	☐	☐	☐
...I admire the brand	☐	☐	☐	☐	☐	☐	☐
...the brand is credible	☐	☐	☐	☐	☐	☐	☐
...the brand offers products that give me good value for money	☐	☐	☐	☐	☐	☐	☐
...there is a clear advantage in purchasing this brand over other brands	☐	☐	☐	☐	☐	☐	☐
...it's a brand that is interesting for me	☐	☐	☐	☐	☐	☐	☐
...I get a clear picture of the kind of person who would use the brand	☐	☐	☐	☐	☐	☐	☐

From the image I have seen, I feel that...

	Strongly agree	Agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Disagree	Strongly disagree
...I could imagine posting an inspirational picture with this brand on my Instagram	☐	☐	☐	☐	☐	☐	☐
...is a brand I feel good being associated with on Instagram	☐	☐	☐	☐	☐	☐	☐
...a picture with this brand would look good on my Instagram	☐	☐	☐	☐	☐	☐	☐
...I would like to get more visitors to my Instagram who also follow and like this brand	☐	☐	☐	☐	☐	☐	☐
...I could consider using the brand as a hashtag on Instagram	☐	☐	☐	☐	☐	☐	☐

Is there anything that you would like to mention about influencer marketing and social media usage that has not been addressed here?

APPENDIX B: Consistency matrix

Impact of Influencer marketing on Consumer Based Brand Equity					
Hypothesis	Literature Review	Research questions	Source of data	Type of data	Analysis
H1 Influencer marketing will generate a higher effect on consumer-based brand equity	(Keller & Berry, 2003) (Abidin, 2016) (Booth & Matic, 2011) (Djafarova & Rushworth, 2017; Khamis et al., 2017) (Aaker, 2009; Christodoulides et al., 2015) (Farquhar, 1989) (Keller & Kotler, 2016) (Yoo et al., 2000) (Fulgoni & Lipsman, 2015)	R1: Consumers are motivated by influencers to engage with particular brand communications	H1: Question sixteen correlated with questions thirty to forty-eight R1: Question seven	Interval data	H1 One Way ANNOVA R1 Cross tabulation
		R2: Social influencers have the biggest influence on consumer's brand choices	Question eight	Interval data	Cross tabulation
		R3: There is a correlation between the amount of time spent on social media and knowledge of social influence	Question four and question six	Interval data	Fischer's exact test

Impact of Influencer marketing on Consumer Based Brand Equity					
Hypothesis	Literature Review	Research questions	Source of data	Type of data	Analysis
		R4: Social influencers motivate frequent social media users to engage with brand communications	Question seven and question eight	Interval data	Fischer's exact test
H2: There is a positive relationship between consumer based brand equity and consumers' willingness to post brand promoting UGC	(Arvidsson & Caliandro, 2015) (Berthon et al., 2008) (Christodoulides et al., 2012) (Prahalad & Ramaswamy, 2002) (Humphreys & Grayson, 2008)	R1: Respondents imagine posting inspirational pictures with brands on their Instagram	H1: Question forty-nine to fifty-three correlated with question thirty to forty-eight R1: Question forty nine	Interval data	H1: One Way ANNOVA R1: Cross tabulation
		R2: Influencer marketing increases consumers' willingness to posting brand promoting content on social media	Question thirteen to sixteen correlated with questions thirty to forty eight	Interval data	Pearson's Correlation

APPENDIX C

Research Data Output

1.1 Descriptive Statistics

Statistics			
		Q2	Q3
N	Valid	229	229
	Missing	0	0

Gender					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		2	.9	.9	.9
	Female	200	87.3	87.3	88.2
	Male	25	10.9	10.9	99.1
	RNS	2	.9	.9	100.0
	Total	229	100.0	100.0	

		Race			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		3	1.3	1.3	1.3
	White	55	24.0	24.0	25.3
	Black	133	58.1	58.1	83.4
	Coloured	26	11.4	11.4	94.8
	Indian/Asian	12	5.2	5.2	100.0
	Total	229	100.0	100.0	

Statistics

		Age	Gender	Race
N	Valid	193	227	226
	Missing	36	2	3
Mean		24.731	1.899	1.633
Median		22.000	2.000	1.000
Mode		18.0	2.0	1.0
Std. Deviation		6.8282	.3304	.8857
Variance		46.625	.109	.785
Skewness		1.437	-1.890	1.256
Std. Error of Skewness		.175	.162	.162
Kurtosis		3.110	4.308	.594
Std. Error of Kurtosis		.348	.322	.322
Range		43.0	2.0	3.0
Minimum		18.0	1.0	1.0
Maximum		61.0	3.0	4.0

Frequency_SM

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Once a day	18	7.9	7.9	7.9
	Once a week	5	2.2	2.2	10.0
	Not use	17	7.4	7.4	17.5
	Once a month	12	5.2	5.2	22.7
	Several times a day	162	70.7	70.7	93.4
	Several times a week	15	6.6	6.6	100.0
	Total	229	100.0	100.0	

