

The impact of influencer marketing on brand loyalty  
towards luxury cosmetics brands: Comparison of  
Generation Z and Millennial

Master Thesis submitted in fulfillment of the Degree

Master of Science

in Management

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Vienna, 13<sup>th</sup> June 2019

## **Affidavit**

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## **Abstract**

Since the development of Web 2.0, the Internet has created a pathway to link social media platforms where individuals connect with one another to marketing strategies for product awareness. The Information and Communication Technologies (ICT) possibilities have in fact significantly changed the perspective towards purchasing products on a digital platform. In particular, the role of loyalty becomes an interesting subject of investigation. The recent new trend of 'influencer marketing' has challenged this process due to the fact that the advent of Web 2.0 makes the consumers more knowledgeable about the products they want to purchase, leading to a critical perception about the genuineness of the product. In particular, the use of influencer marketing in the cosmetics industry tends to have a higher impact on the younger generations compared, such as Generation Z and Millennial to the ones that have experienced traditional marketing. Previous studies show that the influencers and bloggers create a mirror for young female consumers to find validation and to influence them to buy certain cosmetic products that is congruent to their tastes and characteristics. It has been established previously that influencer marketing has a significant impact on consumers because this method creates awareness and builds brand loyalty. Hence, this paper aims to illustrate the impact of influencer marketing on the brand loyalty of consumers towards cosmetic brands, with regards to two specific generations: Generation Z and Millennial. Thus, the research question, *"How does the use of influencer marketing have an impact on the brand loyalty of Generation Z and Millennial towards cosmetic brands?"* will help us investigate whether there is a relationship between the influencers and the consumer or they act as a bridge between the consumers and the brand. The study establishes the relationship among five variables: influencer attitude, brand attitude, brand engagement, self-congruity, and brand loyalty. Through a quantitative approach, an online survey was conducted among online convenient sample to understand whether these consumers purchase a product because bloggers, celebrities or influencers influence them, or they are loyal to the brand itself. As a result of the survey, it was established the influencer marketing does have an impact on the brand loyalty of cosmetic brands; however, there is no difference in the impact on both Generation Z and Millennial.

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## **1. Introduction**

### **1.1 Background information**

Purchase decisions are made every day by consumers, and how the decision is made, has been explained as a long ongoing process known as the purchase decision process (Kotler & Armstrong, 2012). Over the past decades, a new social factor has emerged that has a huge impact on the consumer decision, and this is referred to as social media (Alves, Fernandes, & Raposo, 2016). Social media has transformed the nature and scope of social networks that allows the users to be expressive about their identities (Taylor & Strutton, 2016).

The growing popularity of social media networks has also affected the purchasing decision of consumers. Given that it is proven that consumers rely more on recommendations from their friends and family (Lu, Chang, & Change, 2014), social media enlarger this effect. Studies have shown that 74% of consumers rely heavily on social media and in doing to heavily influence their purchasing behavior (Bennett, 2014). Thus, the use of traditional marketing strategies has become obsolete for marketers.

In order to introduce new modernized strategies, marketers have developed one significant marketing strategy called “influencer marketing”. This strategy involves influential bloggers and opinionated influencers to create, deliver, and spread advertising messages to consumers (Brown & Hayes, 2008). Unlike other marketing tools, influencer marketing is still growing and it is an unexplored field of research. It has been stated that communicating a message that is highly effective depends on the credibility of the source (Ohanian, 1991). Therefore, it is imperative to study the factors underlying the source.

Considering that consumers have switched to digital methods of purchasing products, it is essential to focus on the key generation of the consumers, which are - generation Z and millennials, also known to be born after the year 1980. The idea of using influencing marketing on social media platforms is to create a two-way relationship between the consumer and the brand. In particular, for luxury cosmetic industry, young female consumers often follow famous celebrities, bloggers, make-up artists, etc. to gain recommendation on certain products.

Therefore, this paper is interested in this specific segment. The results summarized in this paper will be of significant value to the brands engaged in the area of fashion and beauty, as well as the marketers. It will also enable the readers to understand that brands do collaborations with influencers and

opinion leaders to wield influence over the image consumers hold of the brand and the purchasing decision process they go through.

## **1.2. Research question**

This paper has various themes to analyse based on the background of the topic given above. The objective of the paper is threefold: 1) the relationship between young female consumers and influencers, 2) the impact of influencers on the brand loyalty towards cosmetic brands, and 3) the difference in impact on generation Z and millennials. Based on the aim of the research paper, the following research question arises:

*“How does the use of influencer marketing have an impact on the brand loyalty of generation Z and millennial towards cosmetic brand?”*

Thus, this paper aims to understand the reason behind why young female consumers follow influencers and bloggers on social media and their relationship with them in order to understand the effect of influencer marketing. After understanding the literature, a conceptual framework model is derived that will be useful to develop hypotheses for the study. The six variables considered for the model are: attitude towards influencer, attitude towards brand, brand attitude, brand engagement, brand loyalty, and self-congruity. The hypotheses development was conducted in a manner that would give us an insight into the relationship of the variable, as well as, consider the age group difference. Therefore, the following hypotheses were developed from the model constructed:

H1a: There is a direct affect of influencer attitude on brand attitude

*H1b: There is a significant difference between the two age groups in terms of influencer attitude on brand attitude.*

H2a: There is a direct affect of brand attitude on brand engagement.

*H2b: There is a significant difference between the two age groups in terms of brand attitude on brand engagement.*

H3a: There is a direct affect of brand engagement on brand loyalty

*H3b: There is a significant difference between the two age groups in terms of brand engagement on brand loyalty.*

H4a: There is a direct affect of self-congruency on the attitude towards the influencers.

*H4b: There is a significant difference between the two age groups in terms of self-congruency on influencer attitude.*

H5a: There is a direct affect of influencer attitude on brand loyalty

*H5b: There is a significant difference between the two age groups in terms of influencer attitude on brand loyalty.*

Along with that, the information derived from surveys will give an insight into how brands try to connect themselves to the consumers through this marketing strategy, and if they are successful. Thus, this paper strives to create more importance about influencer marketing by studying consumer behavior. This marketing tool can be powerful to use in order to find out how the newest generation behaves and wants to be informed about their brands. Since this field is still unexplored, it may result in generating further knowledge and understanding of how to apply influencer marketing among the younger generation, also focusing on how to target the male segment.

### **1.3 Structure of thesis**

The structure of the paper is organized in a way that would enable the reader to understand the literature and theory behind the concept and the reason behind conducting this research. The paper explores the theoretical concepts on digital marketing, consumer behavior, influencer marketing, and the characteristics of Generation Z and Millennial.

These theories are discussed in depth and explore various other aspects of these concepts. From these concepts, five variables were derived: influencer marketing, brand attitude, brand engagement, self-congruity, and brand loyalty. These variables are chosen due to their affects on each other.

Followed by, the thesis unfolds the hypotheses that will be used to answer the research question. The developments of the hypotheses are based on the given literature and provide a link between variables. The variables are discussed further in the section of conceptual framework, where a model is created to provide a visual display of the relationships between the five variables. This conceptual framework model is a summarized version of the hypotheses development and can be referred to for further studies.

By exploring these variables, a research will be conducted in order to gather data for the paper. A quantitative research that involves a pre-survey and a main survey will be conducted among young females that were defined within the age groups: Generation Z (16-23 years old) and Millennial (24-38 years old). The data obtained from these surveys will be further used to test models in order to find results.

The result section consists of descriptive statistics and inferential statistics. Descriptive statistics will be used to summarize the results of the survey and describe the characteristics of the respondents, whereas, inferential statistics will be derived by using a statistical software SPSS. These results will be analyzed in depth to answer the hypotheses and form a conclusion.

Furthermore, conclusions will be drawn in order to answer the research question. Using the results from the relationship testing of the hypotheses, the research question will be answered. Followed by a discussion of the theoretical contributions and how the accuracy of the paper is determined by the literature. These conclusions will give a new insight for marketers and how the paper can be used for further research. The practical implications will be discussed, along with the limitations faced during the study.

