Maybe Influencers Are Not Worth The Hype

An explanatory study on influencers’ characteristics with perceived quality and brand loyalty

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Abstract

Background: The goal for brand building is to build for the long-term profitability and strengthening of brand equity. A way to build brand equity is to implement social media marketing, where so-called influencer marketing can be used. Influencer marketing is adopted as consumers have found ways to avoid advertisements and choose who they would like to follow on social media. For this study, perceived quality and brand loyalty were found to be relevant brand equity dimensions, when studying influencers’ characteristic.

Purpose: The purpose of this thesis is to explain the relationship of influencers’ characteristics with perceived quality and brand loyalty.

Methodology: This study applied an explanatory purpose with a deductive, quantitative research approach, and cross-sectional research design to test a developed conceptual model based on six hypotheses. The data collection was done through a self-administered questionnaire distributed online, which received 175 valid responses.

Findings: The suggested model was found significant, where influencer’s Authenticity explained 16.5% of Perceived Quality and Trustworthiness 13% of Brand Loyalty. However, Trustworthiness and Relatability relationship with Perceived Quality, and Relatability and Authenticity relationship with Brand Loyalty were rejected.

Conclusion: The thesis provides a model with the accepted hypotheses and an insight on influencers’ characteristics’ relationship with perceived quality and brand loyalty. Finally, there are implications for the research community and managers about how to utilize the findings and the contribution of these.

Keywords: Influencer marketing; influencer; influencers’ characteristics; trustworthiness of an influencer; relatability of an influencer; authenticity of an influencer; brand equity; perceived quality; brand loyalty; social media.
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1. Introduction

This introductory chapter outlines brand equity and influencer marketing, its use on a market, and why it is a part of the branding process. This is done to get a better understanding of the practice and the emergence of influencer marketing, which then is problematized. Further, at the end of this chapter, there is the presentation of the purpose.

1.1 Background

Brands are built within the minds of consumers and therefore, perception is what matters the most when building and maintaining a brand (Elliott, Percy and Pervan, 2015). The goal of brand building is defined by Aaker and Joachimsthaler (2001) as building for the long-term profitability and strengthening of brand equity. Furthermore, the process of building brand equity can be seen both from the company’s and the consumer’s side, where the consumer-based brand equity is the more common one (Aaker, 1996). Keller (1993) refers to brand equity as the difference in the brand knowledge (the consumer’s perceptions, feelings, experiences, images, etc., towards a brand) held in consumers’ minds and their response to the brand's marketing efforts. Aaker (1996, p.8), however, defines brand equity as “a set of assets (and liabilities) linked to a brand’s name and symbol that adds to (or subtracts from) the value provided by a product or service to a firm and/or that firm’s customers.” Aaker (1996) also claims consumer-based brand equity to consist of four dimensions: brand awareness, brand association, perceived quality, and brand loyalty. Even though both these theories on brand equity are well-known, Aaker’s definition is the more trusted one (De Oliveira, Silveira and Luce, 2015; Brahmbhatt and Shah, 2017). Hence, in this research, the focus will be given to Aaker’s (1996) brand equity definition.

When building and enhancing brand equity, social media marketing has become a useful tool, since these two are positively and significantly correlated (Bruhn, Schoenmueller and Schäfer, 2012). Social media marketing has proven to have a positive effect on all dimensions of brand equity (Bruhn, Schoenmueller and Schäfer, 2012; Zahoor, Younis, Qureshi and Khan, 2016). As a complement to traditional marketing, social media marketing can be used, where social media is the implementation of web-based and mobile technologies to consume and share knowledge and information without social, political, geographical, and demographical
boundaries (Zahoor et al., 2016). On social media sites, consumers are in charge of shaping a brand image instead of marketers, by deciding themselves what content to show and which connections to make (Godey, Manthiou, Pederzoli, Rokka, Aiello, Donvito and Singh, 2016).

One of the strategies within social media marketing is the integration of influencers, so-called influencer marketing (Charest, Bouffard and Zajmovic, 2016; Bokunewicz and Schulman, 2017). This strategy has emerged from celebrity endorsement, which is defined as a communication channel used by celebrities to express their words to promote a brand on the base of their well-known personality (Kotler, Keller and Jha, 2007). However, today regular users find non-celebrities to be more relevant and trustworthy (Djafarova and Rushworth, 2017). The shift has occurred in favor of bloggers and ‘lower-end’ celebrities because these influencers are perceived as more influential in the eyes of regular users. Influencers or social media influencers are in comparison referred to as people who have become trusted tastemakers among their built up group of followers (De Veirman, Cauberghe and Hudders, 2017), reaching millions of users through their social media channels (Sudha and Sheena, 2017). Moreover, influencers are content creators who share with their followers on social media, such as, Instagram, SnapChat, YouTube, blogs, etc. (Abidin, 2016), providing “an insight into their personal, everyday lives, their experiences and opinions” (De Veirman, Cauberghe and Hudders, 2017, p.801).

Influencer marketing is the process of paying influencers to broadcast a company's message to their followers instead of the company sending this message directly to a larger group (De Veirman, Cauberghe and Hudders, 2017). Furthermore, it is described as the process of using influencers to create stronger relationships with consumers, expand company's audience, and increase sales (Sudha and Sheena, 2017). Freberg, Graham, McGaughey and Freberg (2011) refer to influencer marketing as using a third-party endorser to shape audience’s attitudes via the influencer’s social media channels. Sudha and Sheena (2017) and De Veirman, Cauberghe and Hudders (2017) discuss the process as identifying people who have influence over the brand’s target group and then using them to increase reach, sales, or engagement, and building up their brand. It can also be used to create credibility in the market or to generate consumers to converse about the brand. Since consumers have a certain level of trust in an influencer’s opinion, influencers can maintain strong relationships with their followers on social media (Sudha and Sheena, 2017).
1.2 Problem Discussion

Already in 2015, 96% of all companies actively used social media to market their business (Statista, 2017). However, this appears to become harder as consumers themselves decide on what content and who to follow on social media (Daugherty and Hoffman, 2014). In addition, consumers also use adblocks online (De Veirman, Caubergh and Hudders, 2017) and premium subscriptions services, such as Spotify Premium, YouTube Red, and Netflix, which allow them to avoid advertisements (Morrison, 2016). Therefore, since consumers are paying to avoid advertisement and choosing who to follow, influencer marketing can be used to reach brand’s target audience (Abidin, 2016; Brown, Jones and Wang, 2016; De Veirman, Caubergh and Hudders, 2017). It is an alternative to traditional advertising space, by instead buying the space on the influencers’ social media channels, where the advertisement often will appear in the form of editorial opinions about the product or service, but also by videos and pictures (Abidin, 2016).

Furthermore, advertisement on social media has already been investigated in relation to brand equity, which consists of the four dimensions (Huang and Sarigöllü, 2011; Pand and Gui, 2016). Since influencer marketing is comparable to advertisement (Abidin, 2016), it can be assessed how influencer marketing affects the dimensions of brand equity. Advertisement is known to have a positive effect on brand awareness (Huang and Sarigöllü, 2011; Pand and Gui, 2016) and therefore, influencer marketing might be considered as directly affecting the brand awareness dimension as well. Brand awareness indicates if there is awareness of the brand in the minds of consumers, however, it does not help in measuring consumers’ preference for one brand over another (Sharma, 2017). Additionally, Balaji (2011) determined interrelationships between the brand equity dimensions. There, brand awareness both affects brand equity directly and indirectly through perceived quality and brand loyalty. Sharma (2017) explains this variance as brand awareness has just a limited impact on brand equity. As for the brand association dimension, Balaji (2011) found its effect on brand equity as insignificant. Therefore, as managing marketing communication (advertising, campaigns, promotions, etc.) creates strong perceived quality and brand loyalty (Sharma, 2017), measuring these dimensions is helpful when assessing the effect of influencer marketing.
As previously mentioned, there has been a strategy similar to influencer marketing, namely, celebrity endorsement (Spry, Pappu and Cornwell, 2011). However, celebrities started being less attractive for companies’ endorsement activities (Dhanani, 2017). Sudha and Sheena (2017) state, 70% of the younger generation prefer non-celebrity influencers over celebrities for endorsing products. Whenever a brand searches for an influencer to use, there should be a careful consideration of what person to choose (Ha and Lam, 2017). Indeed, for the message to be more effective, an influencer should be suitable for the advertising, hence, having a number of advantageous characteristics (Kapitan and Silvera, 2016; De Veirman, Cauberghe and Hudders, 2017). The characteristics themselves become a motivational aspect for consumers when deciding on whether to follow an influencer or not (Kapitan and Silvera, 2016; Sudha and Sheena, 2017).

The most commonly discussed one of the advantageous characteristics is trustworthiness (Halvorsen, Hoffmann, Coste-Manière and Stankeviciute, 2013; Khamis, Ang and Welling, 2017; De Veirman, Cauberghe and Hudders, 2017; Sudha and Sheena, 2017). If influencer’s content resonates with consumers, there is a certain level of trust in influencer’s opinion arising (Sudha and Sheena, 2017). Furthermore, unlike celebrities, influencers share their personal aspects of their lives, which becomes similar to face-to-face communication. In such a way, consumers trust influencers’ opinions even more since they can relate to them on a personal level (De Veirman, Cauberghe and Hudders, 2017). Therefore, relatability is the second differentiating characteristic of influencers (Halvorsen et al., 2013; Knoll, Schramm, Schallhorn and Wynistorf, 2015; Khamis, Ang and Welling, 2017; De Veirman, Cauberghe and Hudders, 2017). Besides, influencers’ content is personal life updates with no sign of commercialization, which is seen as authentic in the eyes of consumers (De Veirman, Cauberghe and Hudders, 2017; Sudha and Sheena, 2017). Therefore, authenticity is another discussed characteristic of influencers (Halvorsen et al., 2013; Khamis, Ang and Welling, 2017; Sudha and Sheena, 2017; De Veirman, Cauberghe and Hudders, 2017).

Moreover, influencer marketing on social media is an important process for companies today, because this has gained an immense power for media and consumers (Booth and Matic, 2011). If companies employ influencer marketing properly, they enrich the company’s social media strategy and ensure social media engagement of their potential consumers. Furthermore, if the right influencer is chosen for the influencer marketing campaign, companies attain more power
over communication and therefore, achieve larger success (Booth and Matic, 2011). As for the research field, there are investigations made on social media marketing and its effect on brand equity (Bruhn, Schoenmueller and Schäfer, 2012; Schivinski and Dabrowski, 2015; Zahoor and Qureshi, 2017). The same is done for celebrity endorsement (Spry, Pappu and Cornwell, 2011; Thusyanthy and Tharanikaran, 2015). However, since influencer marketing is a newer concept (Sudha and Sheena, 2017), there is still lack of research explaining the relationship between influencers’ characteristics and the consumer-based brand equity dimensions (Godey et al., 2016). Therefore, this thesis is going to contribute to the research community by studying these influencers’ characteristics.

1.3 Purpose

The purpose of this thesis is to explain the relationship of influencers’ characteristics with perceived quality and brand loyalty.
2. Literature Review

This chapter is presenting the theory applied to the study. It starts with influencers’ characteristics and discussion of these: trustworthiness, reliability, and authenticity. Then, there is a review of the literature about two dimensions out of Aaker’s (1996) brand equity: perceived quality and brand loyalty.

2.1 Influencers’ Characteristics

Influencer marketing is accomplished by using trusted online personas (influencers) to distribute a brand’s message or products (personalized by the influencer or not) to their followers (the brand’s target group) and can then influence attitudes, decisions, and behaviors of those (De Veirman, Cauberghe and Hudders, 2017). Charest, Bouffard and Zajmovic (2016) explored strategic planning and suggest using influencers on social media, which will help to achieve better results in two-way communication with other users. The characteristics of an influencer which will be discussed in the coming subchapters are as previously mentioned: trustworthiness (Halvorsen et al., 2013; Khamis, Ang and Welling, 2017; De Veirman, Cauberghe and Hudders, 2017; Sudha and Sheena, 2017), relatability (Halvorsen et al., 2013; Knoll et al., 2015; Khamis, Ang and Welling, 2017; De Veirman, Cauberghe and Hudders, 2017), and authenticity (Halvorsen et al., 2013; Khamis, Ang and Welling, 2017; Sudha and Sheena, 2017; De Veirman, Cauberghe and Hudders, 2017).

2.1.1 Trustworthiness

Several pieces of research discuss influencer marketing and one of the most frequent characteristics brought up is trust or trustworthiness (Halvorsen et al., 2013; Sudha and Sheena, 2017; De Veirman, Cauberghe and Hudders, 2017; Khamis, Ang and Welling, 2017). Sudha and Sheena (2017) explain, the use of trust becomes crucial for influencers because this component helps in attempting to convert the audience into loyal customers. The reason for this is consumers having more trust into product promotion from an influencer than from a brand itself (Halvorsen et al., 2013; De Veirman, Cauberghe and Hudders, 2017; Sudha and Sheena, 2017). Moreover, trust is referred to as a credibility builder on a market (Sudha and Sheena, 2017), where credibility is the communicator’s positive characteristic that has an impact on
receiver’s acceptance of a message (Ohanian, 1990). Halvorsen et al. (2013) specify, influencer marketing implies building strong relationships with the audience by using trust and credibility, which differentiates this method from traditional advertising.

The discussion of influencer marketing is also compared to celebrity endorsement, which has trustworthiness of a source of promotion in common (De Veirman, Cauberghe and Hudders, 2017). Trustworthiness is closely connected to honesty, which means if the consumer is confident enough in the endorser (Ohanian, 1990; Seno and Lukas, 2007; Ha and Lam, 2017). Another aspect which comes along with trustworthiness is expertise. Expertise tells about consumer’s perception of endorser’s knowledge and experience about the endorsed product (Ohanian, 1990; Seno and Lukas, 2007; Spry, Pappu and Cornwell, 2011; Dwivedi, Johnson and McDonald, 2016). Trustworthiness and expertise of a celebrity endorsing a product have been tested and proved to be influential on brand equity (Spry, Pappu and Cornwell, 2011; Thusyanthy and Tharanikaran, 2015).

