THE ROLE OF SOCIAL MEDIA INFLUENCERS IN INDIAN MARKETING

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1. Introduction

Social media influencers establish themself as expert within a particular field and share their own knowledge with the listed audience and more social channels. In recent times, social media influencers have turned into powerful forces within the world of brand promotion and marketing. Through the right collaboration, any individual and business can reach their target audience beyond building credibility and brand trust. This research paper presents the role of social media influencers within Indian marketing through an analysis of effectiveness, opportunities and challenges. This paper involves a literature review, secondary qualitative method and evaluation for a crucial understanding of the impact and ethical consideration regarding influencer marketing within India.

2. Background

Recently, India witnessed a surge in social media personalities' influence on consumer behaviour. Rapidly growing online population, platforms in India such as Instagram (47.2%), Facebook (8.3%), Linkedin (11.1%) and YouTube (27.89%) have become elements for influencer marketing in 2022 (Statista.com, 2022).
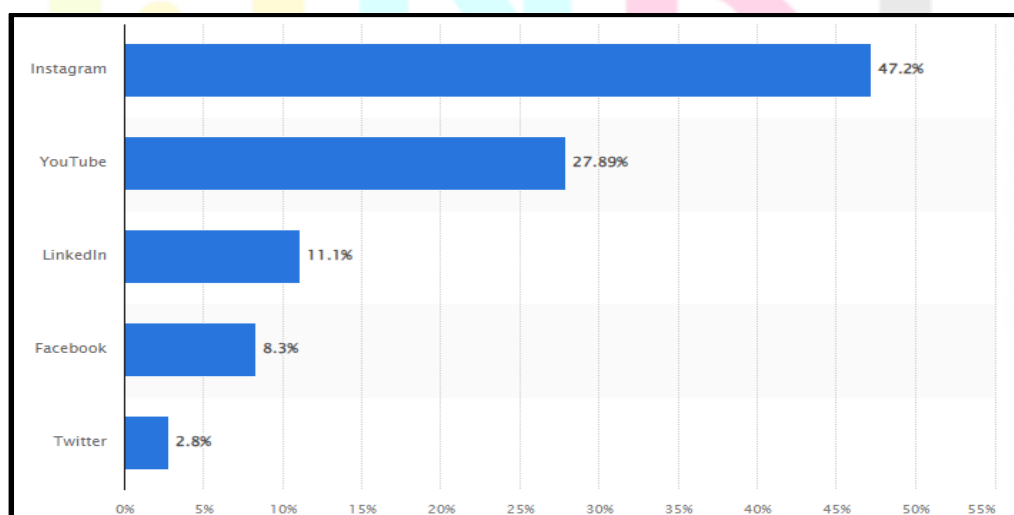

Figure 1: Leading social media platforms for influencer collaboration across India in 2022

(Source: Statista.com, 2022)

Brands across different industries, from technology to fashion, are effectively and increasingly leveraging the credibility and reach of that influencer regarding promoting their services and products. Alongside this trend, define out challenges such as transparency, regulatory and authenticity compliance (Linkedin.com, 2023). Understanding the effectiveness of influencer marketing within India is pretty much crucial for both consumers and highlighting the requirement of comprehensive research within this circle.

3. Research Aim and Objective

Aims

The research aims to evaluate the effectiveness of social media influencers within Indian marketing campaigns and assess the associated challenges and considerations of ethics.

Objectives

● To identify the key challenges faced by the marketers during utilising the social

● media influencers within the marketing strategies within India.

● To analyse the impact of social media influencers on customer behaviour and brand perception in the Indian market.

● To investigate the ethical considerations of influencer marketing practices. Involving authenticity, regulatory and transparency compliance in the Indian context.

4. Research Questions

The key research questions develop in the following section to investigate the role of Social Media Influencers in Indian Marketing.

1. What are the key challenges faced by marketers while utilising social media influencers within the marketing strategies within India?

2. What is the impact of social media influencers on customer behaviour and brand perception in the Indian market?

3. What are the ethical considerations of influencer marketing practices? Involving authenticity, regulatory and transparency compliance in the Indian context.