## **2. Literature review**

The following literature will analyse the concepts and theories used to conduct this particular study. In order to create a link between digital marketing and influencer marketing, the first part of the literature will explore the concept of digital marketing, how social media marketing has taken a significant part in the digital world and how luxury cosmetic brands operate on digital platforms. Followed by a brief introduction of influencer marketing, which will be analysed in the second part of the literature.

Under this part of literature, the paper will analyse the types of collaborations and sponsorships influencers do on social media platforms, discuss why brands use influencer marketing and how is it beneficial, and how influencer marketing works in the world of cosmetics. The third and last part of the literature will study the consumer behavior in order to find out how they behave digitally. Essentially, the characteristics of online consumers will be studied and how brand loyalty can be achieved among time. In the end, the characteristics of two generations (Generation Z and Millennial) will be analyzed to link it to the research question.

### **2.1. Digital Marketing**

#### **2.1.1. Definition and key concepts**

The definition of “digital marketing” has evolved over the years and it serves as an umbrella now describing the process of acquiring customers using digital technologies and promote brands, build customer preferences, and increase sales (Financial Times, [lexicon.ft.com](http://lexicon.ft.com)). Digital marketing has become a broad space that is transforming the lives of the consumers by making developments in digital technology that are evolving the process and strategies of marketing. The concept of digitalization has become significant to the marketers, who are trying to find ways to make profitable use of digital applications, as well as build a direct relationship with the consumers (Vernuccio, 2014).

As said by Fill (2009), traditional marketing has entered a new era of marketing with the use of the Internet. However, it has become obvious now that the digital media and the Internet in particular provide interactive opportunities with the customers that the traditional processes could not offer. It is

essential to acknowledge that these opportunities arise because of the customers, not the advertisers that interrupt activity views (Fennis & Stroebe, 2010).

Digital channels enable marketers to have a personalized and continuous, two-way communication with the consumers. Thereafter, data is extracted from every consumer interaction to inform the next neural network, which is similar. Marketers use direct consumer feedback and real time behavioral information to improve and optimize interactions (Wertime & Fenwick, 2008). In particular, social media marketing provides the opportunity to gather information from users interactions in a larger network. The next section will explain this in more details.

### 2.1.2. Social media marketing

“Social media isn’t just a new marketing platform or channel. If we look at it this way we unnecessarily limit the scope of opportunities just to one segment. Primary social media entails a change in ways of communication. It is (mostly) not a conversation but a real, many-to-many communication” (Adam Zbiejczuk). In simple words, social media marketing is a form of marketing that gains attention or website traffic through social media platforms. It is mainly used for creating awareness and promoting products/services in the form of advertisements or contents on different social media platforms (Toby, 2012). Erik Qualman (2009) refers to social media as the glasshouse effect due to its transparency and age of instant communication. It is portrayed as a tool that can be used to deal with excess information or to filter the information that is required.

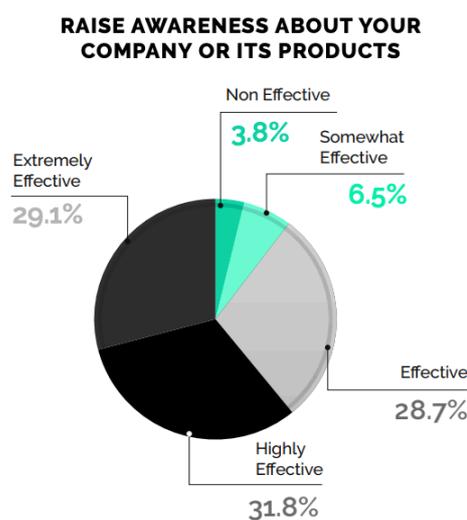


Figure 1. Social media's impact on product awareness

As shown in Figure 1, most companies believe that social media marketing has a large impact on product awareness, as they are able to reach a larger audience. Marketers and business models have changed and adapted to the growing demands of social media and they use these platforms to receive feedback and complaints from their customers. It is shown in the recent studies that social media is not used to directly sell products, but it critically supports the booming digital presence to create stronger relationships with the customers (Roncha & Thomas, 2016). To complement this idea, the concept of social commerce is introduced, which explains that the use of offers and promotions through social media heavily impacts the sales of the products (Bai, Marsden, Ross & Wang, 2015). Social media is further classified into six different categories: collaborative projects, blogs, content communities, social networking sites, virtual games worlds, and virtual social worlds (Kaplan & Haenlein, 2010).

Brands that are able to co-create through effective consumer interactions enable the consumer to build emotional attachment and giving them a unique retail experience (Roncha & Thomas, 2016). Co-creation has been defined as a “collaborative activity in which customers actively contribute to the creation of brand identity and image as well as ideas, information, product, service, experience offered under a particular brand” (Bogoviyeva, 2011 p. 371). The significance of how social media plays an important role in communicating and creating a dialogue with all its stakeholders is emphasized and it is also a key factor to understanding the role of co-creation process (Edvardson, Tronvoll, & Gruber, 2011). It is perceived that value can only be created when consumers dynamically contribute in the performance of one or more activities that were taken place throughout the consumption experience (White, Hede, & Rentschler, 2009).

### **2.1.3. Luxury cosmetic brands in the digital world**

Over the years, luxury cosmetic brands have significantly taken the advantage of the digital world. The digital strategy for luxury cosmetic products often differ for almost every product but the most important concern is that it is not only about creating a user-friendly website with banner ads. The successful cosmetics brands have built a compelling presence around their consumers, while engaging and influencing the consumers through social media focusing on their digital performance. It is necessary for the managers of luxury cosmetic brands to comprehend the consumer perception of the social media activity in order to build trust in the brand and increase consumer engagement.

These cosmetic brands have used distinctive sort of digital marketing strategies with a specific motive to improve their business online. Some key marketing strategies are used such as display advertising in

which there is usage of web bulletins or advertisements sited on a third-party site to drive traffic streams towards the website of the brand and enhance the awareness (Aaker, 1996). Social media marketing is another common digital marketing strategy where responsiveness is achieved with the assistance of various social networking sites (Cai, 2002). Search Engine Optimisation (SEO) is among the most prominent digital marketing strategy used to enhance and improve the page prominence of the website to improve their ranking, as it facilitates the consumers to find the website more easily (Verheof, et al., 2009).

## **2.2. Influencer marketing**

The technique of influencer marketing has received a lot of attention in media. As we all know that even though influencer marketing is a new marketing technique being promoted digitally, the ambition to influence consumer desire and purchase decisions have been key factor for the managers of most organizations (Brown & Fiorella, 2013). This technique is precisely defined as “a form of marketing that has been emerged from a variety of decent practices and studies, in which focus has been placed on specific key individuals rather than the target market as a whole. It identifies the individuals that have influence over potential buyers, and orients marketing activities around these influencers (Brown & Fiorella, 2013, p.24). Often the term “influencers” can get mixed up with the term advocate, which does not necessarily have the same meaning. The influencers are mostly non-customers incentivized to recommend a brand or a product, whereas advocates are existing customers that would recommend a brand or a product.

### **2.2.1. The influence of social media influencers**

As we know, e-WoM has a great impact on the purchasing decision of consumers and the SMIs have mastered the use of this strategy (Freberg et al., 2010). Researchers have discovered several factors that claim to be the reason why consumers find SMIs very influential. As shown in Figure 2, the most important reason for a consumer to follow an influencer would be due to their content quality on social media, followed by their rate of engagement, their niche expertise, and lastly the number of followers they have.