2.1.2 Relatability

Even though influencer marketing is similar to celebrity endorsement (Keller, Apèria and Georgson, 2012; Ha and Lam, 2017), De Veirman, Cauberghe and Hudders (2017) discuss influencers to be more personal and relatable than celebrities, this because they share personal aspects of their life with the followers and interact with them in a personal way. Influencers create a personal narrative constantly updating their followers on their lives together with personal experiences and opinions (Abidin, 2016; De Veirman, Cauberghe and Hudders, 2017), hence, letting their followers know them on a personal level (Halvorsen et al., 2013). This can create a feeling of face-to-face interactions with the influencer creating a relationship, which makes the consumer be more open for the influencers’ opinions and behavior (Knoll et al., 2015; De Veirman, Cauberghe and Hudders, 2017). Chung and Cho (2017) refer to this as parasocial relationships when researching the consumer-celebrity relationship on social media. Further, parasocial relationships occur when consumers are repeatedly exposed to celebrities and then the feeling of knowing these celebrities is arising; creating a sense of intimacy, friendship, and relatability with the celebrity. Chung and Cho (2017) claim social media platforms are good for building parasocial relationships. Additionally, followers can comment on posts where influencers can response, enabling a stronger (Halvorsen et al., 2013) and more
intimate relationship (Khamis, Ang and Welling, 2017). Additionally, Halvorsen et al. (2017) claim advertisement on blogs is being viewed in a more personal and non-intrusive way by the help of the reader’s self-engagement with the blog.

2.1.3 Authenticity

Another aspect helping in building relationships between the audience and influencers is authenticity (Sudha and Sheena, 2017), that is creating an authentic personal brand on social media (Khamis, Ang and Welling, 2017). Authenticity has always been searched for by consumers on a market, and this includes not only businesses or brands but personal ones as well. To become authentic, a character should become an organic part of a society (Kadirov, Varey and Wooliscroft, 2014). As the outcome of such perception, consumers have lower resistance to a message which is seen as authentic (De Veirman, Caubergh and Hudders, 2017). Halvorsen et al. (2013) specify the importance of personal attributes of an influencer, which strengthen the influence over the audience. Moreover, if the blog becomes too commercialized it loses its effect on followers (Halvorsen et al., 2013). Therefore, the positive beliefs about an endorser should be maintained, because they can transfer to endorsed products or brands (Kapitan and Silvera, 2016).

Coming from the comparison to celebrity endorsement, celebrities’ authenticity is also being assessed by consumers (Keller, Apéria and Georgson, 2012; Ha and Lam, 2017; Ilicic and Webster, 2016). The focus here is a positive interaction with consumers and staying true to themselves. Consumers perceive celebrities’ authenticity as their attempts to show true personality and values (Ilicic and Webster, 2016). There should also be a celebrity match-up congruence with the brand. Meaning, an advertised brand should be endorsed by a relevant celebrity, who is achieving reasonable endorsement (Keller, Apéria and Georgson, 2012; Ha and Lam, 2017). Therefore, the feeling the blog of an influencer is governed by a brand can be avoided, and followers will get a better perception of a blog as it is done by influencers themselves. Meaning, if influencers advertise a suitable product correctly, they enrich their authenticity (Halvorsen et al., 2013).
2.2 Brand Equity

Zahoor and Qureshi (2017) argue for social media marketing efforts to have an effect on brand equity, through reviewing the literature and developing a conceptual understanding of the relationship. As discussed earlier there will be a focus on Aaker’s (1996) brand equity, where only two dimensions will be studied: perceived quality and brand loyalty.

2.2.1 Perceived Quality

Aaker (1996) refers to perceived quality as one of the key dimensions of brand equity. Perceived quality can be described as “the customer’s perception of the overall quality or superiority of a product or service with respect to its intended purpose, relative to alternative” and linked to the purchase decision (Aaker, 1991, p.85). It can, therefore, be different for customers as their personalities, needs, and preferences are individual (Boulding, Kalra, Staelin and Zeithaml, 1993; Aaker, 1996). Sanyal and Datta (2011) and Zeithaml (2000) conclude this as perceived quality is just the matter of personal perceptions. However, perceived quality differs from satisfaction and attitude as a customer could have low expectations. Farquhar (1989) argues the quality is a core part of delivering a superior value. Zeithaml (2000) also explains perceived quality to be influential on companies’ profitability. Aaker (1991) explains perceived quality as the overall feel about a brand based on underlying factors, such as performance and reliability. Farquhar (1989) adds the belief that a product is better than others and a habit of buying this particular brand or one which is currently on sale. Gill and Dawra (2010) later discuss the dimensions of Aaker’s brand equity, explaining favorable perceived quality to actually be built by brand identities which communicate unobservable quality, such as brand name, package design, and advertisement.

Aaker (1996) also discusses perceived quality to be different from actual quality. First, the previous image of poor quality can affect customers’ perception of new increased quality as they might not believe or willing to count those changes to their perceived quality. Second, the customers may not notice the changes made to increase the quality or not find them important. Third, consumers may lack the motivation to evaluate all quality aspects and only evaluate a few, therefore, it is important to understand the aspects which are the most important for consumers. Fourth and final, consumers may not know how to evaluate the aspect and can be
looking at the wrong one, for example, the price for diamonds. It is, therefore, important to
distinguish the difference between just quality and consumer's perceived quality (Aaker, 1996).

There are several scales which are used to measure perceived quality; high versus bad quality,
best versus worst in the category, consistent versus inconsistent quality, and finest versus
average versus inferior quality. However, there is a problem in measuring this dimension since
it requires a product frame or a reference (Aaker, 1996).

2.2.2 Brand Loyalty

Customers who have high brand loyalty will repeatedly purchase it and stay with the brand, they can then be linked to the brand’s loyal customer base (Aaker, 1996), which usually is a
sign of a strong brand (Keller, 1993). It measures customers’ attachment to a brand; how likely
a customer would switch to another brand if the brand makes changes (Farquhar, 1989; Aaker,
1996; Oliver, 1999; Chaudhuri and Holbrook, 2001). Meaning, it measures how strong a brand
is in comparison to other brands with similar offerings on the market (Aaker, 1996; Nam, Ekinci
and Whyatt, 2011). Brand loyalty has a direct effect on market performance aspects of brand
equity (Chaudhuri and Holbrook, 2001). This is a core dimension to build brand equity, as
strong brand loyalty considers repeated purchases and customer satisfaction, which can be, for
example, a financial benefit (Aaker, 1996; Nam, Ekinci and Whyatt, 2011). Brand loyalty is
such a sufficient measure, so it can even become a basis for measuring other ones (Aaker, 1996).

The price premium is a basic indicator of loyalty, which indicates the amount of money
customer is ready to pay for a brand in comparison with another one which offers the same or
fewer benefits. The price premium measure is usually identified in comparison with a
competitor or set of competitors. It can simply be determined by asking customers how much
more they are willing to pay for a brand (Aaker, 1996). Another of Aaker’s (1996) measures
for brand loyalty is customer satisfaction, which looks at customers and how willing they are
to stay with a brand. However, a limitation with customer satisfaction is it only measures the
brand’s existing customer base. Oliver (1999) agrees to some extent but is describing the loyalty
as a four-step process starting with the cognitive stage where the customer likes the information
such as price and features but is vulnerable of competitors’ features or price, if they are better
or imagined as better. The next stage of the loyalty development is the effective loyalty. At this
stage, the customer has started to like and purchase the product simply because of this, however, the loyalty is still vulnerable to competitors if they gain a higher liking for those brands. When entering the third phase, conative loyalty, the customer has a behavioral intention to repurchase a brand but is still sensitive to competitors if they have persuasive counter-argumentative. The final stage is action loyalty, here the customer deeply wants to rebuy the product and is trying to overcome situations such as marketing efforts or influence from others which might cause a switching behavior (Oliver, 1999).
3. Conceptual Framework

This chapter will provide a conceptualization of the theoretical concepts. This is going to be done together with the construction of six hypotheses and a conceptual model demonstrating the hypothesized relationships, which will be tested in this study.

For this research, the dimensions perceived quality and brand loyalty will be used. Aaker (1991, 1996) claim, perceived quality represents customer’s perception of a brand, including, the perceived reliability and performance/experience. Important to notice, this is a perception rather than the actual quality (Aaker, 1996). Gill and Dawra (2010) state perceived quality can be built based on the unobserved qualities of a product/service and the impact of advertisement. The next dimension, brand loyalty, measures attachment to the brand and represents how strong it is (Farquhar, 1989; Keller, 1993; Aaker, 1996). Brand loyalty can be measured by such indicators as customer satisfaction (Aaker, 1996; Nam, Ekinci and Whyatt 2011), the strength of a brand, price premium (Aaker, 1996) and repeated purchases (Aaker, 1996; Oliver, 1999). After reviewing the theory, Zahoor and Qureshi (2017) argue for social media marketing to have a positive impact on brand equity. There was also concluded celebrity endorsement to have a positive relationship with brand equity (Spry, Pappu and Cornwell, 2011; Thusyanthy and Tharanikaran, 2015).

Further, after reviewing the previous research on influencer marketing, there can be distinguished three characteristics of an influencer. The first is trustworthiness (Ohanian, 1990; Seno and Lukas, 2007; Spry, Pappu and Cornwell, 2011; Halvorsen et al., 2013; Dwivedi, Johnson and McDonald, 2016; Ha and Lam, 2017; Kapitan and Silvera, 2016; Sudha and Sheena, 2017; Wu and Lin, 2017; Chakraborty and Bhat, 2018), which guarantees maintaining a stronger relationship with the followers (Sudha and Sheena, 2017), helping to convert followers into loyal consumers, and receiver’s acceptance of a message (Ohanian, 1990). This can be measured by the indicators: trust in the influencer (Sudha and Sheena, 2017), honesty (Ohanian, 1990; Seno and Lukas, 2007; Ha and Lam, 2017), not direct brand’s message (Halvorsen et al., 2013; De Veirman, Cauberghe and Hudders, 2017; Sudha and Sheena, 2017), and expertise (Ohanian, 1990; Seno and Lukas, 2007; Spry, Pappu and Cornwell, 2011; Dwivedi, Johnson and McDonald, 2016). Trustworthiness has been proved to have a positive effect on brand equity for celebrity endorsement (Spry, Pappu and Cornwell, 2011; Thusyanthy
and Tharanikaran, 2015). Knowing this, it is likely that influencers’ trustworthiness has a positive relationship with perceived quality and brand loyalty. Hence, stronger trustworthiness of an influencer leads to stronger perceived quality and brand loyalty of an endorsed brand, therefore, these hypotheses are formulated:

H1: Trustworthiness of an influencer has a positive relationship with perceived quality.
H2: Trustworthiness of an influencer has a positive relationship with brand loyalty.

The next characteristic is relatability, which is also referred to influencers as being personal and intimate (Khamis, Ang and Welling, 2017). The main aspect of relatability is measured by constant update on private life (Halvorsen et al., 2013; Abidin, 2016; De Veirman, Cauberghe and Hudders, 2017), interaction/communication (Knoll et al., 2015; De Veirman, Cauberghe and Hudders, 2017), feeling of knowing (Chung and Cho, 2017), and sharing opinions (Knoll et al., 2015; De Veirman, Cauberghe and Hudders, 2017). Influencer marketing can also be seen as using parasocial relationships to create a sense of intimacy, friendship, and relatability with the influencer, who then affects the consumers (Chung and Cho, 2017). Such way of communication makes consumers more open to influencers and their opinions (Knoll et al., 2015; De Veirman, Cauberghe and Hudders, 2017). Therefore, relatability of an influencer is likely to have a positive relationship with perceived quality and brand loyalty. Meaning stronger relatability of an influencer strengthens perceived quality and brand loyalty of an endorsed brand, therefore, these hypotheses are stated:

H3: Relatability of an influencer has a positive relationship with perceived quality.
H4: Relatability of an influencer has a positive relationship with brand loyalty.

The final characteristic is authenticity of an influencer (Sudha and Sheena, 2017; Khamis, Ang and Welling, 2017). The same as it is applied to celebrities, there is an expectancy of an influencer to show a true personality to be perceived as more authentic and not governed by a brand (Keller, Apéria and Georgson, 2012; Halvorsen et al., 2013; Ha and Lam, 2017; Ilicic and Webster, 2016). Also, the personal attributes of an influencer strengthen the influence over the audience (Halvorsen et al., 2013; Kapitan and Silvera, 2016). High authenticity, therefore, strengthens the influencers’ power to affect consumers’ opinion (De Veirman, Cauberghe and Hudders, 2017) and makes them perceived as not too commercialized (Halvorsen et al., 2013;
De Veirman, Cauberghe and Hudders, 2017). Finally, there should be a match-up with the brand and the celebrity (Keller, Apéria and Georgson, 2012; Ha and Lam, 2017). Based on the reviewed theory, influencers’ authenticity can be stated to have a positive relationship with perceived quality and brand loyalty. Hence, the stronger authenticity of an influencer is, the stronger impact on perceived quality and brand loyalty of an endorsed brand is, and these hypotheses are formulated:

H5: Authenticity of an influencer has a positive relationship with perceived quality.
H6: Authenticity of an influencer has a positive relationship with brand loyalty.

Figure 1: The conceptual model with the formulated hypotheses over the influencer characteristics’ relationship with perceived quality and brand loyalty.
4. Methodology

This chapter discusses and justifies the research approach and design for the study. Then, there is a discussion of the data sources and the collection of this data. Thereafter, the operationalization of the concepts is made, followed by the development of a questionnaire, a pre-test to ensure its performance, and sampling. The discussion then continues with the data analysis, the quality criterion concerns, and testing process to ensure the accuracy of the study. In the final subchapter, ethical and social consideration are discussed and how these will be prevented.

4.1 Research approach

4.1.1 Inductive vs. Deductive Research

When conducting a research there are two approaches to the relationship between theory and research, inductive and deductive, working from the opposite direction from each other. Inductive goes from observations/findings to theory, and deductive begins with the theory and then observations/findings. Although, these views are often somewhat involved in each other and do not have to be separate (Bryman and Bell, 2015).