5. Problem Statement

The growing prevalence of social media influencers within Indian marketing campaigns delivers both opportunities and challenges (Gambhir and Ashfaq, 2023). However, an effective understanding of their ethical consideration and effectiveness is lacking. This research focuses on defining the gap by examining the impact of influencer marketing on customer behaviour and brand perception within the Indian context. Furthermore, its searches for marketers faced challenges and ethical dilemmas associated with influencer marketing practices. Doing so, this research targets to deliver valuable insights for policymakers and marketers regarding navigating this area responsibly and effectively.

6. Significance

Understanding the role of social media influencers in Indian marketing is very crucial for businesses, marketers and policymakers. Following the rapid growth of influencer marketing involves its effectiveness and associated

challenges, which are significant for driving successful market strategies (Pradhan *et al.* 2023). Furthermore, delivers ethical considerations upon influencer marketing like transparency and authenticity. This research carries significance regarding leading a responsible marketing practice. Through investigating all these aspects, this research paper offers enhancement of efficiency and ethical standards of influencer marketing campaigns within India. Overall, these benefits both the industry and the consumer as a total result.

7. Literature Review

Key challenges faced by marketers while utilising social media influencers within their marketing strategies in India

The potential for reputational damage involved in influencer marketing can deliver some significant risk to the brand. If the influencer's reputation is affected, this can have a serious and negative impact on the brand. According to Kumar and Nanda, (2023), several key challenges are faced by marketers at the time utilising social media influencers in their marketing strategies within India. Firstly, there is a demonstration that lacks evidence of challenges and problems regarding identifying metrics to determine the success of influencer marketing campaigns. As per Khan *et al.* (2019) there are potential negative trends, and viral spread action develops risks to the products and brand credibility. Furthermore, the MSMEs deliver challenges like generating relevant content continuously, adopting new technologies, dealing with fake reviews and lack of necessary skills, measurement of return on investment and negative publicity. All these challenges enclose both external and internal factors by reflecting the uncertainties and complexity inherent in leveraging social media influences regarding the purpose of marketing.

Contrastingly Bin-Obaidellah *et al.* (2023) also present significant opportunities through social media marketing (SMM) for small, micro and medium enterprises in India. SMM offers a cost-effective path for small, micro and medium enterprises to establish their market brand and identities, services, and products. Despite the challenges, SMM enables the business to capture customer advertisements and prospects effectively and manage the relationships of customers effectively. As per Ausat *et al.* (2023), platforms such as Twitter, Facebook, and Linkedin deliver ficus advertising options and significant analytics tools regarding promotional decision-making and efforts. Therefore, at exciting the challenges, the potential benefits of SMM for MSME within India are considerable to emphasise the significance of effectively navigating these challenges regarding leveraging the total potential of social media influencers within marketing strategies.

The impact of social media influencers on customer behaviour and brand perception in the Indian market.

Social media influencers are frequently seen as the latest, enjoying products and attracting exclusive events. This creates a valuable sense of social evidence, which influences their followers to want what they have. According to Mishra and Ashfaq, (2023), the Traditional of Multidisciplinary Science (TJMS) highlights the impact of social media influencers on customer behaviour and perception of brands within the Indian market. It enhances the significant role influencers play in shaping customer attitudes and decisions for purchasing, especially among the millennial demographic. Helme (2023) underlines key factors that influence millennials' attitude to influencer marketing like attractiveness, expertise, credibility, likeability and resemblance of the influencer. This also

highlights the importance of utility perceived and enjoyment for promoted services and products within influencing customer behaviour.

In addition, as per Ao *et al.* (2023) analysis reveals the preference of Indian customers for influencer content and interaction with social media platforms. Instagram is the most preferred platform for following influencers, which indicates a strong influence regarding the realm of influencer marketing. In addition, this identifies different types of influencer content in prefer of Indian consumers by involving product reviews, daily content, tutorials, sponsored posts and infotainment. However, it also unravels the level of scepticism within the customer for sponsored content via a significant portion with less trust within such content in comparison to non-sponsored content.

Moreover, as per Sharma and Ashfaq (2023) the frequency of encountering sponsored content on the social media platform among the Indian customer. It underlines the importance of the brand reputation and product reviews regarding influencing online purchase decisions while highlighting the role of influencer recommendation, albeit to a lesser extent.