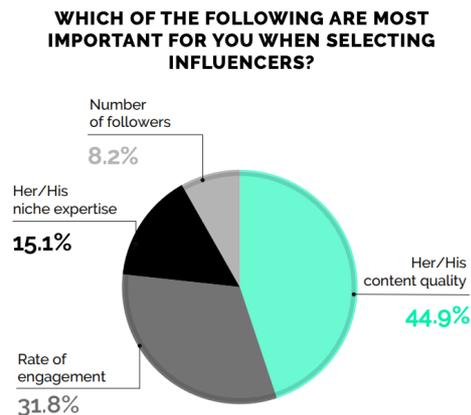


Figure 2. Top factors to select influencers

To explore in great depth, there are several factors to be considered to analyse the relationship between the consumers and influencers. These factors are explained in great detail in this subchapter:

- *Content:* SMIs have the power to customise their content for the readers and make it desirable for their followers (Song & Yoo, 2016). Influencers spread good content on their profiles by providing recommendations, images, and reviews that will encourage a consumer to purchase the product (Forbes, 2016). In comparison to market generated content by the brands themselves, the user-generated content developed by influencers are pegged as more trustworthy and reliable, along with that it reduces the effort of searching additional information and the content provided by the SMIs is more useful (Valck et al., 2013). However, it is indicated that a consumer's current interest, desires and attitude can affect how the consumer interprets the information in the content (Nejad et al., 2014).
- *Expertise:* In this context, expertise can be explained as the consumer's perception of the ability by which SMIs can create accurate and credible content due to the consumer's relationship with the SMIs from the beginning (Nejad, Sherrell, & Babakus, 2014). It is claimed by Kapitan and Silvera (2015) that SMIs are known to have knowledge and expertise about several product category such as cosmetics, which later makes the SMIs more credible since they are fully aware of the product they are promoting.
- *Attractiveness:* Attractiveness is referred to the higher the likability of an SMI, the willing is the consumer to adopt the information provided. This is determined by the expertise of SMIs. In this scenario, a consumer can come across a product on social media platforms and notice that a well-

known and likable influencer recommends it. This automatically affects the purchasing behaviour of the consumer in a positive way (Li, Lee, & Lien, 2014). As a result, the consumer's attention is drawn towards the brand and encourages the consumer to purchase the product. A consumer is highly likely to get influenced by SMIs that are attractive and well known.

- *Consumer Social Identity*: The social identity of a consumer determines the group that the consumer is a part of or wants to be a part of and it is often to this group that the consumer compares it to (Nejad et al., 2014). As a result to this, the consumer relies on and embraces the opinions of the members of this group as this helps them to create a self-image that resembles other group members' image. This influence encourages the consumer to make certain purchases because the product idealizes their image, and makes them more similar to the person want to be like, such as an influencer (Kapitan & Silvera, 2015). These SMIs can be seen as role models for their followers (Forbes, 2016).
- *Trust*: A consumer who trusts an SMI is more likely to accept their recommendations because their expertise enables their information and content to be more credible than those who are not experts in the field of their products (Liu et al., 2015). This is how brands choose the correct influencer to promote their products because they want maximum impact on their consumers.

### 2.2.2. Characteristics and marketing benefits

According to Mathew's article (2013), consumers are more inclined towards liking a product because of a third party's recommendation like bloggers or influencers than the brand itself.

The influencers tend to attract their followers' networks along with the followers and act like a friendly connection between the consumers and the brand. Influencers can successfully drive traffic to the brand's website if they have loyal followers, and increase social media exposure, as well as, sell the product through their story about the experience of consuming the product (Mathew, 2013). Companies are moving towards earned media due to topics like ad fraud and ad blocking because they want distribution options that would not be blocked and they can reach the right target audience. The best way to gain the trust of the consumer is by aligning with somebody they already trust because influencers' content cannot be blocked. Authors have discovered that young women tend behave in line with the social influencers who they can relate to and find similarities with. Therefore, brands claim to have higher company trust, consumer loyalty, and sales since they have started investing in relationships

with social media influencers, who can indirectly engage with the consumers of those brands (Sudha & Sheena, 2017).

The Tomoson Company conducted a survey in 2016 that collected information from over 125 top marketers and according to the survey, some companies are making \$6.5 for each \$1 spent on influencer marketing campaigns (Tomoson, 2016)

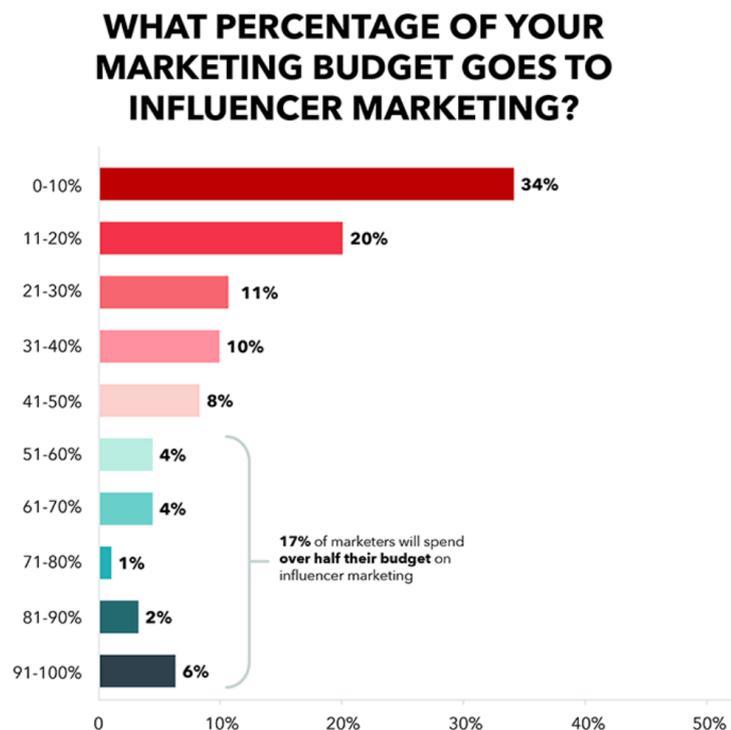


Figure 3. Influencer marketing budget

According to the poll shown in Figure 3, maximum brands spend bare minimum on influencer marketing, which will be less than 10% of the marketing budget. However, 17% brands spend more than half of their marketing budget on influencer marketing, out of which 6% spend 91-100% of their marketing budget. This shows that companies slowly understand the benefits of influencer marketing. Furthermore, Figure 4 shows more proof on marketing benefits from influencer marketing

## COMPARED TO OTHER CHANNELS, ROI FROM INFLUENCER MARKETING IS...

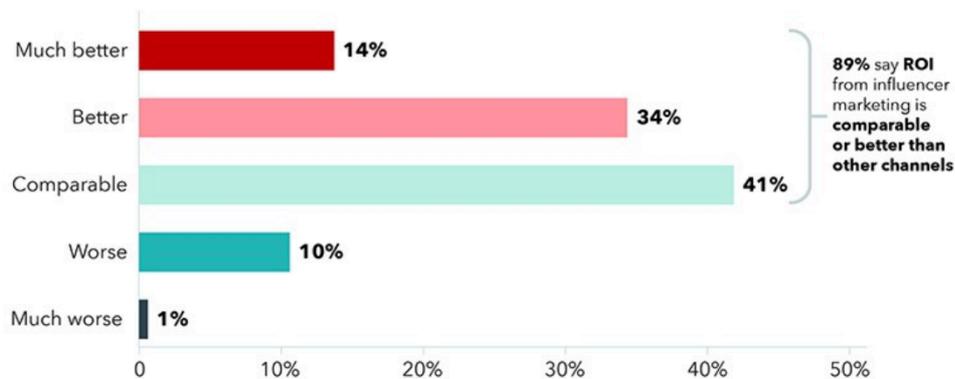


Figure 4. Return on Investment from influencer marketing

In Figure 4, it is shown that 89% companies believe that their return on investment from influencer marketing has been comparable or better than other means of marketing channels. Most of these brands would be the established and well-known brands as they can afford to invest in influencer marketing as a part of their marketing methods. Moreover, companies may have several objectives and long-term goals for forming certain influencer marketing strategies.

It is portrayed in Figure 5 that 85% brands believe that using influencer marketing as a strategy will fulfill their long-term goals of increasing brand awareness. This is highly applicable as influencers are useful to reach a wider audience, which is naturally the second most chosen reason. However, only 15% brands use the strategy of influencer marketing to improve customer satisfaction and relationship.