Inductive research means the theory is “developed in a ‘data-driven manner’ using qualitative data, often taking a grounded theory approach” (Bryman and Bell, 2015, p.26). Hence, the generated theory is based on the empirical data or observations rather than on existing theory (Saunders, Lewis and Thornhill, 2016). This is an ongoing process, where the research goes back and forth from the empirical data and theory, called iterative and distinct in grounded theory (Bryman and Bell, 2015). However, the most common approach according to Bryman and Bell (2015) is the deductive one. Meaning, it is a deduction of hypothesis from existing theory, translated to operational terms, and testing it to be confirmed or rejected (Saunders, Lewis and Thornhill, 2016). This is usually, but not always, a linear process where one step follows the other in a logical way. Bryman and Bell (2015) describe the process as six steps, starting with the theory where a hypothesis (or hypotheses) is deducted, then collecting data, leading to findings, and analyzing these to confirm or reject the hypothesis, and the final step includes the revision of the theory.
As this study is about influencers’ characteristics and its relationship with perceived quality and brand loyalty. There are previous researches about influencer marketing done, however, since this is a newer concept there is still lack of investigation. The same is for brand equity, which has been studied explicitly. Therefore, since previous research has been done on celebrity endorsement relationship with brand equity (Seno and Lukas, 2007; Spry, Pappu and Cornwell, 2011; Thusyanthy and Tharanikaran, 2015), this study will have a deductive approach to see if previous researchers are also true for this research. Hence, there will be a development of hypotheses on these existing theories and then test these.

4.1.2 Qualitative vs. Quantitative Research

There are two different strategies for doing research, qualitative and quantitative. Qualitative is generally considered to focus more on the generation of theory and quantitative on the process of testing theories. However, these do not need to be used separately, and can also be combined in a mixed method research (Bryman and Bell, 2015).

Using a qualitative strategy emphasizes words over numbers when collecting and analyzing data. Thus, it focuses on the underlying meaning of a problem, by usually using a smaller sample. Qualitative research is favorable when there is a problem which is complex and hard to measure, since it generates a deeper knowledge to understand the whole, as it measures behavior and attitudes of the participants (Aaker, Kumar, Day and Leone, 2011; Bryman and Bell, 2015). A quantitative strategy, however, emphasizes quantification when collection and analysis data, usually using a deductive approach (Saunders, Lewis and Thornhill, 2016). This strategy is also seen as a more objective approach as it often considers a larger sample and numerical data. Quantitative strategy tests casual relationships and the results are usually more generalizable to the population, because of the use of numbers and statistics (Bryman and Bell, 2015). As this research will have an already existing theory as a foundation, with a new context of influencers’ characteristics, it will be tested in a deductive study. The quantitative approach is the most suitable in order to do the testing reliable, objective, and generalizable. Additionally, a quantitative approach is needed to test the relationship between the different variables (Bryman and Bell, 2015).
4.2 Research Purpose and Design

Bryman and Bell (2015) describe the research design to provide a framework for the study when collecting data and doing the analysis. A well-constructed research design is, therefore, important to make the research effective and efficient (Malhotra, 2010). When designing a research, there is three types of purposes: exploratory, descriptive, and explanatory (causal) purpose. The exploratory purpose is used when attempting to get a deeper insight into a problem, typically with little previous knowledge about it. The descriptive purpose is designed to provide an overview and to describe some characteristics or functions and will often have a speculative or tentative hypothesis. The final one, the explanatory purpose, establishes the cause-and-effect relationship between variables, by testing specific hypotheses to get a conclusive understanding of a problem (Aaker et al., 2011; Malhotra, 2010; Iacobucci and Churchill, 2015; Saunders, Lewis and Thornhill, 2016). The purpose of this study is to explain the relationship of influencers’ characteristics on perceived quality and brand loyalty, which is a cause-and-effect relationship between the variables, therefore, an explanatory purpose is utilized.

After deciding the purpose, Bryman and Bell (2015) present five approaches of research designs: case study, experimental, longitudinal, comparative, and cross-sectional. The cross-sectional design will be used for this study as it aims to study variables and how they relate to each other (Iacobucci and Churchill, 2015), which is the purpose of this study. Also, cross-sectional studies focus on more than one case and seek for quantitative or quantifiable data by bringing variation. Moreover, this research design emphasizes data collection at a single point in time (Malhotra, 2010; Bryman and Bell, 2015). Additionally, the discussion around cross-sectional research design has placed it into the context of positivist quantitative research (Bryman and Bell, 2015), which makes it suitable for this study.

4.3 Data Sources

Data can be collected from two different sources, primary or secondary data. The first one, primary data, includes data researchers collected specifically for the purpose of their study. Secondary data is existing data gathered from secondary sources, which can include published or unpublished information (Rabianski, 2003; Iacobucci and Churchill, 2015), gathered for
another purpose than the researchers’ (Calantone and Vickery, 2010). Advantages of secondary data include less financials and time needed (Calantone and Vickery, 2010; Iacobucci and Churchill, 2015).

In contrast, primary data takes more time and finances to collect and analyze. However, an advantage of the primary data is that researchers know where the data were collected from and for what purpose (Calantone and Vickery, 2010). That is, primary data is being collected specifically for the purpose of the study (Rabianski, 2003; Aaker et al., 2011). Therefore, primary data is the most relevant for this study, as the collection of data is needed to reach the purpose. Even if the collection of primary data is more time consuming it will still be more beneficial compared with secondary data. Also, with the primary data reliability is generally higher, which will contribute to making the research stronger (Calantone and Vickery, 2010).

4.4 Data Collection Method

For the quantitative approach, there are different methods to collect data: survey, structured observation, experiments, and content analysis. For this research, a survey was found the most suitable as it was decided to do a cross-sectional study, where data can be collected through a questionnaire or structured interview (Saunders, Lewis, and Thornhill, 2016). When deciding upon questionnaire versus structured interviews, both have their advantages. One advantage of structured interviews is the interviewer’s ability to explain the questions to the respondent if anything is unclear; in a questionnaire, this can be prevented to some extent by constructing and pre-testing the questions carefully. However, advantages with questionnaires over structured interviews, include, fewer resources needed, it saves time, and there is no interviewer variability (meaning no interviewer can ask questions differently). Also, questionnaires are more convenient for the respondents compared to structured interviews as the respondent can answer after his or her schedule (Bryman and Bell, 2015). A questionnaire will, therefore, be the data collection method for this study. Malhotra (2010, p.335) defines questionnaire as “a formalized set of questions for obtaining information from respondents.” Standardized questionnaire ensures the comparability of data and improves accuracy and speed of recording (Malhotra, 2010). Additionally, considering the purpose, research design, and the characteristics of questionnaires, this is the most suitable data collection method for this study.
By using a questionnaire with closed questions, coding becomes easier compared to a questionnaire with open-ended questions (Bryman and Bell, 2015). However, the way the questions and the information are given in beforehand to the participants needs to be clear and easily understood since there is no interviewer to explain. Having no interviewer means the questionnaire is self-administered (Malhotra, 2010; Kumar, 2014; Fowler, 2014; Bryman and Bell, 2015). If the questions or information are not clear and precise there is a risk the respondents will not answer, skip the question, or the response becomes invalid. To avoid this a pre-test can be conducted (Fowler, 2014; Bryman and Bell, 2015). Although, in case of having no interviewer next to respondents, validation of the results increases since an interviewer does not have an influence over respondents, also anonymity is easier to maintain. Therefore, considering the advantages of self-administered questionnaires, this type of questionnaire is chosen for this research as it will save time, increase validation, and minimize ethical considerations (Bryman and Bell, 2015).

4.5 Data Collection Instrument

There are different ways to distribute a questionnaire, it can be done through mail, telephone, personally, or electronically (Malhotra, 2010). Hence, as it was decided earlier to have a self-administered questionnaire, distribution electronically or via mail can be used. Iacobucci and Churchill (2015) also underline that in explanatory quantitative researches the distribution should take place either via mail or on the Internet, where the number of items on the questionnaire should be rather large. Taking into account the time-consumption of these two ways, electronic distribution is considered to be the most relevant for this research. Particularly, distribution is going to take place on the Internet, where the questionnaire is going to be published on social media, Facebook and Instagram, and through email. This will allow saving time for the questionnaires to be delivered to respondents (Bryman and Bell, 2015).
4.5.1 Operationalization and Measurement of Variables

The operationalization is an important step in research, where the theory should be defined and clarified to make it into measurable concepts, which is often presented in a table to organize them in a clear way (Bryman and Bell, 2015; Saunders, Lewis and Thornhill, 2016). To provide a measurable concept Bryman and Bell (2015, p.724), claim there should be indicator/s assigned to the concept, it is a type of measure, which “is employed to refer to a concept when no direct measure is available.”

Aaker et al. (2011) discuss the importance of assigning a proper measurement scale to what is being measured, claiming there are four scales: nominal scale, ordinal scale, interval scale, and ratio scale. The first one, nominal scale, measures labeled categories, such as sex, geographic location, etc., where there should not be a relationship between these and the purpose is identification. Ordinal scale ranks or arranges alternatives but does not indicate how much difference there is in between them. Interval scale ranges categories with the same difference between them. Finally, ratio scale measures by having a true zero point where the specification of an object can be identified, for instance, sales, units, temperature. That is the richest level of measurement (Aaker et al., 2011; Iacobucci and Churchill, 2015).

For this study, the nominal scale was used for the control questions in the questionnaire, for the respondent to ensure she or he is included in the studied population, also the personal questions about the gender. For the personal question about age, the ordinal measure was used. For the main questions, the Likert scale was applied, with an interval scale. The Likert scale allows the respondents to answer how strongly she or he agrees or disagrees with a statement (Saunders, Lewis and Thornhill, 2016). For this study a five-point scale was applied, from 1 ‘strongly disagree’ to 5 ‘strongly agree’. There was no use of ratio scale for this questionnaire.
### 4.5.1.1 Operationalization Table

<table>
<thead>
<tr>
<th>Theoretical Constructs</th>
<th>Item Number</th>
<th>Indicator</th>
<th>Type of Measurement</th>
<th>Description/Definition</th>
<th>Item on Questionnaire</th>
</tr>
</thead>
<tbody>
<tr>
<td>Influencer Marketing: Trustworthiness</td>
<td>Trust1</td>
<td>Trust in the influencer</td>
<td>Five-Point Likert Scale 1 = Strongly Disagree 5 = Strongly Agree</td>
<td>Sudha and Sheena (2017) explain the use of trust becomes crucial for influencers because this component helps in attempting to convert the audience into loyal customers.</td>
<td>I trust the influencer’s opinion</td>
</tr>
<tr>
<td>Influencer Marketing: Trustworthiness</td>
<td>Trust2</td>
<td>Honesty</td>
<td>Five-Point Likert Scale 1 = Strongly Disagree 5 = Strongly Agree</td>
<td>Trustworthiness is closely connected to honesty, that is if the consumer is confident enough in the endorser (Ohanian, 1990; Seno and Lukas, 2007; Ha and Lam, 2017).</td>
<td>I think the influencer shares his or her honest opinion</td>
</tr>
<tr>
<td>Influencer Marketing: Trustworthiness</td>
<td>Trust3</td>
<td>Not direct brand’s message</td>
<td>Five-Point Likert Scale 1 = Strongly Disagree 5 = Strongly Agree</td>
<td>Consumers are having more trust into product promotion from an influencer than from a brand itself (Halvorsen et al., 2013; De Veirman, Cauberghe and Hudders, 2017; Sudha and Sheena, 2017).</td>
<td>I trust the influencer’s messages more than one coming directly from a brand</td>
</tr>
<tr>
<td>Influencer Marketing: Trustworthiness</td>
<td>Trust4</td>
<td>Expertise</td>
<td>Five-Point Likert Scale 1 = Strongly Disagree 5 = Strongly Agree</td>
<td>Expertise tells about consumer’s perception of endorser’s knowledge about the endorsed product (Ohanian, 1990; Seno and Lukas, 2007; Spry, Pappu and Cornwell, 2011; Dwivedi, Johnson and McDonald, 2016).</td>
<td>I trust the influencer’s knowledge about the product/service she or he endorses</td>
</tr>
<tr>
<td>Influencer Marketing: Relatability</td>
<td>Rel1</td>
<td>Constant update on private life</td>
<td>Five-Point Likert Scale</td>
<td>Influencers create a personal narrative constantly updating their followers on their lives together with personal experiences and opinions (Abidin, 2016; De Veirman, Cauberghe and Hudders, 2017), hence, letting their followers know them on a personal level (Halvorsen et al., 2013).</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Influencer Marketing: Relatability</td>
<td>Rel2</td>
<td>Interaction/communication</td>
<td>Five-Point Likert Scale</td>
<td>De Veirman, Cauberghe and Hudders (2017) discuss influencers to interact with followers in a personal way. This can create a feeling of face-to-face interactions with the influencer (Knoll et al., 2015; De Veirman, Cauberghe and Hudders, 2017). I think it is important that the influencer interacts* with their followers (*addresses the texts/videos to followers as if talking in person)</td>
<td></td>
</tr>
<tr>
<td>Influencer Marketing: Relatability</td>
<td>Rel3</td>
<td>Sharing opinions</td>
<td>Five-Point Likert Scale</td>
<td>Influencers create relationships, which make the consumer be more open to the influencers’ opinions and behavior (Knoll et al., 2015; De Veirman, Cauberghe and Hudders, 2017). I think the influencer’s opinions are similar to mine</td>
<td></td>
</tr>
<tr>
<td>Influencer Marketing: Relatability</td>
<td>Rel4</td>
<td>Feeling of knowing</td>
<td>Five-Point Likert Scale</td>
<td>Parasocial relationships occur when consumers are repeatedly exposed for celebrities and then arising a feeling of knowing these celebrities; creating a feeling of knowing the influencer well</td>
<td></td>
</tr>
</tbody>
</table>
| Influencer Marketing: Authenticity | Auth1 | Personal attributes | Five-Point Likert Scale  
1 = Strongly Disagree  
5 = Strongly Agree | Halvorsen et al. (2013) specify the importance of personal attributes of an influencer which strengthen the influence over the audience. Therefore, the positive beliefs about an endorser should be maintained, because they can transfer to endorsed products or brands (Kapitan and Silvera, 2016). | I think the influencer has an attractive personality |
|---|---|---|---|---|---|
| Influencer Marketing: Authenticity | Auth2 | Not too commercialized | Five-Point Likert Scale  
1 = Strongly Disagree  
5 = Strongly Agree | If the blog becomes too commercialized it loses its effect on followers (Halvorsen et al., 2013). | I think the influencer’s channels are genuine |
| Influencer Marketing: Authenticity | Auth3 | Match-up with the brand | Five-Point Likert Scale  
1 = Strongly Disagree  
5 = Strongly Agree | There should also be a celebrity match-up congruence with the brand/product. Meaning, an advertised product or brand should be endorsed by a relevant celebrity, that is achieving reasonable endorsement (Keller, Apéria and Georgson, 2012; Ha and Lam, 2017). | I think it is important that paid posts matches with the influencer’s personality |
| Influencer Marketing: Authenticity | Auth4 | True personality | Five-Point Likert Scale  
1 = Strongly Disagree  
5 = Strongly Agree | The focus here is a positive interaction with consumers and staying true to themselves. Consumers perceive | I think it is important for an influencer to show his or her true self |
<table>
<thead>
<tr>
<th>Brand Equity: Perceived Quality</th>
<th>PQ1</th>
<th>Reliability of brand</th>
<th>Five-Point Likert Scale 1 = Strongly Disagree 5 = Strongly Agree</th>
<th>Reliability is a brand based underlying factor that influences perceived quality (Aaker, 1991).</th>
<th>I think this brand is reliable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Equity: Perceived Quality</td>
<td>PQ2</td>
<td>Performance/experience of the brand</td>
<td>Five-Point Likert Scale 1 = Strongly Disagree 5 = Strongly Agree</td>
<td>Aaker (1991) explains perceived quality as the overall feel about performance.</td>
<td>I perceive the quality of this brand’s products/services as good</td>
</tr>
<tr>
<td>Brand Equity: Perceived Quality</td>
<td>PQ3</td>
<td>The unobserved qualities of a product/service</td>
<td>Five-Point Likert Scale 1 = Strongly Disagree 5 = Strongly Agree</td>
<td>Perceived quality can actually be built by brand identities that communicate unobservable quality, such as brand name and package design (Gill and Dawra, 2010).</td>
<td>I think the product/service is well presented* by the brand (*with presentation we mean, example, the brand name, package design, and advertising.)</td>
</tr>
<tr>
<td>Brand Equity: Perceived Quality</td>
<td>PQ4</td>
<td>Impact of advertisement</td>
<td>Five-Point Likert Scale 1 = Strongly Disagree 5 = Strongly Agree</td>
<td>Perceived quality can actually be built by brand identities that communicate unobservable quality, such as advertisement (Gill and Dawra, 2010).</td>
<td>I think the influencer’s posts represents the brand well</td>
</tr>
<tr>
<td>Brand Equity: Brand Loyalty</td>
<td>BL1</td>
<td>Customer satisfaction</td>
<td>Five-Point Likert Scale 1 = Strongly Disagree 5 = Strongly Agree</td>
<td>Customer satisfaction measures brand loyalty by looking at the</td>
<td>I am satisfied with this brand</td>
</tr>
</tbody>
</table>