Output relating the relationship to the brand depicted to the respondent's personal opinion of the brand

Personal_Opinion * Relate_brand Crosstabulation

		Relate_brand			Total
		Familiar	Have heard	Never heard	
Personal_Opinion	Count	18	13	12	43
	% within Personal_Opinion	41.9%	30.2%	27.9%	100.0%
	like moderately	Count	0	1	1
	% within Personal_Opinion	0.0%	0.0%	100.0%	100.0%
	dislike a great deal	Count	18	2	26
	% within Personal_Opinion	69.2%	7.7%	23.1%	100.0%
	dislike a little	Count	8	3	17
	% within Personal_Opinion	47.1%	17.6%	35.3%	100.0%
	dislike moderately	Count	33	5	49
	% within Personal_Opinion	67.3%	22.4%	10.2%	100.0%
	like a great deal	Count	0	1	1
	% within Personal_Opinion	0.0%	0.0%	100.0%	100.0%
	like a little	Count	0	0	1
	% within Personal_Opinion	0.0%	100.0%	0.0%	100.0%
	neutral	Count	26	40	91
	% within Personal_Opinion	28.6%	27.5%	44.0%	100.0%
Total	Count	103	55	71	229
	% within Personal_Opinion	45.0%	24.0%	31.0%	100.0%

APPENDIX D:

Reliability Analysis

Scale: Perceived Quality

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.873	.872	5

Item Statistics			
	Mean	Std. Deviation	N
SuperiorPromo1	4.744	1.3578	156
BestInCategory	4.660	1.3981	156
LeadingBrand	4.462	1.3976	156
PopularChoice	4.878	1.3742	156
Innovation	4.244	1.2411	156

Inter-Item Correlation Matrix					
	SuperiorPromo1	BestInCategory	LeadingBrand	PopularChoice	Innovation
SuperiorPromo1	1.000	.447	.464	.530	.370
BestInCategory	.447	1.000	.801	.717	.602
LeadingBrand	.464	.801	1.000	.671	.619
PopularChoice	.530	.717	.671	1.000	.543
Innovation	.370	.602	.619	.543	1.000

Scale: Intention to purchase

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.905	.905	5

Item Statistics

	Mean	Std. Deviation	N
Purch_Pref	4.194	1.6729	160
WillingnessToPay	3.675	1.6844	160
Brand_Loyalty	3.694	1.6136	160
IntentionToBuy	4.238	1.9082	160
Brand_Loyal1	4.294	1.7396	160

Inter-Item Correlation Matrix

	Purch_Pref	WillingnessToPay	Brand_Loyalty	IntentionToBuy	Brand_Loyal1
Purch_Pref	1.000	.697	.560	.738	.797
WillingnessToPay	.697	1.000	.539	.623	.681
Brand_Loyalty	.560	.539	1.000	.494	.570
IntentionToBuy	.738	.623	.494	1.000	.850
Brand_Loyal1	.797	.681	.570	.850	1.000

Scale: Associations and Differentiation

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.931	.931	9

Item Statistics

	Mean	Std. Deviation	N
Trust	4.698	1.4663	162
Admire	4.846	1.5666	162
Credibility	5.105	1.3169	162
ValueForMoney	4.747	1.3108	162
Brand_Adv	4.321	1.3861	162
Interest	4.617	1.6041	162
Persona	5.426	1.3036	162
Resp_Recom	4.556	1.5201	162
WoM	4.420	1.7185	162

Inter-Item Correlation Matrix

	Trust	Admire	Credibility	ValueForMoney	Brand_Adv	Interest	Persona	Resp_Recom	WoM
Trust	1.000	.780	.634	.648	.497	.650	.506	.636	.635
Admire	.780	1.000	.658	.625	.483	.691	.461	.589	.631
Credibility	.634	.658	1.000	.656	.519	.654	.531	.641	.625
ValueForMoney	.648	.625	.656	1.000	.654	.660	.456	.570	.649
Brand_Adv	.497	.483	.519	.654	1.000	.625	.436	.560	.665
Interest	.650	.691	.654	.660	.625	1.000	.462	.623	.678
Persona	.506	.461	.531	.456	.436	.462	1.000	.557	.449
Resp_Recom	.636	.589	.641	.570	.560	.623	.557	1.000	.776
WoM	.635	.631	.625	.649	.665	.678	.449	.776	1.000

Scale: Willingness to post UGC

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.933	.933	5

Item Statistics

	Mean	Std. Deviation	N
Post_SM	4.313	1.8808	163
Association	4.859	1.6662	163
Looks_SM	5.006	1.7231	163
SimilarLikes	4.429	1.7068	163
Hashtag	4.362	1.7979	163

Inter-Item Correlation Matrix

	Post_SM	Association	Looks_SM	SimilarLikes	Hashtag
Post_SM	1.000	.767	.748	.744	.751
Association	.767	1.000	.837	.688	.701
Looks_SM	.748	.837	1.000	.688	.711
SimilarLikes	.744	.688	.688	1.000	.726
Hashtag	.751	.701	.711	.726	1.000