### WHAT'S THE OVERARCHING GOAL OF YOUR INFLUENCER MARKETING STRATEGY?

(Select multiple)

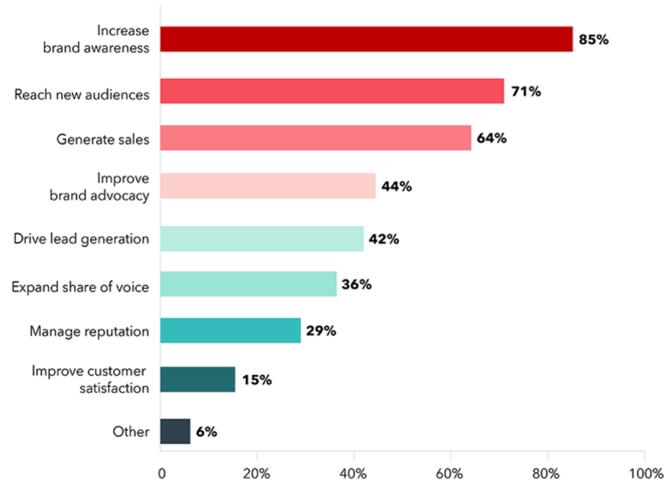


Figure 5. Goals of influencer marketing strategy

#### 2.2.3. Types of influencers

Social media influencers are often referred to as 'digital opinion leaders', portraying that they are perceived as a member of the online community who has the ability to influence other people using the expertise they possess in a relevant field (Cho, Hwang & Lee, 2012). Additionally, influencers are also known as 'micro celebrities' who use their admirable personality and high social status to gain attention and visibility (Kapitan & Silvera, 2016). On the other hand, Forsyth (2015) categorizes influencers as 'social leaders' because they are the "people that through their large social capital lead the online community and set the standards with regards to the values and behavior of its members" (Langner, Hennigs and Wiedmann, 2013). These influencers can be generally categorized into three major types that are discussed below:

- **Mega-influencers or celebrities**

As we have seen celebrities influencing consumers all over the world by being displayed in advertisements, it can be perceived that influencer marketing is not a new concept. Celebrities, artists, actors, athletes, etc. are a part of mega influencers and represent the initial form of influencers before the appearance of social media. It has been proven that even if mega influencers have a reach of up to one million followers, they drive the engagement rate of only 2%-5%, which is fairly low (Mavrck, 2016). These mega influencers provide low brand relevance and have a low ability of driving desired actions

from the consumers. They are more appropriate for creating awareness as they provide high topical relevance.

- **Macro-influencer or opinion leaders**

Opinion leaders (also known as market mavens (Feick & Price, 1987)) differ from the rest of the influencers due to an alternative consumer behavior of the communication that goes on between the ordinary consumers and a mass audience of strangers (McQuarrie, Miller & Phillips, 2012). However, they are often used to explain influencer marketing. Macro influencers are influential on one or several topics and are strategically placed individuals in social networks in all kinds of society (Buttle, 1998). Due to the combination of knowledge and expertise in a product or service category, they are often considered reliable and credible (Feick & Price, 1987). Consumers choose to follow recommendations of opinion leaders when they want to purchase a new product because it helps them reduce the risk of purchasing an unfamiliar product (Chiang, 2015).

- **Micro influencer**

Micro-influencer or micro-celebrities can be described as “a new style of online performance that involves people boasting their popularity over the web using technologies like videos, blogs, and social networking sites” (Senft, 2008). Micro-influencers portray to be authentic, trustworthy and original to their followers as they are famous to a niche group of people (Marwick, 2013). They are known to have a positive impact on brand attitude and loyalty and are highly capable of triggering a consumer’s desires due to their ability of passing on a recommendation to a large scale of followers (Lv et al., 2013). Micro-influencers can be known as everyday consumers that can drive the engagement up to 26-60% (Mavrck, 2016).

The influencers are known to be experts in several different fields of topics. The next section of the study will analyze the influencer marketing strategies in the beauty cosmetics industry.

#### **2.2.4. Influencer marketing in the world of beauty**

Influencer marketing approach brings new opportunities in the beauty industry. Influencers and bloggers provide stylistic image of themselves, the products they consume, opinions on market or particular brands, thereby establishing an alternative and personal channel for the consumers (Marwick, 2011). In the feminine universe, consulting and following influences proves significantly popular. Especially young

women who are in need to obtain information and opinions from “real” people about brands that they seem as important such as fashion and beauty.

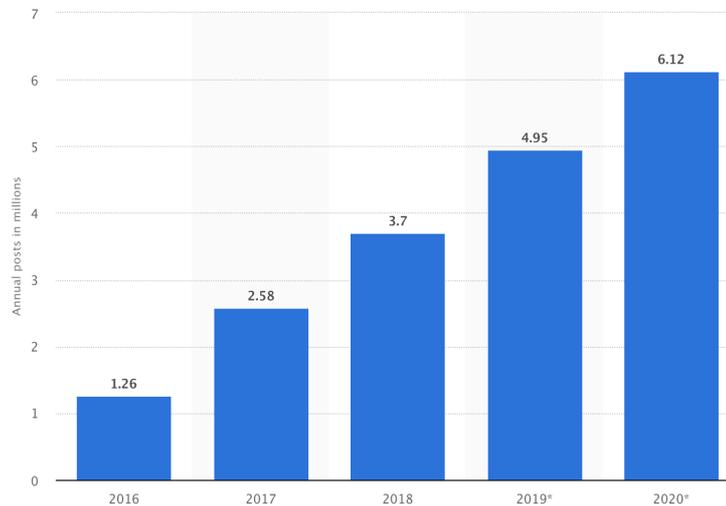


Figure 6. Number of brand sponsored influencer posts on Instagram from 2016 to 2020

In Figure 6 we can see that the number of brand sponsored influencer posts have increased drastically in past 3 years, with a prediction of reaching 4.95 million posts in 2019. This has increased mainly because of its effectiveness and how it enables to reach a much wider audience on social media platforms. These influencers, however, are also consumers of fashion and beauty. Hence, they are stated as simultaneously content users and creators, participating in the flow of consumption of beauty products, and writing content about them (Marwick, 2011). The most popular themes among fashion and beauty influencers encapsulate approaches to style, trends, brands, and reviews (Kulmala, 2011).

## 2.3. Consumer behavior

### 2.3.1. Consumer brand loyalty

Keeping preferable to a specific good or service is called brand loyalty (BNET Business Dictionary). Loyalty is closely related to various factors, one of the imperative ones being the experience of use (Aaker & Keller, 1990). Exploring from two different points of views, customers can either be loyal to a brand owing to high switching barriers related to economical, technical, and psychological factors that make it difficult for a consumer to switch. The other view can be that the consumers are satisfied with the brand and want to continue being their customer (Fornell, 1992).

Managing customer loyalty as one of the main objectives for a brand can result in potential outcomes such as: i) it is less expensive to retain an existing customer rather than a new one (Kotler, 2010), ii) loyal customers are more likely to give positive feedback about the product and spread WOM for free among their peers (Shoemaker & Lewis, 1999), iii) it secures the relationship between the customer and brand, and iv) loyal customers are easily accessible due to past records.

On digital platforms, the term *e-loyalty* is used that is defined as a customer's favorable commitment towards an online retailer that results in frequent purchase of their products (Anderson & Srinivasan, 2003). It is further argued that satisfaction is positively related to high commitment. A customer with high levels of satisfaction and a repeated positive reinforcement will be highly committed to a brand (Henig & Klee, 1997).