celebrities’ authenticity as their attempts to show true personality and values (Ilicic and Webster, 2016).
4.5.2 Questionnaire Design

There are no scientific principles on how to design an optimal questionnaire, however, there are some guidelines which describe the structure (Malhotra, 2010). Reliability, validity, and response rate depend on the way a questionnaire is designed (Saunders, Lewis and Thornhill, 2016). The very first step in the questionnaire design is to provide clear instructions on how to answer the questions to avoid eliminating the wrong completion. In other words, self-administered questionnaires need a covering letter or introduction text. This is an important part where the purpose of the study, the instructions, and other possibly relevant information are allocated (Bryman and Bell, 2015; Saunders, Lewis and Thornhill, 2016). This letter should clearly explain why the researchers need the respondent to answer. There should be a title which reveals the topic of the research. Also, researchers should think through possible questions from

<table>
<thead>
<tr>
<th>Brand Equity: Brand Loyalty</th>
<th>BL2</th>
<th>Strength of a brand</th>
<th>Five-Point Likert Scale</th>
<th>Measuring how strong a brand is in comparison to other brands with similar offerings on the market (Aaker, 1996).</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>1 = Strongly Disagree</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5 = Strongly Agree</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Brand Equity: Brand Loyalty</th>
<th>BL3</th>
<th>Price premium</th>
<th>Five-Point Likert Scale</th>
<th>Price premium is a basic indicator of loyalty, which indicates the amount of money customer is ready to pay for a brand in comparison with another one (Aaker, 1996).</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>1 = Strongly Disagree</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5 = Strongly Agree</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Brand Equity: Brand Loyalty</th>
<th>BL4</th>
<th>Repeated purchases</th>
<th>Five-Point Likert Scale</th>
<th>Brand loyalty considers repeated purchases, which become a financial benefit for a brand (Aaker, 1996; Oliver, 1999).</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>1 = Strongly Disagree</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5 = Strongly Agree</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>I prefer this brand over similar ones</th>
</tr>
</thead>
<tbody>
<tr>
<td>I am willing to pay a higher price for this brand’s product/service than for similar ones</td>
</tr>
<tr>
<td>I have continuously purchased a product/service from this brand</td>
</tr>
</tbody>
</table>
the respondents and prepare the answers in advance by presenting them in a covering letter (Saunders, Lewis and Thornhill, 2016).

For this research, the covering letter includes a title, an introduction to the topic of the research, and instructions. The description of the topic includes relevant explanations and definitions, written to make sure the respondents understand all the questions correctly. Also, the covering letter includes instructions on how the questions should be answered. The reason for this is to make sure the responses do not become invalid, which minimizes the risk of eliminating many incorrect responses. The covering letter can be found in Appendix A together with the questionnaire.

Further, usually, most of the questions in self-administered questionnaires are closed kind because these tend to be easier to answer. Open-ended questions require more effort to reply, which makes them less attractive for respondents. Additionally, the questions should be short enough and as few as possible since respondents tend to become tired of longer texts and if the questionnaire is too long time wise. It is also important for questions and answers to be kept together, as it otherwise could bring confusion to the participants of the questionnaire (Bryman and Bell, 2015). Finally, the wording is also an important consideration, since this is required to see if the questions are valid (measure what they are intended for). The questions should be constructed in a way which they are not misread and do not encourage a specific answer (Saunders, Lewis and Thornhill, 2016). There should also be used as few ambiguous terms as possible since the respondents have a different reference to these (Bryman and Bell, 2015). Hence, taking this into account, the questions have been designed in a way to avoid tiredness and misunderstanding among respondents: closed kind, short, precise, with answers near the questions, carefully considered wording, and as few as possible. Bryman and Bell (2015) discuss online questionnaires should be designed so the time it takes does not exceed 8-10 minutes as this could lead to fewer answers to the questionnaire or respondent’s giving up before finishing it. Therefore, the answering time for the numbers of questions should be measured, to increase the response rate. The time will, therefore, be measured in the pre-test.

Besides the wording and type of questions, it is also important to consider the order of these. The order should be logical and not obligatory following the order of the questions in the operationalization table. The reason for this is bias might occur if the order is not well-
established. Sometimes, to bring more structure, an introduction to a new topic with the following questions is needed (Saunders, Lewis and Thornhill, 2016). The order of a questionnaire can be specified as basic information, classification information, and identification information (Malhotra, 2010). Although, the very first questions should be control ones, which allow obtaining the answers only from the relevant respondents (Bryman and Bell, 2015). The basic information directly relates to the research problem, which is the most important information. Hence, it should be obtained first for the respondents to not lose the interest when answering a series of personal questions. Then, there should be classification information related questions, which allow classifying the respondents in accordance with socioeconomic and demographic characteristics. Finally, there should be identification questions with private information about the respondents, if it is needed (Malhotra, 2010).

The first questions in the questionnaire of this study are control ones. This is done to make sure the participants are from the relevant population (Bryman and Bell, 2015). These questions include ones about respondents’ presence on social media and their activity. Additionally, there are questions if respondents follow influencers on social media, which publish sponsored or paid posts, together with example pictures of influencers. Those who fit the requirements of the relevant population will proceed to the next module of the questionnaire (Malhotra, 2010), where some more instructions are given on how to answer the questionnaire together with definitions and example pictures of how paid influencers’ posts can look like. Then the questions directly connected to the research problem are asked where the necessary data for the study is obtained. Finally, there is a module of classification information (Malhotra, 2010), which classifies the respondents. This is done to probably identify the patterns connected to the socioeconomic or demographic characteristics. Identification questions (Malhotra, 2010) are not included in the questionnaire, as the research implies anonymous participation of a relevant population. This is related to the ethical consideration for the study. The questionnaire can be found in Appendix A.

For this research, there is a need to distribute the questionnaire in both Swedish and English, to reach out to as many participants as possible. Therefore, it becomes important to make sure the questions are translated carefully so the respondents answer them in the way they are intended (Saunders, Lewis and Thornhill, 2016). This process might risk distraction of the gathered data because of differences in the meaning of words between the languages. To overcome this, as
Fowler (2014) suggests, the questionnaire was first translated into Swedish and then back-translated by a different translator into English and compared to the original version to make sure there were no differences. This was done with the help of two people. The English questionnaire is found in Appendix A and the Swedish questionnaire in Appendix B.

4.5.3 Pre-Testing

Before sending out the questionnaire a pre-test should be done to see if the instructions or any of the questions are unclear or confusing, and to measure the length of the questionnaire (Kumar, 2014; Fowler, 2014; Iacobucci and Churchill, 2015; Bryman and Bell, 2015). However, this can be hard to notice when respondents are replying through the internet. Therefore, the pre-test is conducted with potential respondents gathered in person, where they first should answer the questionnaire as if they were a part of the real study. Here the respondents will be observed to see how they react. Afterward, a discussion will be held about their thoughts on the questionnaire (Fowler, 2014; Iacobucci and Churchill, 2015). The pre-test included asking ten people to read and answer the questionnaire to see if and how they understood the questions, the definitions and to measure the length of the questionnaire. Based on this, some of the original questions (Rel1, 2, 4, and PQ3) were changed or rewritten and some adjustments to the order of the brand equity questions were made. Some of the definitions were also developed to make the respondents understand them better. The example pictures of influencer posts were kept as they were appreciated to make it clearer, however, two pictures were changed to not all be from one social media platform. For the length of the questionnaire, it was estimated to take maximum 7 min to answer.

4.6 Sampling

Sampling is the process of selecting a smaller segment to represent the larger population (Bryman and Bell, 2015). Before sampling, it is important to decide and define what the suitable population is, which will be tested (Saunders, Lewis, Thornhill, 2016). The population for this study consists of individuals who are active (spending minimum two hours a week) on social media and follow minimum one influencer who publishes paid or sponsored content on their social media channels. As the population makes up a large number of individuals a census (the
entire population) is not preferred, based on the inability to identify the whole population (Bryman and Bell, 2015).

Using a probability sample refers to applying a random sampling technique, where all units in the population have an equal chance of being selected. However, if some units from the population are more likely to be selected than others it is referred to as non-probability sampling (Bryman and Bell, 2015). As the questionnaire will be sent out through social media there will be no direct control on who will answer it, as long as they fulfill the control questions. Therefore, it is not possible to conduct a probability sample and is why there will be a non-probability sample instead.

When conducting a non-probability sample there are two main types; quota sampling and convenience sampling, where the latter is the most applicable one. This wide use of it is because the questionnaire is foremost available to those accessible to the researcher. Hence, Bryman and Bell (2015) describe convenience sample as selecting a sample based on what is available to the researchers, also a commonly used technique for business studies. Another reason why convenience sampling will be used is the advantages stated by Aaker et al. (2011); it is a quick and inexpensive way to collect data. The convenience sampling was utilized by sharing the questionnaire on Facebook, Instagram, and via email to people in the researchers’ surroundings.

4.6.1 Sample Selection and Data Collection Procedure

Iacobucci and Churchill (2015) claim the decision on the sampling size should be made before collecting the data. Bryman and Bell (2015) argue this decision is mostly affected by a compromise between time and cost, the precision, and variety of the study. For this study, the sampling technique is convenience sampling and the questionnaire will be distributed online, which therefore make the sample size hard to calculate the population size is unknown. However, another strategy to determine the sample size is to review previous studies sample sizes and use these as indicators of an appropriate sample size for this study (Bryman and Bell, 2015).

Previous studies conducted on the effect on brand equity through questionnaires have used different sample sizes. Kim and Ko (2012) collected 362 valid responses for their research, and
Spry, Pappu and Cornwell (2011) researched celebrity endorsement, brand credibility, and brand equity based on six hypotheses with a sample of 244. Additionally, Schivinski and Dabrowski (2015) distributed their questionnaire through Facebook and obtained 308 valid responses, where the data collection procedure is similar to this study.

However, Morgan and Wilson Van Voorhis (2007) claim when researching relationships ‘the rule of thumb’ is that in general the sample should be over 50 to be able to do correlations or regression analysis, with several independent variables. Further, they suggest the sample size could be determined by $N > 50 + 8m$ ($N$ is the number of respondents and $m$ is the numbers of independent variables) when testing multiple correlations. This means, for this study, the sample size should not be below 74 respondents ($N > 50 + (8*3), N = 74$). By using Morgan and Wilson Van Voorhis (2007) formula for the minimum sample, the number is 74. Taking into account the calculation from the formula (Morgan and Wilson Van Voorhis, 2007), which resulted in 74, and previous studies with sample sizes of 362 (Kim and Ko, 2012), 244 (Spry, Pappu and Cornwell, 2011), and 308 (Schivinski and Dubrowski, 2015), the average can be calculated, which equals 247. This is done as there is no consensus on the bare minimum, and sample sizes differ from study to study. However, taking into consideration time and resource constraints for this study, the researchers made a decision to aim for 200 responses.

After distributing the questionnaire 288 responses were collected, where 175 passed the control questions. The questionnaire was posted and emailed several times with reminders over a twelve days period. This was done through Facebook, Instagram, and via an email list of teacher students at Linnaeus University. All of this was done accordingly to the sampling technique, which was convenience sampling. Taking this and time restrictions into account the number of responses will, therefore, be accepted even if it is slightly lower than the original ambition.

4.7 Data Analysis Method

4.7.1 Data Entry, Coding, and Cleaning

As soon as the answers for the questionnaire are collected, the data should be entered into the instrument used for further analysis (Bryman and Bell, 2015), which for this research is Statistical Package for the Social Sciences (SPSS). When all data are entered, it is important to
code it (Bryman and Bell, 2015). Data coding is about assigning a code to each possible response to questions (Malhotra, 2010). In this research, the coding was done by the control questions coded as Cont1-3. Questions on trustworthiness were coded as Trust1-4, relatability Rel1-4, authenticity as Auth1-4. For the questions about perceived quality the coding is PQ1-4, and for brand loyalty is BL1-4. The last questions which were personal ones were coded as Pers1-2.