In contrast, when Jorge (2023) delivers valuable insight into behaviours and preferences of Indian customers for influencer marketing, it also drags some certain knowledge. These involve the limited scope of the survey time period and sample size that can not fully deliver the diversity of the Indian population. In addition, Mediratta and Mathur (2023) focused on the perspectives of young adults residing within India with the potential to overlook preferences and behaviours regarding different demographic segments. This has enhanced that the businesses are required to interpret with the context of limitation and further research to present a 'better comprehensive evaluation result.

The ethical considerations of influencer marketing practices with authenticity, regulatory and transparency compliance in India

The requirement of commitment to honesty, transparency, and authenticity within all content creation and brand partnerships is the ethical consideration of influencer marketing practice. In accordance with Wellman *et al.* (2020), the ethical consideration around influencer marketing practice aims at authenticity, transparency and regulatory compliance. This author has presented an argument statement that when influencer marketing is not inherently unethical, the principle of ethics guiding the production of sponsor content needs to be better understood. As per Roy and Chakraborty, (2023), the certainly for authenticity as an ethical framework within influencer marketing identifies influencers' commitment to being true to their audience and themselves.

As per Jhawar (2023), authenticity involves influencers strategically performing with their identities online to build popularity and trust with their audience. However, the effectiveness of authenticity within the influencer industry is defined as complicated alongside commercial brands to generate more income. Influencers must navigate the tension between fulfilling the brand partnership and maintaining authenticity, which frequently includes creating sponsored content.

Uronu and Andrea, (2023) express that regulatory compliance, only some of the lack of formalised ethics code for influencers and the absence of a professional organisation to oversee the industry. Moreover, in the traditional

media profession, like advertising and journalism, influencers have not established guidelines of ethics to follow. As a result, they have drawn from all disparate sources by involving personal experience in developing their ethical frameworks. Bhimavarapu *et al.* (2022) explore the transparency issues to influence the influencer of marketing, especially for disclosure practices. When the influencer recognises the importance of disclosing sponsored content for their audience, these are reflected as the challenges to ensure that the disclosure is comprehensive and notable. Sometimes, the audience misrecognised the sponsorship can disrupt the line between of authentic content and advertising, increasing ethical concern about the effects of disclosure practice.

In contrast, Udupa, (2021) delves into the ethical area and decision-making methods for influencers for sponsored content creation from the perspective of influencers. Examining how the influencers negotiate the complication of loyalties and navigation of the sponsored content process this author presents ethical framework guidance for this emerge industry.

According to (Rohde and Mau, 2021), in India, influencer marketing practices face kind of similar ethical considerations but with the help of new and unique regulatory and cultural contexts. It has defined that the influencer needs to address India's advertising standard and protection regulation of customers, which need to be conspicuous and clear disclosures for sponsored content.

8. Theory

Social Influence Theory is one of the closest match theories which enhances individual thoughts, behaviour and feelings, which are influenced by the opinions and actions of others (Gass and Seiter, 2022). In the context of influencer marketing, the Social Influencer Theory advice that the consumer is swung by the authority, credibility and attractiveness perceived by social medial influencers. These influencers serve as the opinions that shape the customer's purchasing decisions and attitudes within their recommendation and endorsements. This theory underlines the ability of social evidence and the impact of interpersonal communication in scarring customer behaviour in the realm of influencer marketing.
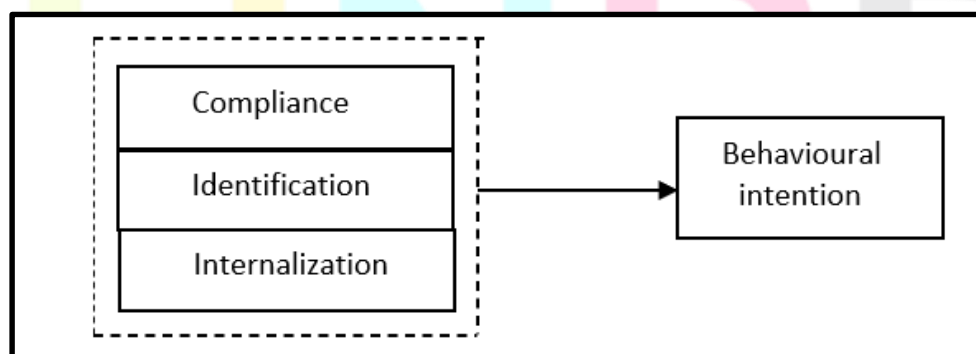