Following described is a framework developed by Moolla (2010) that describes the determinants that may influence the behavior towards brand loyalty and it can be used to measure consumer brand loyalty. The framework portrays twelve factors can be used as measurement scales. This can be used by brands to determine how to increase brand loyalty for particular products that are falling short (Moolla, 2010). The determinants are as follows in Table 1:

Influence	Description	Researchers
<b>Customer satisfaction</b>	Customer satisfaction acts as a bridge between consumer learning from prior experience and to explain post-purchase behavior such as repurchasing, word-of-mouth, etc. It has a significant impact on repurchase intention. Therefore, if the customer satisfaction is higher, the brand loyalty will be high.	Punniyamoothy & Raj (2007), Musa (2005), Schijins (2003), Delgado (2001), Dick & Basu (1994)
<b>Switching costs</b>	Consumers most often face non-negligible switching costs when switching between two brands. This has shown positive effects over prices and profits and has been linked to competitive phenomena such as price wars and discounts to attract new customers.	Kim, Morris & Swait (2008), Maritz (2007), Jacoby & Chestnut (1978), Schijins (2003), Dick & Basu (1994)
<b>Brand trust</b>	If there is reliability and integrity, trust can be developed between two parties. Trust is the basis of loyalty and it positively affects commitment.	Punniyamoothy & Raj (2007), Musa (2005), Chaudhuri & Hoibrook

	Garbarino and Johnson discovered that there is a need of trust to develop a positive attitude towards the brand. Brand trust is key construct for a long-term loyalty.	(2001), Garbarino & Johnson (1991), Jacoby & Chestnut (1978), Dick & Basu (1994)
<b>Relationship proneness</b>	Relationship proneness is described as “a buyer’s relatively stable and conscious tendency to engage in relationships with sellers of a particular product category”. It can be considered as a part of the consumer’s personality.	Kim, Morris & Swait (2008), Chaudhuri & Hoibrook (2001), Schijins (2003), Odekerken-Schroder (1999), Jacoby & Chestnut (1978), Dick & Basu (1994)
<b>Involvement</b>	A consumer’s ongoing commitment with regard to feelings, thoughts and behavioral response to a product category refers to product involvement. Studies have shown that involvement and attitudinal loyalty is highly correlated (Park, 1996), and high level of involvement will lead to higher brand loyalty.	Kim, Morris & Swait (2008), Park (1996), Giddens (2001), Jacoby & Chestnut (1978), Dick & Basu (1994), Punniyamoothy & Raj (2007), Musa (2005)
<b>Perceived value</b>	A customer’s overall evaluation of the utility of the product based on perception of what is received and what is given is known as the perceived value (Punniyamoothy & Raj, 2007). Functional value, emotional value, social value, and price worthiness factor are the most common components of perceived value.	Kim, Morris & Swait (2008), Punniyamoothy & Raj (2007), Musa (2005), Giddens (2001), Schijins (2003), Garbarino & Johnson (1991), Jacoby & Chestnut (1978), Dick & Basu (1994)
<b>Commitment</b>	When a customer pledges or binds him or herself to purchase the brand, it is known as a brand commitment (Kim, Morris & Swait, 2008). It is the key psychological factor that links the consumer to the brand, which is why it is the central construct of maintaining marketing relationships. Through commitment, it is presumed that the consumer will	Delgado (2001), Kim, Morris & Swait (2008), Punniyamoothy & Raj (2007), Musa (2005), Schijins (2003), Jacoby & Chestnut (1978), Dick & Basu (1994)

	be loyal to the brand and will have the intention to purchase again (Delgado, 2001)	
<b>Repeated purchase</b>	One loyalty-prone behavior is consistent repeat purchase, which is the base for brand loyalty (Cunningham, 1956). The function of the repetitive occurrence of purchase and consumption behavior is directly functional to the strength of functional brand loyalty.	Kim, Morris & Swait (2008), Punniyamoothy & Raj (2007), Musa (2005), Schijins (2003), Garbarino & Johnson (1991), Chaudhuri & Hoibrook (2001)
<b>Brand affect</b>	The potential in a brand to elicit a positive emotional response in the average consumer as a result of its usage (Moorman, Zaltman & Deshpande, 1992). Affect is characterized in terms of two independent dimensions: positive and negative. There is a positive relationship between positive affect experienced in a retail context and willingness to buy (Baker et al., 1992).	Musa (2005), Schijins (2003), Chaudhuri & Hoibrook (2001), Jacoby & Chestnut (1978), Dick & Basu (1994), Moorman, Zaltman & Deshpande (1992)
<b>Brand relevance</b>	Consumers have started looking for a brand that holds value unlike the meaningless brands that are entering the market. Brands that are relevant are key components to ensuring brand loyalty (Liddy, 2001). Along with marketing and advertisement, brands should focus on delivering a valuable message.	Tucker (2005), Kim, Morris & Swait (2008), Chaudhuri & Hoibrook (2001), Musa (2005), Schijins (2003), Jacoby & Chestnut (1978), Dick & Basu (1994).
<b>Brand performance</b>	A consumer's evaluation of the performance of product or service post consumption is known as brand performance. According to Musa (2005), brand performance is the evaluation of the core product, comprising of both intrinsic and extrinsic characteristics.	Endut (1999), Chaudhuri & Hoibrook (2001), Musa (2005), Schijins (2003), Jacoby & Chestnut (1978), Dick & Basu (1994), Schijins (2003)
<b>Culture</b>	Young consumers remain loyal to family brands as culture plays an important factor in choosing brands, unless other factors takeover (Grant, 2005). Family	Punniyamoothy & Raj (2007), Mann (2007), Chaudhuri & Hoibrook

	introduces a psychological factor to brand loyalty, assuring the feeling of security with the brand (Simons, 2004).	(2001), Musa (2005), Schijins (2003), Jacoby & Chestnut (1978), Dick & Basu (1994), Schijins (2003)
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Table 1. Brand loyalty influence determinants (Moolla & Bischoff, 2012a)

With the help of Table 1, it is easy to understand the factors that determine brand loyalty and it can be applied in the study of consumer behavior and the characteristics of online consumers. Furthermore, the paper will unfold the concept of brand attitude and brand engagement that will be used to construct a framework model in the paper.

### 2.3.2. Brand Attitude and Brand Engagement

Researchers have tried their best to deeply understand the construct of attitude towards brands and have been the focus of research past decade. When analyzing the attitude towards a brand, the object of evaluation should be the brand itself. A two-dimensional conceptualization of consumer attitude was derived by Voss et al. (2003), which was based on the theory of Batra and Ahtola (1990) that stated there are two reasons why a consumer would purchase a product: 1) for personal gratification (hedonic), and 2) for instrumental and utilitarian reasons. Therefore, using these two dimensions, it would be easier for researchers to understand the attitude of the consumer towards the brand.

It has been argued that the use of firm generated content and traditional media in the form of advertisements predominantly affects the attitude in a positive way because of the substantial levels of control by the firms over the generation and circulation of the information (Mitchell & Olsen, 1981). On the other hand, user-generated content has magnified the consumer-to-consumer conversations and has drastically changed the strategies for consumer communication on social media (Mangold & Faulds, 2009). Since the user-generated content is not susceptible to the control of the firm-generated content, the user-generated content can create a positive or negative portrayal of the brand, which can affect the attitude of the consumer towards the brand.

Along with brand attitude, another concept of branding known as “brand engagement” is an essential topic to cover in this thesis. Being engaged simply means to connect with something, and engagement can be defined as an antecedent of an outcome, that can be in the form of usage, responses, and affect

to advertising. According to the Economist Intelligence Unit (2007), “*engagement refers to the creation of experiences that allows companies to build deeper, more meaningful and sustainable interactions between the company and its customers or external stakeholders*”.

Brand engagement can help in reducing costs and increase in sales volume. A loyal customer, who has been in a long time relationship with the brand, is more likely to purchase from the brand than a new customer. At the same time, customer engagement strategy can help the brands in product proliferation (Economist Intelligence Unit, 2007). Since the entry barriers into the market have lowered and the markets have expanded due to the Internet, there is a threat for every company. An engaged customer of a brand is likely to keep engaging with them than create a new relationship with a new brand. Therefore, brand engagement can be significant to cover in the competitive industry. Consumers can also advocate for the brand. A consumer is more likely to influence a customer than the brand itself. Brand engagement will lead to a positive WOM and sharing the posts and promotions of the products with their peers (Brown et al., 2007).

Furthermore, the concept of *customer-brand engagement* plays a significant role in this theory. Hollebeek (2016b) defined customer-brand engagement as a consumer’s motivationally driven investment of operant resources into brand interactions. In this concept, the engagement subject and object is discussed and identified. Engagement can be seen as a virtue of two-way interaction between the engagement subject (consumer) and the engagement object (the brand) (Sprott et al., 2009). This generates data on the specific engagement levels of a consumer under contextual conditions. Customer engagement can measure customer loyalty by considering the overall satisfaction with the brand, intent to purchase again, and intention to recommend the brand. Customer-brand engagement is considered to be the most powerful construct in determining brand loyalty (Appelbaum, 2001).

The next segment of the paper will understand how these branding concepts can be applied online, and before that, it is essential to understand the characteristics of online consumers.