Data cleaning includes “consistency checks and treatment of missing responses” (Malhotra, 2010, p.461). Consistency checks are responsible for identifying out of range or logically inconsistent data and extreme values. Further, there is a treatment of missing responses, which represent unknown values of variables occurred from ambiguous answers or improper recording. There are two options on how to do this, either by substituting missing values by a neutral value (the mean response to the variable) or by substituting an imputed response (respondents’ pattern of responses to other questions is used) (Malhotra, 2010). For the cleaning in this study, there were no missing values since all the questions were mandatory. However, three of the responses were removed manually because of inappropriate answers about the influencer and brand name; these included writing the authors’ names or curse words.

4.7.2 Descriptive Statistics

Descriptive statistics “enable you to describe (and compare) variables numerically” (Saunders, Lewis, Thornhill, 2016, p.527). There are two aspects of statistics which describe variables: the central tendency and the dispersion. When describing data quantitatively it is standard to obtain some general impression on values, which is called central tendency. There are three ways of measuring this, where the first one is mean (Saunders, Lewis, Thornhill, 2016). This is the most frequently measured central tendency, which represents the average and includes all data values when calculated (Malhotra, 2010). Besides, there is median value, which finds the midpoint in ranked values, and mode, which is the value occurring most frequently (Malhotra, 2010; Saunders, Lewis, Thornhill, 2016). However, central tendency is not enough, and dispersion should be described as well. Meaning, how data values are dispersed around the central tendency. Measuring the dispersion can be done by looking at the standard deviation of the items (Saunders, Lewis, Thornhill, 2016).
When descriptive statistics are performed, before any statistical tests it is important to establish the distribution of values. At this point, skewness and kurtosis can be assessed (Saunders, Lewis, Thornhill, 2016). Skewness represents how deviations from the mean are tending to be larger in one direction compared to another (Malhotra, 2010). If the graph has a bunching to the left and a long tail to the right, this means positive skewness. The opposite allocation of data represents a negative and equal distribution is a symmetrical skewness (Saunders, Lewis, Thornhill, 2016). Hair, Black, Babin and Anderson (2013) claim the skewness should be within the range of 1, otherwise, values outside this range indicate a distribution which is substantially skewed. However, George and Mallery (2003) claim a skewness of 2 can also be accepted in some cases. As for the kurtosis, it is “a measure of the relative peakedness or flatness of the curve defined by the frequency distribution” (Saunders, Lewis, Thornhill, 2016, p.519). George and Mallery (2003) describe a kurtosis within the values of 1 as excellent, although within 2 as an accepted kurtosis for the item. Positive kurtosis is when the distribution is pointed, while the negative one is flatter, and the kurtosis of a normal distribution is zero (George and Mallery, 2003; Malhotra, 2010; Hair et al., 2013). The outcomes of this can be found in the result chapter.

4.7.3 Correlation and Regression Analyses

Correlation analysis is the most commonly used statistic, which represents the strength of association between two metric variables: interval or ratio scaled. It basically indicates the degree of variation in one variable related to the variation in another. Correlation is represented as r and varies between 1 (Malhotra, 2010). If r is 1 this means there is a perfect positive correlation, while -1 represents perfect negative correlation. Both of these mean the variables are precisely related, however, change in one variable will result in the same or directly opposite reaction in another variable. If r equals 0, the variables are perfectly independent, which is extremely unusual in business research (Saunders, Lewis, Thornhill, 2016). Usually, correlation can be accepted when the value is not larger than 0.9 or smaller than -0.9 (Pallant, 2010).

Regression analysis is a flexible and powerful procedure, which analyzes associative relationships between one dependent (metric) and one or more independent variable. It is rather concerned with the degree of association between the variables than with implying or assuming any causality. One of the forms of regression analysis is multiple regression, which involves single dependent variable and more than two independent variables (Malhotra, 2010). There is
a coefficient of multiple determination ($R^2$), which allows assessing how strong the relationship between the numerical dependent variable and more than two independent ones. The value of $R^2$ can vary between 0 and 1, where the number between these will explain how much the variance of the dependent variable is explained by the independent ones (Saunders, Lewis, Thornhill, 2016). There is also the adjusted coefficient of determination (adjusted $R^2$), which only measures the independent/s who have explanatory power over the dependent variable (Hair et al., 2003).

Standardized Regression Coefficient ($\beta$) or Beta Weight is used to “denote the standardized regression coefficient,” where standardization is the process of raw data being transformed into new variables (Malhotra, 2010, p.573). Basically, beta coefficients are the regression coefficients which are multiplied by the ratio of standard deviation of the independent variable to the dependent one. The values of $\beta$ can be compared to see which of the independent variable has the largest effect (Aaker et al., 2011).

The actual process of hypothesis testing such as the relationship between variables is known as significance testing (Malhotra, 2010; Saunders, Lewis, Thornhill, 2016). When entering the data in the chosen instrument of analysis, it will allow testing the probability of the test-result ($p$-value). If the $p$-value of the tests statistics occurred to be low ($p < 0.05$), there is a statistically significant relationship. Therefore, the hypothesis can be accepted. However, if the $p$-value is higher than 0.05, the conclusion should be the relationship is not statistically significant, and therefore the hypothesis should be rejected (Saunders, Lewis, Thornhill, 2016). If the independent is significant it is a point to look at the F-value, which indicates if the variables contribute to the model, where a high and significant F-value is optimal. Another value in the regression is the standard error of the estimate, it is the standard deviation of the predicted values, here a lower number indicates greater predictive accuracy (Hair et al., 2003). All the outcomes for the analyses can be found in the result chapter.

4.8 Quality Criteria

Two of the ways to ensure the quality of the research and its measurements are validity and reliability, which have an important role in quantitative research (Kumar, 2014; Bryman and
Bell, 2015; Saunders, Lewis and Thornhill, 2016). Validity measures if a question measures the concept as it is meant to do. Reliability concerns the consistency of a measure (Bryman and Bell, 2015). It is, therefore, important to ensure validity and reliability of a questionnaire to generate accurate data, which measures what it is meant to, hence, what is being investigated. One step to start ensuring validity and reliability is to conduct a pre-test of the questionnaire (Saunders, Lewis and Thornhill, 2016), which was conducted and lead to some adjustments. Further, validity and reliability are described in the next coming subchapters.

4.8.1 Content Validity

Content or face validity is an early step in ensuring validity and investigates if the measure reflects the question, which is supposed to measure it. It can basically be tested by letting other people look at the question and asking them if they are getting the concept the question is measuring (Bryman and Bell, 2015; Saunders, Lewis and Thornhill, 2016). Meaning this is partly based on the judgment of those people (Iacobucci and Churchill, 2015). Bryman and Bell (2015) also claim it can be of preference to ask individuals with an expertise in the field, to gain an expert opinion. As content validity is a way to test the validity of the questions in the questionnaire before they are distributed, it is an important process to prevent measures which lack of validity. Therefore, there was a pre-test conducted which allowed to eliminate misunderstandings by changing or rewriting some of the questions. Also, two lecturers within the field of marketing have examined the questions to ensure the content validity of the questionnaire before sending out the questionnaire. However, after the questionnaire was sent out a third lecturer noticed, question PQ4 was measuring both the independent and one of the dependent variables which, therefore, lead to the removal of question PQ4 in the data analysis.

4.8.2 Construct Validity

Bryman and Bell (2015) present a second way to ensure validity, construct validity, which tests the deducted hypotheses from the literature review. That is looking if the theory or hypotheses constructed from it are not misguided. Also, construct validity prevents measures of the concepts to be wrong. Meaning, it looks if the measure tests what it is supposed to (Kumar, 2014; Iacobucci and Churchill, 2015).
This can be tested by the correlation between the measures after the data collection, testing how and if questions measuring one concept are related to each other or not. Based on this, questions about the same concept may have similar answers. However, strong consistency does not mean it is valid, for example, as questions may be measuring the same thing, but not what they were intended to measure. Next step is to see how well the measures relate to measures of other concepts and establish if there is a relationship between these (Iacobucci and Churchill, 2015). Bryman and Bell (2015) and Iacobucci and Churchill (2015) further call measures to be convergently valid if they are correlated and measure the correct thing. If the opposite occurs, it is called discriminant validity, where the correlation is too high, and questions measure the concepts which they are not meant to be measuring. For this study, the construct validity was, therefore, tested according to Iacobucci and Churchill’s (2015) correlation analysis with the result presented in the result chapter.

4.8.3 Criterion Validity

Criterion validity looks at the measures and their ability to make a reliable prediction based on those (Saunders, Lewis and Thornhill, 2016). Bryman and Bell (2015) refer to this as one of the main ways to test validity, since it looks at measures in relation to a criterion. Aaker et al. (2011) claim, criterion validity measures correlations with criterion variables based on the empirical evidence. Kumar (2014) states the criterion validity can be assessed by comparing the findings with other previous studies, to see if these are similar, this then would indicate a higher validity. Criterion validity can be divided into two concepts; concurrent validity if two variables are measured simultaneously with other credible findings, and predictive validity if the measure can correctly forecast an outcome, the higher correctness, the higher predictive validity (Kumar, 2014).

In this research, the criterion validity has been executed when the hypotheses and questionnaire were developed. In order to conceptualize the model and construct the hypotheses, there were previous researchers investigated in order to base the construction on credible findings and therefore, achieve higher validity. Also, the questions in the questionnaire were developed based on previous theoretical findings to ensure criterion validity as well.
4.8.4 Reliability

Reliability regards the result of the consistency of measures (Bryman and Bell, 2015). Saunders, Lewis and Thornhill (2016) refer to reliability as the ability to replicate and the consistency of a study, meaning, if another research would be able to replicate the research study and conclude the same finding in the future. Furthermore, for a questionnaire to be reliable it first has to be valid, as only reliability is not strong enough (Iacobucci and Churchill, 2015).

One common way to test and ensure the internal reliability of a study is by using Cronbach's alpha, which is a statistical tool. Internal reliability identifies if respondents’ answers on the different measures of concepts are related to each other or not (Bryman and Bell, 2015). It is used to measure the consistency of the responses, by a set of questions combined to measure a specific concept. It can have a value between 0 to 1, where values 0.7 or over indicate the combined questions measure the same thing (Saunders, Lewis and Thornhill, 2016). Bryman and Bell (2015) state 0.8 to be the value of an acceptable level of internal reliability. Then, Pallant (2010) claim values above 0.7 are accepted, however, values over 0.8 are preferable. For this study, the Cronbach's alpha was used to test the questionnaire with the acceptance level of 0.7; the result for the variables is presented in the result chapter.

4.9 Ethical Considerations

Ethics in business research should always be considered to reflect upon how participants of the research are being treated or if there are any activities within the research where engagement with the participants should or should not be done (Aaker et al., 2011; Bryman and Bell, 2015). Bryman and Bell (2015) describe four areas to consider connected to ethical principles. The first area concerns whether there is a risk of harming participants, which can be viewed upon in several ways. Although, it is up to the researcher her/himself to consider whether there is a risk to harm participants and to minimize this risk. One aspect of this area is the confidentiality of participants’ identities and records which should be kept confidential (Moreno, Goniu, Moreno and Diekema, 2013; Bryman and Bell, 2015). Maintaining anonymity is often easier for quantitative research compared to qualitative research since for quantitative research one is looking at a larger population and numbers rather than words (Bryman and Bell, 2015).
However, even if this research is quantitative the participants still need to be informed about how the data will be used and why some personal questions are needed.

Additionally, this is to some extent also connected to the second and third area of ethical principles, which emphasize the importance of informed consent and privacy. Meaning participants need to be informed what the research is about and how the records will be used (Aaker et al., 2011; Bryman and Bell, 2015). This will be stated in the covering letter (see Appendix A) if the participants do not feel comfortable filling in the questionnaire after being provided with this information they can choose not to. The last area concerns deception, which emphasizes how truthfully a researcher chooses to be towards the participants in connection with gaining as good and valid results as possible. If telling all information before gathering data might lead to participants not willing to reply or answer something else than if the information was not given (Aaker et al., 2011; Moreno et al., 2013; Bryman and Bell, 2015). However, in this study, this will not be a concern since information will be truthfully given in beforehand and the respondent can choose to not participate if not feeling comfortable.

There are also some obligations to society when a research is being performed. The Social Research Association (2003) in UK present ethical guidelines, where the discussion of consequences of researchers’ actions in society is held. Researchers should be aware of appropriate legislation of a country where the research is being conducted. There is a threat of not performing a solid research since the legislation is intended to protect individuals. Therefore, this concern should be balanced by having clear benefits for the society from this research (Social Research Association, 2003). As for this research, the benefits are valuable for business and science societies, where the results give a new practical and theoretical insight into the presented problem. Also, when collecting the data, it is important to do this correctly and report the results honestly and transparently, to avoid misleading and misunderstandings of the study’s results (ABS Ethics Guide, 2012). Furthermore, these issues should be considered as the research otherwise can send misleading results to the society, which can possibly harm or affect the society temporary or permanently (Bryman and Bell, 2015).
5. Results

In this chapter, the results of the data analysis made in SPSS will be presented. This includes the descriptive statistics, the quality criteria with validity test through correlation analysis and reliability test, and finally, hypothesis testing with regression analysis.

5.1 Descriptive Statistics of The Results

Starting with the number of respondent for the questionnaire, there were 288 collected responses, however, 175 responses were considered valid as they passed all the control questions about their social media habits and if they followed a paid influencer. All of these responses were entered into SPSS for data analysis, coding, and cleaning. For the valid responses, a majority was female with 81.7%, 17.7% were male, and 0.6% defined themselves as other. Regarding the age, most of the respondent was in the ages of 18-29, which represented 87.4%, no one was 17 or under, 7.4% were 29-39, 2.9% were 40-50, and 2.3% were 51+.

The descriptive statistics (see table 1) is the initial step to have a first overview of the collected data. For the data, a five-point Likert scale was used, and the minimum for the data was 1 and maximum 5 for all items. Then the central tendency and dispersion could be analyzed. Beginning with the central tendency, first was the mean where Auth4 from Authenticity had the highest mean of 4.29, the lowest mean belonged to Brand Loyalty’s BL4, with 2.41. Overall, Authenticity and Perceived Quality items have the highest means. Only Rel1, Rel4, BL3, and BL4 had a mean below 3. For the median, all items had values between 3 to 5, except BL4, which had a value of 2. Continuing with the mode for the items, most had a mode on 4 or 5, but Rel1, Rel3-4, and BL1-3 had 3 as a mode, and the lowest mode belonged to BL4 with only 1. Next was the dispersion of the data set, which includes examining the standard deviation. The lowest standard deviation was for Auth4 with 0.878 and the highest for BL4 on 1.386.