Figure 2: Social Influence Theory

(Source: Gass and Seiter, 2022)

9. Literature gap

Regarding this research on the role of social media influencers in Indian marketing, there is a notable gap in synthesising the challenges, effectiveness and ethical considerations effectively. When existing literature dives into all individual aspects, a holistic evaluation is integrated between challenges, effectiveness and lack of ethics.

This research focuses on bridging the gap with the help offer comprehensive analysis that not only identifies opportunities and challenges but evaluates their ethical implication (Allioui and Mourdi, 2023). Addressing this gap, this research contributed a deep understanding of the influencer marketing area within the Indian approach and offered a deep insight regarding policymakers and practitioners.

10. Research methodology

10.1 Philosophy

The underlying theory or differential assumption that guides their methods is known as the research philosophy. This study is founded on the methodology and design of the study. Three main research philosophies are interpretivism, positivism, and pragmatism (Wainstei *et al.* 2023). Research becomes more scientific and objective when it follows the positivist path. Conversely, interpretivism involves interpreting certain social occurrences.
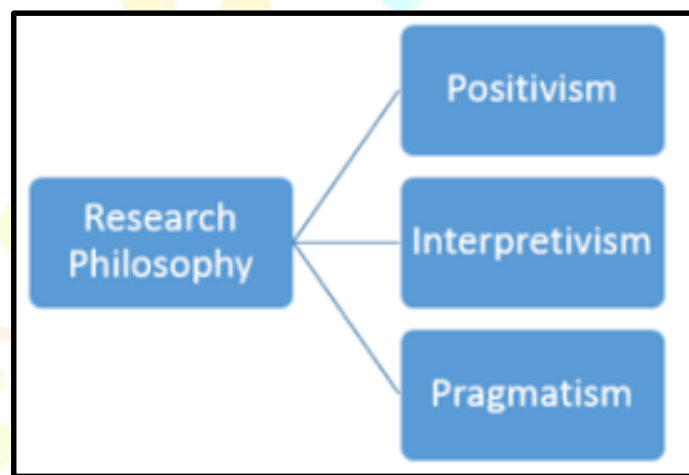

Figure 3: Research philosophies

(Source: Wainstei *et al.* 2023)

The researcher has selected Interpretivism for the role of social media influencers within Indian marketing as a research philosophy. This allowed the researcher to deeply understand social occurrences, which linked with the study's aim on various perspectives and experiences.

10.2 Design

In order to perform a better research method, the research design is carried out across the framework using approach methodology. The three categories in which the method of study can be implicated are explanatory, correlational, and descriptive (Mõttus *et al.* 2020). The goal of this part is to provide a precise descriptive analysis without making any unjustified modifications. Surveys, analysis, and observation are considered standard procedures. Correlation analysis in research aims to identify data patterns without doing interviews with any of the variables. It helps identify patterns and correlations by assessing the direction and intensity of ties. The goal of any study is to clarify the relationships between variables and how they affect one another.

The explanatory research design has been selected to elucidate causal relationships between variables. It helps the researcher to underline the mechanisms for influencing phenomena and deliver insight into the cause of certain outcomes. It also helps to develop more informative interventions and strategies.

10.3 Data Collection

The process of data collection involves searching for and gathering pertinent information for critical analysis. Primary and secondary collection methods are the two available approaches. Primary data-collecting techniques involve obtaining first-hand information for a particular research goal (Taherdoost, 2021). Primary has involved experimentation, observation, interviews, surveys, and analysis. It is able to display both customised and original data. Information is taken from already published books, sources, articles, databases, and certain pre-compiled data reports while gathering secondary data.

For this research, the secondary qualitative data collection methods choose to collect the data from published places like articles, databases and books. It helped the researcher by delivering additional perspectives from all pre-released studies, and moreover, it enriched the understanding of the research topic.