### 2.3.3. Repurchase intention

As literature suggests, if a consumer identifies him or herself with the brand, the attitudinal and behavioral outcomes are positive (Ahearne, Bhattacharya & Gruen, 2005; Bagozzi & Dholakia, 2006). Consumers will develop higher trust and repurchase intention with a brand if the cosmetic brand creates a positive image and higher awareness about their products (Aaker & Keller, 1990). If a consumer is

familiar with a brand, they are more likely to repurchase from the brand, along with that the popularity of the brand matters significantly. A well-known brand is more likely to create a repurchase intention for a consumer than a new, small-scaled brand (Hsu, 2000). Repurchase intention or commitment is a form of brand loyalty because the consumer commits that they will purchase products in the future from their favorable brands, and will not break their loyalty under any circumstances (Oliver & Richard, 1999).

Repurchase intention is also crucial for brands to determine the future demands and behavior of the consumers (Kim, Lee & Youn, 2012). The intensity of a consumer's intention will help determine the possibility of the actions carried out by the consumers (Ajzen, 1991). Consumers' willingness to repurchase comes from factors associated with prior experience such as relationship, competition, price consideration, and performance criteria; and it is further affected by satisfaction and confirmation (Li & Hong, 2013). It is proven the consumers with higher brand loyalty: 1) repurchase products from the same brand, 2) contribute to higher revenue for the brand by increasing consumption, 3) willing to spend more time on research before purchasing the product, and 4) less likely to switch between competitors due to the incentives offered by the competitors (Jiang & Rosenbloom, 2008).

As a result, consumers reduce price sensitivity, as they are willing to pay higher prices for products from the brands that provide constant satisfaction and fulfillment of the consumers' requirements (Hill & Alexander, 2006). Additionally, it is more cost efficient and effective to retain customers rather than attracting new customers (Lombardo, 2003). According to the Pareto Principle or 80/20 rule, 80% revenue of the brands comes from 20% of their consumers, this is why customer retention is more important than customer attraction as it incurs lower costs than attracting new customers (Fornell & Wernerfelt, 1987; Pfeifer, 2005). Repurchase intention is a way for a brand to understand whether they are able to retain their customers and to improve their retention strategies for future use and to increase repurchase intention among consumers.

#### **2.3.4. Online consumer characteristics**

Donal Rogan states "strategy is about increasing the probability and frequency of buying behavior. Requirements for succeeding in doing this are to know the customer and understand the customer's needs and wants" (2007). In order to understand the online purchasing behavior of a consumer, it is essential to identify online consumer needs. These characteristics can be used to identify and segment consumers.

- *Cultural online characteristics:* difference in online purchasing behavior can come from a difference in social class because the higher social class people have a higher tendency to purchase often and purchase products online. People from lower social class may not have the full exposure to what is offered by technology (Smith & Rupp, 2003).
- *Social online characteristics:* compared to the traditional methods, online consumers have a social influence on them through reference groups. Consumers can read real-life reviews and experiences on social media by reference groups or opinion leaders (Huang & Christopher, 2003).
- *Personal online characteristics:* Income plays an important role in online purchase behavior (Monsuwe, Dellaert, & Ruyter, 2004). Consumers with higher household income would have a more positive approach to online shopping due to Internet access and exposure to knowledge (Lohse et al., 2000).
- *Psychological online characteristics:* some questions as psychological characteristics were identified that a consumer would ask before making a purchase such as: Should I look for a better price? Do I really need this product? What is the future of buying online? (Smith & Rupp, 2003).

Studies have shown that in the last two decades, conceptual and empirical attention has been given to the interaction between consumer behavior and online environment (Darley, 2010). However, Consumers have a perceived value of dangers that are faced online, such as uncertainty and unpleasant outcomes of purchasing a product (Mathews & Healey, 2007). To avoid this, marketers can consider the perceived convenience of consumers that involves time and effort savings, and being able to access an online store twenty-four hours (Wang et al., 2005). The consumers would also want access to perceived benefits such as variety of products, price saving schemes, and the speed of purchases (Childers et al., 2001), as well as, website quality that contains values like the design, reliability and services (Wolfenbarger & Gilly, 2001).

Attitude towards online shopping shapes the consumer's online intention to purchase (Korzaan, 2003). It is also the predictor of behavioral intentions (Hansen et al., 2004).

### 2.3.5. Self-concept and self-congruity theory

The “totality of the individual’s thoughts and feelings having reference to him as an object” is known as self-concept (Rosenberg, 1979). This concept reflects the opinions and feelings we have of ourselves and what we aspire to be. The self-concept was initially introduced as a one-dimensional theory, which later was expanded into a multidimensional theory into different concepts such as the ideal self, the social self and the ideal social self (Sirgy, 1982).

How the person sees himself or herself is known as the *actual self*, whereas how the person desires to see him or herself as is known as the *ideal self*. Therefore, *social self* refers to how a person perceives others to see him or her, and the *ideal social self* is the way a person would want others to see him or her.

Levy (1959) introduced a theory and expanded it that determined that “modern goods are recognized as essentially psychological things which are symbolic of personal attributes and goals and of social patterns and strivings”. This basically explained that products have a symbolic meaning, which can have a psychological impact on the consumers as they relate this factor to how they see themselves. This eventually led to other theories that a consumer develops a repertoire of self-images that are portrayed in different situations and depending on these situations, they express a different self to obtain positive reaction (Schenk & Holman, 1980). This means that an individual’s self image highly depends on the parameter of a social environment. This can be related to the fact that this is why consumers create congruity with particular brands and not all.

#### Self-congruency and brand quality relationship

The concept of self-congruency can be further used to understand the concept of brand relationship quality in order to analyse how brands affect the consumers from an emotional and personal perspective. As stated by Hanna and Wozniak (2001), self-congruity is a tendency when a consumer purchases a product that is in congruence with some aspect of their personality. This is based on social psychological paradigm called similarity-attraction paradigm, which states that two individuals with similarities will result in attraction (Byrne, 1971). Taken this into consideration, researchers have stated that consumer brand relationship should be accounted as human interpersonal relation under four conditions (Fournier, 1998).

The first condition is that the relationship involves two parties; secondly, the relationship should be deliberated; third condition was that the relationship is something complicated in many forms; and lastly, relationships are always changing and growing. How a brand behaves towards their consumers play an important role in how the consumer evaluates his or her relationship with the brand (Monga, 2002). Brand relationship quality depends on how the consumers perceive themselves, based on which they create a strong and intimate relationship with the brands.

As stated by Muniz (2001), brands represent examples of socially constructed identities on online platforms, created by the brand and consumers together. This reflects the characteristics of the typical user of the brand, as well as, the advertising images and associations (Podder, 2009). Considering cosmetic brands, the consumption behavior of cosmetic products is directly linked to the lifestyle of the consumer and self-image (Maehle & Shneor, 2010). Self-congruity demonstrates the brand's image that influences consumer's self-concept and positive self-images in symbolic consumption for luxury products (Roy & Rabbanee, 2015).

## **2.4. Generation Z and Millennial**

The following chapter will give an insight into the generations, specifically generation Z and millennial to understand how they are different from the older generations and more susceptible to influencer marketing. This chapter will also help the readers to understand why these specific generations were chosen for the study.

### **2.4.1. Generational differences in marketing**

Even though these two generational groups are still evolving, the uniqueness of their emotional palette and passions are becoming interesting challenges for marketing and emotional branding. The Generation Z and Millennial will also be responsible of breaking down monopolies, customize media and politics that has been built over the years by other generations, in order to create a business environment that will meet their needs and expectations (Gobé, 2010). The women belonging to these generations have broken taboos in the world of sexism and defined the women's culture to the world, which was never seen before by of the older generations due to the cultural and political conservatism (Gobé, 2010).

Women from Generation Z and Millennial have used the digital platforms and social media by taking the advantage of the social spaces to connect with people and share their insights that allows that a private space that they share with their private lives and with the brands they trust (Gobé, 2010). This has become a challenge for businesses to develop ways to create a relationship with these women online in order to deliver the experience they need.