Before performing statistical tests, the skewness and kurtosis were examined, see the results in table 1. For the skewness, the values should be within the range of 1 but can also be accepted within 2. When looking at the collected data two items fall outside the 1 range: Auth4 (-1.328) and Auth3 (-1.135). This indicates these items could have a substantially skewed distribution. However, these items were still included in the analysis as they are not much over the preferred
range of skewness, and within the acceptable range of 2. Additionally, most of the items had negative skewness, except Rel1, Rel4, BL3, and BL4. Finally, the values for the kurtosis were examined where all the items were within the acceptable range of 2, the lowest kurtosis was -1.103 (BL4) and the highest was 1.708 (Auth4).

<table>
<thead>
<tr>
<th>Item</th>
<th>Mean</th>
<th>Median</th>
<th>Mode</th>
<th>Std. Deviation</th>
<th>Skewness</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust1</td>
<td>3.67</td>
<td>4</td>
<td>4</td>
<td>0.995</td>
<td>-0.651</td>
<td>0.190</td>
</tr>
<tr>
<td>Trust2</td>
<td>3.69</td>
<td>4</td>
<td>4</td>
<td>1.123</td>
<td>-0.796</td>
<td>-0.035</td>
</tr>
<tr>
<td>Trust3</td>
<td>3.41</td>
<td>4</td>
<td>4</td>
<td>1.200</td>
<td>-0.536</td>
<td>-0.551</td>
</tr>
<tr>
<td>Trust4</td>
<td>3.42</td>
<td>4</td>
<td>4</td>
<td>1.126</td>
<td>-0.390</td>
<td>-0.538</td>
</tr>
<tr>
<td>Rel1</td>
<td>2.75</td>
<td>3</td>
<td>3</td>
<td>1.242</td>
<td>0.95</td>
<td>-1.053</td>
</tr>
<tr>
<td>Rel2</td>
<td>3.39</td>
<td>4</td>
<td>4</td>
<td>1.268</td>
<td>-0.487</td>
<td>-0.763</td>
</tr>
<tr>
<td>Rel3</td>
<td>3.09</td>
<td>3</td>
<td>3</td>
<td>1.126</td>
<td>-0.231</td>
<td>-0.684</td>
</tr>
<tr>
<td>Rel4</td>
<td>2.93</td>
<td>3</td>
<td>3</td>
<td>1.187</td>
<td>0.071</td>
<td>-0.845</td>
</tr>
<tr>
<td>Auth1</td>
<td>3.78</td>
<td>4</td>
<td>4</td>
<td>1.040</td>
<td>-0.262</td>
<td>-0.145</td>
</tr>
<tr>
<td>Auth2</td>
<td>3.73</td>
<td>4</td>
<td>4</td>
<td>1.089</td>
<td>-0.690</td>
<td>-0.58</td>
</tr>
<tr>
<td>Auth3</td>
<td>4.22</td>
<td>4</td>
<td>5</td>
<td>0.890</td>
<td>-1.135</td>
<td>1.372</td>
</tr>
<tr>
<td>Auth4</td>
<td>4.29</td>
<td>5</td>
<td>5</td>
<td>0.878</td>
<td>-1.328</td>
<td>1.708</td>
</tr>
<tr>
<td>PQ1</td>
<td>3.94</td>
<td>4</td>
<td>4</td>
<td>0.984</td>
<td>-0.900</td>
<td>0.813</td>
</tr>
<tr>
<td>PQ2</td>
<td>3.90</td>
<td>4</td>
<td>4</td>
<td>0.957</td>
<td>-0.918</td>
<td>0.878</td>
</tr>
<tr>
<td>PQ3</td>
<td>4.10</td>
<td>4</td>
<td>4</td>
<td>0.888</td>
<td>-0.889</td>
<td>0.660</td>
</tr>
<tr>
<td>BL1</td>
<td>3.65</td>
<td>4</td>
<td>3</td>
<td>1.078</td>
<td>-0.453</td>
<td>-0.339</td>
</tr>
<tr>
<td>BL2</td>
<td>3.06</td>
<td>3</td>
<td>3</td>
<td>1.221</td>
<td>-0.244</td>
<td>-0.814</td>
</tr>
<tr>
<td>BL3</td>
<td>2.57</td>
<td>3</td>
<td>3</td>
<td>1.224</td>
<td>0.241</td>
<td>-0.961</td>
</tr>
<tr>
<td>BL4</td>
<td>2.41</td>
<td>2</td>
<td>1</td>
<td>1.386</td>
<td>0.474</td>
<td>-1.103</td>
</tr>
</tbody>
</table>

Table 1: The descriptive statistics of the independent and dependent variables.
5.2 Quality Criteria

5.2.1 Validity: Correlation Analysis

In order to assess construct validity of the measures, the correlation analysis was performed, which allowed evaluating the association between the variables. The procedure started by computing the average of the variables for each block of items: Trust1-4, Rel1-4, Auth1-4, PQ1-3, and BL1-4. Then, the correlation analysis was made using these new variables (see table 2). First, the significance was assessed, where none of the values exceeded 0.01 level. Then, the value of correlation has been examined, where the acceptable level was below 0.9 in order for the variables to be not too correlated. When looking at the correlation values, all of the variables’ values are accepted.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Trustworthiness</th>
<th>Relatability</th>
<th>Authenticity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trustworthiness</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Relatability</td>
<td>0.558**</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Authenticity</td>
<td>0.602**</td>
<td>0.588**</td>
<td>1</td>
</tr>
</tbody>
</table>

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

*Table 2: Correlation analysis of the independent variables.*

5.2.2 Reliability: Cronbach’s Alpha

After evaluating the validity of the variables, the internal reliability was assessed. The method of doing this procedure was to use Cronbach’s alpha, which allowed to see how consistent the responses were for each of the concepts. The results are presented in table 3. Since the acceptable value for this study was over 0.7, none of the concepts were found problematic. The lowest consistency was identified for the questions on Relatability, 0.707, however, this value is acceptable. The highest value was for the questions on Trustworthiness, where the Cronbach’s alpha is 0.860. Therefore, all the components within each of the concepts measure what they are intended to measure.
<table>
<thead>
<tr>
<th>Variable</th>
<th>Cronbach's Alpha</th>
<th>N of items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trustworthiness</td>
<td>0.860</td>
<td>4</td>
</tr>
<tr>
<td>Relatability</td>
<td>0.707</td>
<td>4</td>
</tr>
<tr>
<td>Authenticity</td>
<td>0.733</td>
<td>4</td>
</tr>
<tr>
<td>Perceived Quality</td>
<td>0.856</td>
<td>4</td>
</tr>
<tr>
<td>Brand Loyalty</td>
<td>0.853</td>
<td>4</td>
</tr>
</tbody>
</table>

*Table 3: The Cronbach’s alpha of the independent and dependent variables.*

5.3 Hypotheses Testing

The tested model in this research contains two dependent variables, which means there were two multiple linear regressions done. The goal of the regression is to examine if the model is significant and look at multiple values to assess the results.

5.3.1 Dependent Variable: Perceived Quality

The first regression is performed with the Perceived Quality dependent variable. The results of the analysis are presented in table 4. None of the control variables (gender and age) had a significant impact on Perceived Quality. When conducting the tests for the independent variables including them all as it is presented in model 5 of table 4, Trustworthiness (H1) and Relatability (H3) hypotheses are rejected as the significance level for these are higher than the accepted level of 0.05. Although, Authenticity had a significant relationship with perceived quality, with the p-value of 0.005 and therefore, H5 is accepted. Looking at β value for Authenticity in model 5, the strength of the relationship has a value of 0.270. The R², in this case, is 0.189.

The highest adjusted R² belongs to model 5 with the value of 0.165, and an adjusted R² of 0.165. When looking at the predictive accuracy, standard error of the estimate was calculated, where a lower number means greater predictive accuracy. For model 5 where all variables are included, the standard error of the estimates is 0.75965, which is the lowest number of all the
models. Another measure for predictive accuracy is F-value, which in the table is significant for model 2-5, meaning it has a significant contribution to the model. The highest F-value belongs to model 4 with 11.588, where the Authenticity variable together with control ones was tested.

<table>
<thead>
<tr>
<th></th>
<th>Exp. sign</th>
<th>Model 1 Control</th>
<th>Model 2</th>
<th>Model 3</th>
<th>Model 4</th>
<th>Model 5 All</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Intercept</strong></td>
<td></td>
<td>4.232*** (0.370)</td>
<td>3.133*** (0.417)</td>
<td>3.398*** (0.407)</td>
<td>4.232*** (0.370)</td>
<td>2.309*** (0.475)</td>
</tr>
<tr>
<td><strong>Control variables</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender (Pers1)</td>
<td></td>
<td>0.030 (0.160)</td>
<td>0.024 (0.151)</td>
<td>0.005 (0.154)</td>
<td>0.011 (0.148)</td>
<td>0.009 (0.147)</td>
</tr>
<tr>
<td>Age (Pers2)</td>
<td></td>
<td>-0.120 (0.106)</td>
<td>-0.108 (0.099)</td>
<td>-0.100 (0.101)</td>
<td>-0.73 (0.098)</td>
<td>-0.079 (0.097)</td>
</tr>
<tr>
<td><strong>Trustworthiness</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H1: Trustworthiness of an influencer has a positive relationship with perceived quality. (Trust1-4)</td>
<td>+</td>
<td>0.343*** (0.063)</td>
<td></td>
<td></td>
<td></td>
<td>0.147 (0.081)</td>
</tr>
<tr>
<td><strong>Relatability</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H3: Relatability of an influencer has a positive relationship with perceived quality. (Rel1-4)</td>
<td>+</td>
<td>0.302*** (0.069)</td>
<td></td>
<td></td>
<td></td>
<td>0.062 (0.086)</td>
</tr>
<tr>
<td><strong>Authenticity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H5: Authenticity of an influencer has a positive relationship with perceived quality. (Auth1-4)</td>
<td>+</td>
<td></td>
<td></td>
<td></td>
<td>0.396*** (0.080)</td>
<td>0.270** (0.108)</td>
</tr>
<tr>
<td>R2</td>
<td></td>
<td>0.015</td>
<td>0.132</td>
<td>0.105</td>
<td>0.169</td>
<td>0.189</td>
</tr>
<tr>
<td>Adjusted R2</td>
<td></td>
<td>0.004</td>
<td>0.117</td>
<td>0.090</td>
<td>0.154</td>
<td>0.165</td>
</tr>
<tr>
<td>Std. Error of the Estimates</td>
<td></td>
<td>0.82985</td>
<td>0.78109</td>
<td>0.79320</td>
<td>0.76449</td>
<td>0.75965</td>
</tr>
</tbody>
</table>
Table 4: The acceptance or rejection of hypotheses with Perceived Quality as the dependent variable.

<table>
<thead>
<tr>
<th>F-value</th>
<th>1.313</th>
<th>8.704***</th>
<th>6.712***</th>
<th>11.588***</th>
<th>7.878***</th>
</tr>
</thead>
<tbody>
<tr>
<td>Degrees of freedom (df) Regression</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>5</td>
</tr>
</tbody>
</table>

* p< 0.05, ** p<0.01, *** p<0.001, N=175

S.E. (standard error) is presented in parentheses for each of the independent variables.

5.3.2 Dependent Variable: Brand Loyalty

The multiple linear regression for the Brand Loyalty dependent variable is presented in table 5. For this regression, the control variable age had a significant negative relationship with Brand Loyalty. When looking at the significance level for the independent variables in model 5, Trustworthiness (H2) is accepted with the p-value of 0.048. Then Relatability (H4) and Authenticity (H6) are rejected as their significance levels are over 0.05. Furthermore, the accepted hypothesis, Trustworthiness (H2), has a β value of 0.186.

The lowest value for the standard error of the estimates belongs to model 5 with 0.95694, which still can be considered as high, especially when comparing to the one in the regression analysis for the Perceived Quality variable. The R² value in model 5 is 0.155, it also has the highest adjusted R² with 0.130. Then, the F-value is significant for model 2-5, where model 2 has the highest value of 8.620.
<table>
<thead>
<tr>
<th>Model</th>
<th>Exp. sign</th>
<th>Model 1 Control</th>
<th>Model 2</th>
<th>Model 3</th>
<th>Model 4</th>
<th>Model 5 All</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>3.382*** (0.453)</td>
<td>2.147*** (0.515)</td>
<td>2.371*** (0.498)</td>
<td>1.787** (0.610)</td>
<td>1.716** (0.598)</td>
<td></td>
</tr>
<tr>
<td>Control variables</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender (Pers1)</td>
<td>0.047 (0.196)</td>
<td>0.041 (0.186)</td>
<td>0.022 (0.188)</td>
<td>0.033 (0.189)</td>
<td>0.027 (0.186)</td>
<td></td>
</tr>
<tr>
<td>Age (Pers2)</td>
<td>-0.181* (0.129)</td>
<td>-0.169* (0.123)</td>
<td>-0.161* (0.124)</td>
<td>-0.148* (0.125)</td>
<td>-0.155* (0.123)</td>
<td></td>
</tr>
<tr>
<td>Trustworthiness</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H2: Trustworthiness of an influencer has a positive relationship with brand loyalty. (Trust1-4)</td>
<td>+</td>
<td>0.312*** (0.078)</td>
<td></td>
<td>0.186* (0.103)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Relatability</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H4: Relatability of an influencer has a positive relationship with brand loyalty. (Rel1-4)</td>
<td>+</td>
<td></td>
<td>0.297*** (0.084)</td>
<td></td>
<td>0.151 (0.108)</td>
<td></td>
</tr>
<tr>
<td>Authenticity</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H6: Authenticity of an influencer has a positive relationship with brand loyalty. (Auth1-4)</td>
<td>+</td>
<td></td>
<td></td>
<td>0.272*** (0.103)</td>
<td>0.071 (0.135)</td>
<td></td>
</tr>
<tr>
<td>R2</td>
<td></td>
<td>0.034</td>
<td>0.131</td>
<td>0.121</td>
<td>0.107</td>
<td>0.155</td>
</tr>
<tr>
<td>Adjusted R2</td>
<td>0.023</td>
<td>0.116</td>
<td>0.106</td>
<td>0.091</td>
<td>0.130</td>
<td></td>
</tr>
<tr>
<td>Std. Error of the Estimates</td>
<td>1.01447</td>
<td>0.96477</td>
<td>0.97042</td>
<td>0.97821</td>
<td>0.95694</td>
<td></td>
</tr>
<tr>
<td>F-value</td>
<td>3.021</td>
<td>8.620***</td>
<td>7.857***</td>
<td>6.829***</td>
<td>6.219***</td>
<td></td>
</tr>
<tr>
<td>Degrees of freedom (df) Regression</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>5</td>
<td></td>
</tr>
</tbody>
</table>

*p < 0.05, ** p < 0.01, *** p < 0.001, N=175

S.E. (standard error) is presented in parentheses for each of the independent variables.