11. Data Analysis and Findings

<u>Findings</u>

Key challenges

The following key challenges the marketers face at utilising social media influencers within India. The authenticity concern ensures genuine linking of brand and influencer this can be the challenge. In 2017, **Pepsi** faced a backlash when actor Deepika Padukone appeared in drew criticism for being culturally insensitive (Linkedin.com. 2023). Some individuals felt that the advertisement, which featured Padukone giving a Pepsi can to a security guard at a Diwali celebration, encouraged classism. This influencer's sponsored content with the brand was criticised due to a lack of authenticity. Moreover, as the regulatory compliance in India, **The Advertising Standards Council of India** (ASCI) has emerged. In 2021, this approach was introduced with influencer marketing guidelines for emphasis on paid partnership disclosures (Ascionline.in, 2021). Furthermore, the cultural Relevance challenge defines tailoring content for diverse cultural contexts in India. **H&M** faced criticism regarding insensitive cultural appropriation in influencer campaigns, which highlights the importance of sensitivity to culture (Globalmarketingprofessor.com, 2023). Balancing all these elements is very crucial for successful influencer marketing campaigns within India.

Impact of social media influencers on customer preference and brand perception

Social media influencers are crucial influences on customer behaviour and brand perception in India. Influencers such as **BeerBiceps** prompt lifestyle and fitness products, which drive the customer's choices (Brandequity.economictimes.indiatimes.com, 2019). It is evident of the impact of purchase decisions on customer behaviour. Influencers like Bhuvan Bam endorses brands such as Lenskart, which accrued brand credibility and brand trust (Brandequity.economictimes.indiatimes.com, 2019). The influencer is also able to shape the influencer, such as Komal Pnadey's ability to set fashion trends and deliver shaping to the customer preference (Linkedin.com, 2024). In India, influencers such as CrarryMinati generate buzz and foster brand engagement and visibility. In sum, influencers' pivotal role shapes consumer brand behaviour and brand perception within the Indian market.

Ethical consideration of influencer marketing practise

In India, ethical in influencer marketing involves authenticity, transparency and regulatory compliance. The case underlines the endorsement through influencers such as Disha Patani, and ASCI's regulation underlines the necessity of transparent influencer-brand relationships (Asci.social, 2023). Holding compliance with disclosing and guidelines sponsored content is exemplified by Virat Kohli as paramount regarding maintaining customer trust.

Analysis

The challenges faced by marketers in utilising of social media influencers within India, like authenticity, cultural relevance and regulatory compliance, are highlighted in both the findings and the literature review. Evidently, Pepsi's campaign collaborates with Deepika Padukone to underline authenticity concerns when AsCI's guidelines enhance the disclosure (Linkedin.com, 2023; Ascionline.in, 2021). H&M's cultural criticism reflects the cultural relevance challenges (Globalmarketingprofessor.com, 2023).

Social media influencers such as Bhuban Bam and BeerBiceps significantly affect customer behviour and perception of the brand, which is supported by the findings and linked with the literature review. Ethical considerations involving transparency are very crucial, which has been seen in Disha Patani's endorsements (Asci.social, 2023). This links with the potential of influencer marketing for small enterprises with an emphasis on the requirement of transparency (Bin-Obaidellah et al., 2023). For more successful navigation, this requires the attention of an ethical framework.

12. Conclusion and recommendation

In conclusion, the role of social media influencers within Indian marketing is very substantial, and influenceable of consumer behaviour and brand preference. Challenges like cultural relevance, authenticity and regulatory compliance need careful consideration. Ethical practice, compliance and transparency are effective for navigating influencer marketing effectively. This research highlights the prioritise of transparency and authenticity.

To emphasise the comprehensiveness of this research, it is suggested to **incorporate primary data collection** methods like interviews and surveys with markets, consumers and influencers in India (Jagadale and Krisjanous, 2023). This will deliver first-hand insight into their perception, experience and challenges related to influencer marketing. In addition, **conducting a comparative analysis** in between of Indian market and sectors which able to offer an effective understanding of how influencer marketing in different areas (Topalova and Todorova, 2021). Furthermore, exploring the case studies regarding successful and unsuccessful influencer campaigns within India will deliver practical information for policymakers and marketers.

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