Gobé (2010) mentioned in his book that the term “The warp speed generation” is appropriate for these generations as they do everything faster and more than other generations, also due to the fact they are constantly surrounded by digital equipments such as PC, televisions, Internet, radio, etc. The youngest consumers of these generations are also the most adult teenagers as they have experienced more awareness in daily life and have received more exposure to the events happening around the world. Surveys was detected intelligence as a valuable factor among these teenagers (Gobé, 2010).

Therefore, brand campaigns should target these emotional factors and respect their mature identity in order to grab their attention. Brands have started adapting to different methods of marketing such as using brief and ‘sans fluff’ slogans to grab the attention of females because they are a part of an era of sound and word bites. At the same time, the companies have to maintain a fine line between prominent exposure and overexposure as these generations tend to reject mainstream ideas. Therefore, a big success of a brand can also become a downside for them (Gobé, 2010).

One of the biggest challenges faced by brands will be to keep with the fast-changing tastes and interests of Generation Z and Millennial. As these consumers already know what they want and what they dislike, researchers have coined a term “prosumers” for these generations (Gobé, 2010). It is essential that brands study the social characteristics of these consumers and understand the changes in trends that they follow. The easiest way of catering to their expectations is by enabling the consumers of Generation Z and Millennial tell the brands what they need (Gobé, 2010).

Furthermore, the study will analyse the characteristics of Generation Z and Millennial to give a detailed understanding of their personalities and how they behave.

### **2.4.2. Characteristics of Millennials**

Millennial generation is referred to those people who are born between the year 1981 and 1995, which means they range from age 24 to 38 years old (Zemke et al., 2000). Through research it has been

established that millennials are ambitious and highly educated individuals, with a strong perception of who they are and what they want to be (Suleman & Nelson, 2011). Millennials are also incredibly qualified about digital know-how and can easily adapt to technological devices since they are the first born into the world of technology (Bencsik et al., 2016).

The personalities of the people from this generation are shaped by several factors in their lives such as political and cultural turmoil, technology advancements, over-protective parents, etc. (Thompson & Brody Gregory, 2012) and because of this they are characterized as individuals who are hard-working, goal-oriented, optimistic, and confident (Suleman & Nelson, 2011). They want positive feedback, attention and direction at workplaces because this is the environment in which they are raised at home, due to this they are motivated to build relationships at workplaces and are believers in success with common work effort (Tóth-Bordásné & Bencsik, 2011). These factors also led to them being negatively judged as disloyal, entitled, needy, and job-hoppers (Thompson & Brody Gregory, 2012).

### 2.4.3. Characteristics of Generation Z

Generation Z is the generation born after millennials, from the year 1995 to 2003 (age 16-24 years old) and they share some similar characteristics with those who are millennial (Iorgulescu, 2016). However, it is predicted by Tulgan (2003) that generation Z will instigate the most vast shift in organizational behavior, even though they share enough similarities with millennial but mostly due to being the most diverse generation among all others.

Generation Z is the one that was born right into the generation of social media and technology, while the other generations had to adapt to it over time (Merriman, 2015), and along with that they are born into a family that is financially cautious and live in the world of anti-discrimination system and globalized world (Stuckney, 2016). Unlike millennial who are strong believers in team work, generations Z would mainly prefer to do teamwork on a virtual level, otherwise they have an independent sense of working (Adecco, 2015). The lifestyle habit of communicating virtually in all aspects of life has had an impact on their social, interpersonal, and listening skills (Tulgan, 2013). Additionally, it is established that individuals from generation Z are very easily distracted and need quick advertisements or they will lose interest (Stuckney, 2016). Just like millennials, it is observed that generation Z has a preference for emails but both generations dislike text messaging and SMS.

The following Table 2 gives an overview of the characteristics of Generation Z and Millennial, which will give a brief outline of the theory, discussed above and it can be used to draw similarities and differences

between the two generations. This will eventually be used to understand the hypotheses development and the structure of the conceptual framework model.

<b>Variables</b>	<b>Millennial</b>	<b>Generation Z</b>
<b>View</b>	Egotistical and short-term	Be happy with what you have and live for the present; no sense of commitment
<b>Relationships</b>	Principally virtual network	Virtual and superficial
<b>Aim</b>	Rivalry for leadership position	Live for the present
<b>Self-realization</b>	Immediate	Questions the need for it at all
<b>IT</b>	Part of everyday life	Intuitive
<b>Values</b>	Flexibility, mobility, success orientation, broad but superficial knowledge, creativity, freedom of information take priority	Rapid reaction to everything, live for the present, initiator, brave, rapid information access and content search
<b>Other possible characteristics</b>	No respect for tradition, desire for independence, quest for new forms of knowledge, inverse socialization, home office and part time work, undervalue soft skills and EQ	Lack of thinking, differing viewpoints, happiness, pleasure, divided attention, lack of consequential thinking, no desire to make sense of things, feel at home anywhere.

Table 2. Generation characteristics of different age groups (Bencsik & Machova, 2016)

The next chapter will discuss the conceptual framework model and develop hypotheses for the study, which is derived using the literature provided above. The hypotheses development will be based on the conceptual framework model that will display the construction of a model and variables. The literature provided will further help in conducting a survey, using variables that will be obtained to answer the research question.

### 3. Hypotheses development and conceptual framework

#### 3.1. Hypotheses development

Based on the literature provided above, 5 hypotheses are developed that will be used to answer the research question. The 5 hypotheses will be based on the variables that were discussed in the literature review, and how their relationship is demonstrated. Each hypothesis is divided into two subparts. The first part of the hypothesis will study the affect of one variable on another, whereas the second part of the hypothesis will analyze the difference in impact of these variables on two different age groups.

##### Hypothesis 1

The first hypothesis will study the relationship between the attitude towards an influencer and the attitude towards a cosmetic brand. As we read in the literature, a consumer tends to form a positive attitude about an influencer who shares similar interests and tastes. This encourages the consumer to believe their content and purchase products recommended by them because of their trustworthiness and authenticity. Eventually, this automatically has an impact on the attitude towards a cosmetic brand because it is associated with the influencer promoting their products. Influencers are trusted for their recommendations on certain cosmetic products because they portray to be experts in the field of cosmetics and show their extensive knowledge about the products. Hence, this gives rise to the first hypothesis:

**H1a: There is a direct affect of influencer attitude on brand attitude**

**H1b: There is a significant difference between the two age groups in terms of influencer attitude on brand attitude.**

##### Hypothesis 2

Since we learned that brand engagement refers to the involvement of the consumer with the brand post purchase, it is possible to draw a relationship between the brand engagement and brand attitude. According to Figure 5, brand attitude results in brand engagement. This means that if a consumer portrays a positive attitude towards the brand, she is more likely to be engaged with the brand on social media after purchasing products from the brand. Engagement can be in the form of actively communicating with the brand on social media platforms or repurchasing their products again due to high levels of contentment and satisfaction. The same way, if the consumer develops a negative attitude towards the brand, they are less likely to engage with the brand on social media. This helps to develop the second hypothesis, which is:

**H2a: There is a direct affect of brand attitude on brand engagement.**

**H2b: There is a significant difference between the two age groups in terms of brand attitude on brand engagement.**

### Hypothesis 3

Engagement with the brand is seen after the product has been purchased, in actions such as passing on posts of the influencer and the brand, mentioning in comments and liking posts, reposting on Instagram, etc. Positive attitude leads to higher engagement, which means the consumer is more likely to develop a sense of similarity and belonging with the brand. The interactions with the cosmetic brand will develop a sense of comfort for their consumers and enable them to build a relationship with the brand, which is beyond just buying their products. This will eventually result in brand loyalty, since the consumer is involved with a particular brand for more than just materialistic reasons. Therefore, this helps us form the third hypothesis that portrays a relationship between brand engagement and brand loyalty.