*Table 5: The acceptance or rejection of hypothesis with Brand Loyalty as the dependent variable.*
6. Discussion

In this chapter, there is a discussion of the findings from the research and the outcomes of the hypotheses tested in this study. Starting with a general discussion of the independent variables, it continues with the two dependent variables before introducing a modified model of the accepted relationships.

Starting with the discussion of the results for the independent variables, all of the indicators of Trustworthiness have a similar mean of higher than 3 and the exact same median and mode. These identify the indicators: trust in the influencer (Sudha and Sheena, 2017), honesty (Ohanian, 1990; Seno and Lukas, 2007; Ha and Lam, 2017), not perceived as a direct brand’s message (Halvorsen et al., 2013; De Veirman, Caubergh and Hudders, 2017; Sudha and Sheena, 2017), and expertise (Ohanian, 1990; Seno and Lukas, 2007; Spry, Pappu and Cornwell, 2009; Dwivedi, Johnson and McDonald, 2016) to be equally important for the influencer from the consumers’ perspective. The Relatability indicators are not as similar, but interaction/communication (Knoll et al., 2015; De Veirman, Caubergh and Hudders, 2017), had the highest mean with 3.39. Then the three other indicators were found less important as they had a lower mean, median, and mode. For Authenticity, the indicators: match-up with the brand (Keller, Apéria and Georgson, 2012; Ha and Lam, 2017) and true personality (Ilicic and Webster, 2016), were considered more important than personal attributes (Halvorsen et al., 2013; Kapitan and Silvera, 2016) and perceived as not too commercialized (Halvorsen et al., 2013), based on the mean of these. Additionally, Auth3 and Auth4 had a mode of 5 which is the highest of all the items.

In the regression analysis, the control variables were tested, which included gender and age. None of the control variables were found significant for Perceived Quality, even though gender indicated to have a small positive relationship and age to have a small negative one when looking at the β values. For the Brand Loyalty dependent variable, one of the control variables, age, was indicated to be significant in all cases, where the significance was tested both with and without the rest of the independent variables. However, the hypotheses were constructed without taking control variables into consideration, therefore, this should not affect the following discussion of the results.
6.1 Discussion of The Perceived Quality Dependent Variable

First, when each of the independent variables was tested separately with the control variables, all of the independent variables were found to have a significant relationship with Perceived Quality having a p-value lower than 0.001. This implies Trustworthiness, Relatability, and Authenticity to have a positive relationship with Perceived Quality when tested individually. Hence, supporting that, the overall feeling about a brand based on its performance and reliability (Aaker, 1991) is affected by how much the consumer is confident in the influencer (Ohanian, 1990; Seno and Lukas, 2007; Ha and Lam, 2017), by consumers’ ability to build parasocial relationships with the influencer (Chung and Cho, 2017), and by influencers’ true personality and values (Ilicic and Webster, 2016).

However, when all three independent variables were tested in the regression together, only Authenticity had a significant (p=0.005) positive relationship with Perceived Quality. The hypothesis for Authenticity (H5) is, therefore, accepted and the hypotheses with Trustworthiness (H1) and Relatability (H3) are rejected as they were not found significant. That is when taken all together, the effect of Authenticity on Perceived Quality is higher than the effect of Trustworthiness and Relatability. This is seen not only from the significance of the relationship but also when looking at the β values, where the one for Authenticity is the highest (0.270) and indicates the strongest positive relationship. Therefore, the results support previous researchers, since high authenticity increases the level influencers can affect consumers’ opinion (De Veirman, Cauberghe and Hudders, 2017) and transfers to the endorsed brand (Kapitan and Silvera, 2016), the personal perceptions of consumer might change and improve perceived quality (Zeithaml, 2000; Sanyal and Datta, 2011). If influencers stay true to themselves (Ilicic and Webster, 2016) and their blog is not governed by a brand (Halvorsen et al., 2013), the superior value can be delivered to a brand, as Perceived Quality is capable of doing it (Farquhar, 1989). The findings, therefore, support Perceived Quality for a consumer to be affected by the influencer’s personal attributes (Halvorsen et al., 2013; Kapitan and Silvera, 2016), the match-up with the brand (Keller, Apéria and Georgson, 2012; Ha and Lam, 2017), not too commercialized channels (Halvorsen et al., 2013), and the influencer’s true personality (Ilicic and Webster, 2016).
Furthermore, the $R^2$ value for model 5 is 0.189, meaning, 18.9% of Perceived Quality can be explained by the independent variables. Of this 16.5% is explained by the significant independent variable, which is Authenticity. Comparing this with model 4 where Authenticity is tested by itself the adjusted $R^2$ (0.154) is slightly lower, which can imply Trustworthiness and Relatability enhancing the strength of the relationship of Authenticity with Perceived Quality. Importantly, the F-value was significant on a 0.001 level, meaning the independent variables improved the fit of the constructed model in this study.

6.2 Discussion of The Brand Loyalty Dependent Variable

For the Brand Loyalty dependent variable, the multiple linear regression analysis was performed with the three independent variables, each of them tested separately and simultaneously with the other ones. First, the Trustworthiness variable was tested, where the results were significant, meaning the positive relationship was proved to exist. Such result support, consumers have more trust in the influencer promoting a product instead of a brand itself (Halvorsen et al., 2013; De Veirman, Caubergh and Hudders, 2017; Sudha and Sheena, 2017). The next variable was Relatability, where the result also was significant. Therefore, agreeing with Abidin (2016) and De Veirman, Caubergh and Hudders’s (2017) conclusions in their studies, influencers become more personal and relatable for consumers. Consumers achieve a sense of friendship and relatability with an influencer (Chung and Cho, 2017). The same situation happened when the Authenticity variable was tested, which accepts the importance of authenticity on a market for consumers (Kadirov, Varey and Wooliscroft, 2014; Sudha and Sheena, 2017). Importantly, each of the separately tested variables was significant with a p-value lower than 0.001.

When all three independent variables were tested together, only one of the hypotheses was accepted, which is influencer’s Trustworthiness and Brand Loyalty (H2) relationship. Therefore, when assessing Brand Loyalty of consumers with three characteristics of an influencer, Trustworthiness has the most power, which outweighs the effect of Authenticity and Relatability. This can also be seen when looking at the $\beta$ values, where Trustworthiness is the highest. Hence, the findings support, having trust into the influencer indicates the confidence in the endorser (Ohanian, 1990; Seno and Lukas, 2007; Ha and Lam, 2017), and it helps when
converting the audience into loyal consumers (Sudha and Sheena, 2017). It can be concluded, the trustworthy influencer affects Brand Loyalty of consumers. Meaning, Trustworthiness of the influencer, as a credibility builder (Sudha and Sheena, 2017), affects the repeated purchases from consumers (Aaker, 1996). It can also be stated then, with increased Brand Loyalty by the trustworthy influencer, consumers will become more attached to a brand and not switch it to an alternative one (Farquhar, 1989; Aaker, 1996; Oliver, 1999; Chaudhuri and Holbrook, 2001). Also, confirming the findings from Aaker (1996) and Nam, Ekinci and Whyatt (2011), the strength of a brand increases in comparison with similar offers on a market, when it is endorsed by a trustworthy influencer. Trustworthiness becomes the decisive characteristic for Brand Loyalty, excluding the effect of Authenticity and Relatability. Hence, Brand Loyalty was found to be affected by trust in the influencer (Sudha and Sheena, 2017), honesty (Ohanian, 1990; Seno and Lukas, 2007; Ha and Lam, 2017), not direct brand’s message (Halvorsen et al., 2013; De Veirman, Cauberghe and Hudders, 2017; Sudha and Sheena, 2017), and expertise (Ohanian, 1990; Seno and Lukas, 2007; Spry, Pappu and Cornwell, 2011; Dwivedi, Johnson and McDonald, 2016).

Also, the $R^2$ value in model 5 is 0.155, that is 15.5% of Brand Loyalty is explained by the independent variables. However, since the adjusted $R^2$ here is 0.130, 13% of Brand Loyalty can be explained by the significant independent one, which is Trustworthiness. Here the same as for Perceived Quality occurs, as the adjusted $R^2$ for Trustworthiness increases from when tested separately to when tested with the other independent variables, from explaining 11.6% to 13%. It can also be said that strength of Trustworthiness could be enhanced by Authenticity and Relatability. Besides, since the F-value for this regression is significant with the value less than 0.001, it proves that such a result has not happened just by chance.
6.3 The Accepted Model

Two of the hypotheses were accepted: Trustworthiness of an influencer has a positive relationship with Brand Loyalty, and Authenticity of an influencer has a positive relationship with Perceived Quality. Therefore, based on these results a modified model (figure 2) is presented to visualize the accepted relationships.

Figure 2: The accepted model for the relationship of influencers’ characteristics with perceived quality and brand loyalty.
7. Conclusion

In this chapter the conclusion of the study will be presented, together with implications for the research community in the subchapter theoretical implications. The managerial implications will be presented to the managers in the business community.

This research investigated the relationship of influencers’ characteristics with Perceived Quality and Brand Loyalty, where three characteristics were tested. These included Trustworthiness, Relatability, and Authenticity. One of the characteristics, Relatability, was found to have no influence on either Perceived Quality or Brand Loyalty. The two other of the characteristics were found to be significant; Trustworthiness of an influencer had a positive relationship with Brand Loyalty, and Authenticity with Perceived Quality. Therefore, this study concludes, in order to strengthen Brand Loyalty, the influencer should be trustworthy in the eyes of consumers. Then, to strengthen Perceived Quality of a brand, the influencer who endorses a brand should be seen as authentic. Hence, taking into account the results it can be stated that the research provides an insight into the concept of influencer marketing. Furthermore, in order for an influencer to endorse a product successfully with the outcomes of strengthened Perceived Quality and Brand Loyalty, they should attain specific characteristics, including, Trustworthiness and Authenticity.

7.1 Implications

7.1.1 Theoretical Implications

This research has investigated the concept of influencer marketing, which is a strategy in social media marketing and is strategically similar to celebrity endorsement (Spry, Pappu and Cornwell, 2011; Charest, Bouffard and Zajmovic, 2016; Bokunewicz and Schulman, 2017). However, as influencer marketing is considered as a newer concept (Sudha and Sheena, 2017), it has not yet been investigated on a subject of relationships with brand equity as it was done for celebrity endorsement. Hence, this research contributes to the academic field by providing a similar study with a newer concept. Although, based on research about brand equity, this study has examined two out of four dimensions as these were found the most relevant for influencer marketing. Also, the concept of influencer marketing was tested more specifically
by taking three characteristics of an influencer. Therefore, the theoretical contribution of this research is the tested relationships of the particular characteristics of an influencer with two dimensions of brand equity: Perceived Quality and Brand Loyalty. This improves the findings about the effect on brand equity when endorsing a product/service of a brand, and enriches the knowledge about this newer concept of influencer marketing.

7.1.2 Managerial Implications

For the managerial implications of this research, managers and executors who already are or considering applying influencer marketing for their brand could utilize these findings. This is done to achieve a better result in strengthening Perceived Quality and Brand Loyalty of a brand. Based on the discussion and the accepted model, they should consider the Trustworthiness of an influencer in connection to Brand Loyalty, and Authenticity of an influencer in relation to Perceived Quality of the brand.

Looking at Perceived Quality, the result showed consumers’ feelings about brand’s performance and reliability to be affected by how authentic the influencer is. This includes the influencer’s channels should not signal that these are commercial posts (even if they are marked as sponsored or collaboration), which is achieved by carefully matching the brand with an influencer who fits. Also, the influencer should communicate a true personality and values. For Brand Loyalty, the result demonstrates consumers value Trustworthiness of an influencer. This is also achieved by the influencer not directly communicating the brand’s message but its own, an honest one, which also represents the influencer to have high expertise or knowledge about the endorsed product/service. Concluding, by utilizing the stated managerial implications it could help managers and executors to focus on the most effective characteristics when choosing what influencers to use, to strengthen Perceived Quality and Brand Loyalty of their brand.
8. Limitations and Future Research

This final chapter will provide some limitations, which could have affected the result of the study and suggestions for the future research about influencer marketing and brand equity based on what was found in this study.

8.1 Limitations

As for most studies some limitations occurred, which need to be acknowledged. The first limitation, due to time and resource restriction, was the use of a non-probability sampling strategy, where not all in the population had an equal chance of being included in the sample, therefore, the results do not have a high generalizability to the population. This means the result should be interpreted with this kept in mind. Furthermore, as the sampling technique was convenience sampling most of the respondent were the same gender and age as the researchers; 81.7% were female and 87.4% were in the age group of 18 to 29 years old of all the respondents. This could have affected the final result, as the final sample was not as diverse as optimal. Additionally, the number of collected responses was 288, however, only 175 could be used for the data analysis as the other had not passed the control questions about their activity on social media and if they followed an influencer who shared paid or sponsored posts. Although, this could also mean the analyzed number of responses only included the correct respondents for the population.

8.2 Future Research

Based on the findings of this thesis some suggestions for future research can be done. As the level of Authenticity for an influencer explained 16.5% of Perceived Quality of a brand for consumers, and Trustworthiness and Reliability characteristics were rejected. Hence, future research could focus on explaining the remaining 83.5% for Perceived Quality. Similar regarding Trustworthiness of an influencer, which only explained 13% of Brand Loyalty, where there are still 87% remaining of explaining Brand Loyalty for a brand endorsed by an influencer. These unexplained percentages could be investigated by exploring other characteristics of an influencer.
Also, further research could be done in the same context, but with a probability sampling in a larger scale to be able to generalize the results and see if there will be the same findings. This could enrich the sample, and also achieve more equal amounts of responses from females and males in different age groups. Even though this research was not constructed to track the effect of these characteristics, these could still occur as influential on the outcomes of the study.

Another suggestion would be to test the two remaining brand equity dimensions; brand awareness and brand associations, since for this thesis it was only relevant to focus on two of the brand equity dimensions to test the influencers’ characteristics. Although, future research could investigate how influencers’ characteristics impact those, and which dimension is going to be affected the most. This will present a completer picture of brand equity affected by influencer marketing and therefore, enrich the theoretical and managerial implications of it.
Reference List


Appendices

Appendix A: Questionnaire in English

**Influencers on Social Media**

Please read through carefully before answering the questionnaire.

Hi, we are three marketing students from Linnaeus University, writing our bachelor thesis about influencers on social media.

Influencers are content creators who share posts with their followers on social media, such as, Instagram, SnapChat, YouTube, blogs, etc., providing an insight into their personal, everyday lives, their experiences, and opinions. An influencer can have anything from a small to a large amount of followers.

The questionnaire will take maximum 7 min. Your answers are only going to be used for this study and are treated anonymously.

If you have any questions, feel free to contact us.

Lovisa Gunnarsson lg222xt@student.lnu.se
Alyona Postnikova ap222ah@student.lnu.se
Anna Folkestad af222qns@student.lnu.se

Thanks in advance, your answer is highly valuable to us!

* Required

1. Are you active on social media? (*spending minimum two hours a week) *
   
   Mark only one oval.
   
   - Yes
   - No  Stop filling out this form.

   Influencers are content creators who share posts with their followers on social media, such as, Instagram, SnapChat, YouTube, blogs, etc., providing an insight into their personal, everyday lives, their experiences, and opinions. An influencer can have anything from a small to a large amount of followers.

2. Do you follow at least one influencer on social media? *
   
   Mark only one oval.
   
   - Yes
   - No  Stop filling out this form.

**Paid or sponsored posts**

Influencers can also share sponsored or paid post, which means that a brand/company/organization has paid the influencer to review/share about them on their channels for their followers to see. Including all from food, clothing, beauty products, technology to traveling and experiences. It can be marked for example with hashtag `#paid` `#sponsored`, “paid partnership,” or “collaboration.”

Here are three examples on how a paid/sponsored post can look like:
3. Does the influencer you follow share any paid or sponsored posts? *
   Mark only one oval.
   
   ☐ Yes
   ☐ No  Stop filling out this form.

**Influencers**
Influencers create content which they share with their followers on social media, such as, Instagram, Snapchat, YouTube, blogs, etc., providing an insight into their personal, everyday lives, their experiences, and opinions. An influencer can have anything from a small to a large amount of followers.

They can also share sponsored or paid post, which means that a brand/company/organization has paid the influencer to review/share about them on their channels for their followers to see. Including all from food, clothing, beauty products, technology to travel and experiences. It can be marked for example with #ad #paid #sponsored, "paid partnership," or "collaboration."

On the pictures below there are some examples of what an influencer with a paid/sponsored post can look like.

**Before answering the questions think of ONE influencer YOU follow who shares sponsored or paid post, and then have this influencer in mind when answering the following questions.**

4. Write down the influencer you will think about when answering the following questions: *
5. I trust the influencer's opinion *
   Mark only one oval.

   1 2 3 4 5
   Strongly Disagree ○ ○ ○ ○ ○ Strongly Agree

6. I think the influencer shares his or her honest opinion *
   Mark only one oval.

   1 2 3 4 5
   Strongly Disagree ○ ○ ○ ○ ○ Strongly Agree

7. I trust the influencer's messages more than one coming directly from a brand *
   Mark only one oval.

   1 2 3 4 5
   Strongly Disagree ○ ○ ○ ○ ○ Strongly Agree

8. I trust the influencer's knowledge about the product/service she or he endorses *
   Mark only one oval.

   1 2 3 4 5
   Strongly Disagree ○ ○ ○ ○ ○ Strongly Agree

9. I think that constant updates about the influencer's life on his or her social media channels are important *
   Mark only one oval.

   1 2 3 4 5
   Strongly Disagree ○ ○ ○ ○ ○ Strongly Agree

10. I think it is important that the influencer interacts* with their followers (*addresses the texts/videos to followers as if talking in person) *
    Mark only one oval.

    1 2 3 4 5
    Strongly Disagree ○ ○ ○ ○ ○ Strongly Agree

11. I think the influencer's opinions are similar to mine *
    Mark only one oval.

    1 2 3 4 5
    Strongly Disagree ○ ○ ○ ○ ○ Strongly Agree
12. I feel like I know the influencer well *
   Mark only one oval.

   1  2  3  4  5
   Strongly Disagree   Strongly Agree

13. I think the influencer has an attractive personality *
   Mark only one oval.

   1  2  3  4  5
   Strongly Disagree   Strongly Agree

14. I think the influencer's channels are genuine *
   Mark only one oval.

   1  2  3  4  5
   Strongly Disagree   Strongly Agree

15. I think it is important that paid posts matches with the influencer's personality *
   Mark only one oval.

   1  2  3  4  5
   Strongly Disagree   Strongly Agree

16. I think it is important for an influencer to show his or her true self *
   Mark only one oval.

   1  2  3  4  5
   Strongly Disagree   Strongly Agree

Now imagine a specific brand that the influencer has promoted

17. Write down this brand: *

18. I think this brand is reliable *
   Mark only one oval.

   1  2  3  4  5
   Strongly Disagree   Strongly Agree

19. I perceive the quality of this brand's products/services as good *
   Mark only one oval.

   1  2  3  4  5
   Strongly Disagree   Strongly Agree
20. I think the product/service is well presented* by the brand *(with presentation we mean, for example, the brand name, package design, and advertising.)*
   Mark only one oval.

   1  2  3  4  5
   Strongly Disagree  0  0  0  0  0  Strongly Agree

21. I think the influencers posts represents the brand well *
   Mark only one oval.

   1  2  3  4  5
   Strongly Disagree  0  0  0  0  0  Strongly Agree

22. I am satisfied with this brand *
   Mark only one oval.

   1  2  3  4  5
   Strongly Disagree  0  0  0  0  0  Strongly Agree

23. I prefer this brand over similar ones *
   Mark only one oval.

   1  2  3  4  5
   Strongly Disagree  0  0  0  0  0  Strongly Agree

24. I am willing to pay a higher price for this brand’s product/service than for similar ones *
   Mark only one oval.

   1  2  3  4  5
   Strongly Disagree  0  0  0  0  0  Strongly Agree

25. I have continuously purchased a product/service from this brand *
   Mark only one oval.

   1  2  3  4  5
   Strongly Disagree  0  0  0  0  0  Strongly Agree

Almost done!

26. Gender? *
   Mark only one oval.
   ■ Man
   ■ Woman
   ■ Other

27. What age group do you belong to? *
   Mark only one oval.
   ■ 17 or under
   ■ 18-28
   ■ 29-39
   ■ 40-60
   ■ 51+
Influencers på Sociala Medier

Vänligen läs igenom noga innan ni svarar på detta formulär.

Hej, vi är tre marknadsföringsstudenter från Linnéuniversitetet som skriver vår kandidatuppsats om influencers på sociala medier.

Influencers är innehållskapare som delar inlägg med sina följare på sociala medier tex. Instagram, SnapChat, YouTube, bloggar osv. och delar med sig av deras personliga, dagliga liv, erfarenheter och åsikter. En influencer kan ha allt från ett mindre antal till stort antal följare.

Formuläret tar max 7 min att svara på. Ditt svar kommer endast användas till den här studien och behandlas anonymt. Om du har några frågor är du välkommen att kontakta oss.

Lovisa Gunnarsson lg222kt@student.lnu.se
Alyona Postnikova ap222sh@student.lnu.se
Anna Folkestad af222qn@student.lnu.se

Tack på förhand, ditt svar är mycket värdefullt för oss!

*Obligatorisk

1. Är du aktiv* på sociala medier? (*spenderar minst 2 timmar per vecka) *

   Markera endast en oval.
   
   [ ] Ja
   [ ] Nej
   Sluta fylla i det här formuläret.

2. Följer du minst en influencer på sociala medier? *

   Markera endast en oval.
   
   [ ] Ja
   [ ] Nej
   Sluta fylla i det här formuläret.

Betalda eller sponsrade inlägg

Influencers kan också dela ett sponsrat eller betalt inlägg, vilket betyder att ett varumärke/företag/organisation har betalat influencern att testa/dela om dem på deras kanaler för deras följare att se. Det kan inkludera allt från mat, kläder, skönhetsprodukter, teknik till resor och erfarenheter. Det kan till exempel vara markerat med #ad #sponsrat, ”betalt samarbete,” eller ”samarbete.”
Influencers på Sociala Medier

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Tack på förhand, ditt svar är mycket värdefullt för oss!

*Obligatorisk

1. Är du aktiv på sociala medier? (*spenderar minst 2 timmar per vecka)
   * Markera endast en oval.
     - Ja
     - Nej

   Sluta fylla i det här formuläret.

2. Följer du minst en influencer på sociala medier?
   * Markera endast en oval.
     - Ja
     - Nej

   Sluta fylla i det här formuläret.

Betalda eller sponsrade inlägg

Influencers kan också dela ett sponsrat eller betalt inlägg, vilket betyder att ett varumärke/företag/organisation har betalat influencern att testa/dela om dem på deras kanaler för deras följare att se. Det kan inkludera allt från mat, kläder, skönhetsprodukter, teknik till resor och erfarenheter. Det kan till exempel vara markerat med #ad, #sponsrat, "betalt samarbete," eller "samarbete."

På bilderna nedan finns det några exempel på hur en influencer med ett betalt/sponsrat inlägg kan se ut.

Influencers

Influencers skapar innehåll som de delar till sina följare på sociala medier tex. Instagram, SnapChat, YouTube, bloggar osv. och delar med sig av deras personliga, dagliga liv, erfarenheter och åsikter. En influencer kan ha allt från ett mindre till stort antal följare.

De kan också dela ett sponsrat eller betalt inlägg, vilket betyder att ett varumärke/företag/organisation har betalat influencern att testa/dela om dem på deras kanaler för deras följare att se. Det kan inkludera allt från mat, kläder, skönhetsprodukter, teknik till resor och erfarenheter. Det kan till exempel vara markerat med #ad, #sponsrat, "betalt samarbete," eller "samarbete."

På bilderna nedan finns det några exempel på hur en influencer med ett betalt/sponsrat inlägg kan se ut.

Innan du svarar på formuläret tänk på EN influencer DU följer som delar sponsrade eller betalda inlägg, ha sedan denna influencern i åtanke när du besvarar följande frågor.

Här är tre exempel på hur ett betalt/sponsrat inlägg kan se ut:
4. Skriv nor influencern du kommer ha i åtanke när du svarar på följande frågor:

5. Jag litar på influencerns åsikt *
Markera endast en oval.

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6. Jag tror att influencern delar sin ärliga åsikt *
Markera endast en oval.

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7. Jag litar på influencerns budskap mer än ett som kommer direkt från ett varumärke *
Markera endast en oval.

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8. Jag litar på influencerns kunskap om en produkt/tjänst som hon eller han promotar *
Markera endast en oval.

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9. Jag tycker att konstant uppdatering angående influencerns liv på hans eller hennes sociala media kanaler är viktigt *
Markera endast en oval.

1 2 3 4 5

Håller inte alls med ☐ ☐ ☐ ☐ ☐ Håller helt med

10. Jag tycker det är viktigt att influencern interagerar* med sina följarna (*adresserar texter/videoer till följarna som om influencern talar till dem personligen) *
Markera endast en oval.

1 2 3 4 5

Håller inte alls med ☐ ☐ ☐ ☐ ☐ Håller helt med

11. Jag tycker influencerns åsikter är lika mina egna *
Markera endast en oval.

1 2 3 4 5

Håller inte alls med ☐ ☐ ☐ ☐ ☐ Håller helt med

12. Det känns som att jag känner influencern väl *
Markera endast en oval.

1 2 3 4 5

Håller inte alls med ☐ ☐ ☐ ☐ ☐ Håller helt med

13. Jag tycker att influencern har en attraktiv personlighet *
Markera endast en oval.

1 2 3 4 5

Håller inte alls med ☐ ☐ ☐ ☐ ☐ Håller helt med

14. Jag tycker influencerns kanaler känns genuina *
Markera endast en oval.

1 2 3 4 5

Håller inte alls med ☐ ☐ ☐ ☐ ☐ Håller helt med
15. Jag tycker det är viktigt att betalda inlägg matchar influencerns personlighet
   Markera endast en oval.
   
   1  2  3  4  5
   Håller inte alls med  □ □ □ □ □ Håller helt med

16. Jag tycker det är viktigt att influencern visar sitt riktiga jag
   Markera endast en oval.
   
   1  2  3  4  5
   Håller inte alls med  □ □ □ □ □ Håller helt med

Föreställ dig nu ett specifikt varumärke influencern har gjort reklam för

17. Skriv nor det varumärket: *

18. Jag tycker detta varumärket känns pålitligt
   Markera endast en oval.
   
   1  2  3  4  5
   Håller inte alls med  □ □ □ □ □ Håller helt med

19. Jag upplever kvaliteten från detta varumärkets produkter/tjänster som bra
   Markera endast en oval.
   
   1  2  3  4  5
   Håller inte alls med  □ □ □ □ □ Håller helt med

20. Jag tycker produkten/servicen är välpresenterad* av varumärket (*med presenterad
    menar vi exempel varumärkets namn, förpackningen, och annonsering.)
    Markera endast en oval.
   
   1  2  3  4  5
   Håller inte alls med  □ □ □ □ □ Håller helt med
21. Jag tycker influencerns inlägg representerar varumärket väl *
   Markera endast en oval.

   1  2  3  4  5
   Håller inte alls med  Håller helt med

22. Jag är nöjd med detta varumärke *
   Markera endast en oval.

   1  2  3  4  5
   Håller inte alls med  Håller helt med

23. Jag föredrar detta varumärke över liknande *
   Markera endast en oval.

   1  2  3  4  5
   Håller inte alls med  Håller helt med

24. Jag är villig att betala ett högre pris för det här varumärkets produkt/tjänst än för liknande *
   Markera endast en oval.

   1  2  3  4  5
   Håller inte alls med  Håller helt med

25. Jag har kontinuerligt köpt en produkt/tjänst från detta varumärke *
   Markera endast en oval.

   1  2  3  4  5
   Håller inte alls med  Håller helt med

Nästan klar!

26. Kön? *
   Markera endast en oval.

   Man
   Kvinna
   Annat

27. Vilken åldersgrupp tillhör du? *
   Markera endast en oval.

   17 eller yngre
   18-28
   29-39
   40-50
   51+