**H3a: There is a direct affect of brand engagement on brand loyalty**

**H3b: There is a significant difference between the two age groups in terms of brand engagement on brand loyalty.**

### Hypothesis 4

As we can in Figure 5, the concept of self-congruency lies between the attitude towards influencer and the attitude towards brand. This means that if a consumer has a higher level of self-congruency with the influencers, which means the consumer feels similar to the influencer and share similar traits. The part of the study will explore the relationship between self-congruity and the reasons to follow influencers. It will also be essential to understand how consumers relate to influencers. Influencers tend have expertise in their field of products or services, however, a consumer would follow those influencers who promote cosmetic brands that describe the tastes and traits of the consumer. Hence, the fourth hypothesis is:

**H4a: There is a direct affect of self-congruency on the attitude towards the influencers.**

**H4b: There is a significant difference between the two age groups in terms of self-congruency on influencer attitude.**

### Hypothesis 5

The final hypothesis consists of the entire conceptual model in relation to the generation groups selected for this study. Therefore, it can be assumed that these groups have different perceptions about influencers and brand loyalty, depending on their tastes, interests, and exposure. The main relationship of this study is to analyze the impact of influencer marketing on brand loyalty. The ulterior motive will also be to find out whether the impact increases or decreases brand loyalty towards specific cosmetic brands. Therefore, by connecting the age factor to the whole model, the following hypothesis can be derived:

**H5a: There is a direct affect of influencer attitude on brand loyalty**

**H5b: There is a significant difference between the two age groups in terms of influencer attitude on brand loyalty.**

In the next chapter, the research and survey design will be discussed that will be useful to carry out the primary research. The sample design will also be established to understand the selection of a niche sample.

## **3.2. Conceptual framework**

Based on the hypotheses development, the following model can be derived to create relationships between concepts. In Figure 7, a model has been shown that defines the conceptual framework of the paper. After understanding the attitude of consumers towards the influencer, it can be assumed that it automatically impacts their attitude towards the cosmetic brand. In this context, self-congruity plays a significant role because the consumer would only develop a preferable attitude towards the brand when they feel congruent with the influencer. Influencers and bloggers use their respective expertise and knowledge to provide publicity of their image, about the products they recommend and the brand itself, establishing an alternate and effective channel for advertising (Marwick, 2011). This leads to forming an attitude towards the brand and how the consumer perceives. A positive feedback on certain cosmetics products and receiving satisfaction from purchasing it would result in a positive attitude towards the cosmetic brand. It is proven that an increase in brand satisfaction would lay a strong foundation for brand loyalty (Bolton, 1998). A favorable attitude towards the brand will give rise to more engagement with the brand post purchase.

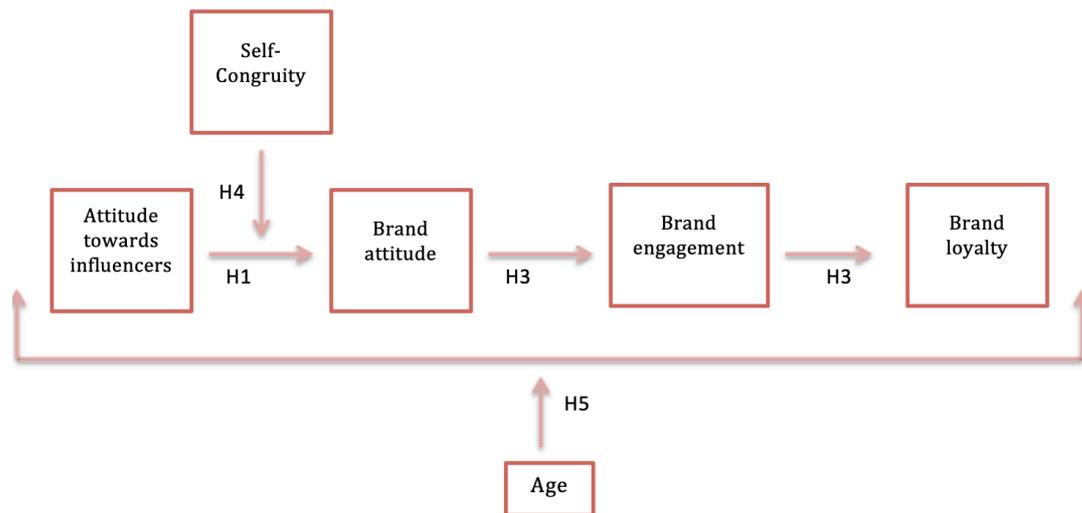


Figure 7. Conceptual framework model

Brand engagement can also result in repurchase intention, which means that if the consumer purchase a product and the brand continues to keep the consumer satisfied and happy, it eventually leads to becoming a loyal customer to the brand. Consumers that are loyal to the brand will continue to purchase their products and continue to use them for an extended period of time (Farris et al., 2010). This overall explains how influencers affect the consumers to be loyal towards cosmetics brand. Furthermore, this entire model will be dominated by the age factor in order to understand the difference between two age groups, Generation Z and Millennial. The reason these generations are chosen is because they have broken monopolies, as mentioned in the literature review that has been built over the years and introduced more efficient techniques of managing businesses (Gobé, 2010)

## **4. Methodology**

### **4.1. Research design**

A descriptive and transversal type of study is developed with the objective to identify the impact of influencer marketing on brand loyalty of Generation Z and Millennial towards cosmetic brands. The data required to test the hypothesis of the study is available in quantitative and qualitative form. Data that can be quantified in numbers and quantifiable characters is known as the quantitative data, whereas qualitative data focuses on the in-depth approach of the data. Some types qualitative research methods include discussion panels, interviews, focus groups, etc. and these methods are harder to collect and analyse compared to quantitative collection methods. The data used for this study was quantitative data, which was obtained by carrying out a cross-sectional survey. The survey was divided into two parts: a pre-survey was conducted to gather information on the brand preferences that consumers have and to understand if they follow influencers or not. The main survey was conducted based on the data gained from the pre-survey, and based on the cosmetic brands provided by the respondents, they answered questions regarding their behavior towards the brand.

### **4.2 Data analysis**

The use of quantitative data was used since it can be interpreted using statistical software that will give more in-depth results for the paper and provide answers to the hypotheses developed. The statistical software used for extracting the results was SPSS IBM. In order to analyze the survey responses, two tests were used: an independent t-test and a general linear regression model. The independent t-test was used to derive and compare means of two independent variable and test statistically whether there is a significant difference in the means of the two variables.

General linear regression model was used to determine if there is a linear relationship between the two variables and how the independent variable affects the dependent variable. For this test, the paper focuses on three main values: adjusted R-square value that explains the variance in the dependent variable caused by the independent variable, the B-coefficient that explains the unit increase/decrease in dependent variables when there is an increase in 1 unit of independent variable, and the value will be the significance value for which the significance testing level is 0.05. This means that if the significance value of one hypothesis is more than 0.05, the hypothesis is rejected.

### **4.3. Survey design**

Before conducting a survey, a pre-survey study has been carried out on Facebook and Instagram to determine the top cosmetic brands admired by the female consumers. They have been asked to specify their age group and select their favorite cosmetic brands from a list of brand names. On the basis of the data collect, the main survey is created in order to focus on the particular brands the participants have chosen.

The total number of respondents for the pre-survey was 90 females and the survey consisted of four questions in total. The first question was “What is your age?” and this was a crucial question as it helped to understand the generational difference and to get an idea of which generation group has a stronger presence. The second question was “Name your top 3 favorite cosmetic brands” and the results obtained from this question were used in the main survey from which the respondents had to choose their favorite brand from the list of given brands. The cosmetic brands mentioned are the most popular brands among females; therefore it was useful to receive inputs on the brands in the pre-survey. The third question was “Which cosmetic brands do you follow on Instagram?” and the answers received were unpredictable. Respondents who answered the question by naming cosmetic brands chose the ones that were not their top 3 picks, followed by respondents answering that they follow all the cosmetic brands, and there were respondents who answered that they do not follow cosmetic brands on Instagram at all. The last question was “Do you follow influencers on Instagram?” where 67 respondents answered ‘yes’ and 23 respondents answered ‘no’. Using these results, a main survey was created that would study the behavior of young female consumers on a deeper level.

To collect primary data for this paper, a self-administered online survey has been created that will target two different age groups of female users to cover the demographic background: Generation Z (age 6 - 23 years old) and Millennial (age 24-38 years old). Surveys are considered to be a very efficient and convenient way to collect descriptive data of a large sample. The consumer had options to choose from, which gave them a flexible perception. The survey consists of questions in the form of yes/no questions, five point Likert scale ranging from strongly disagree, disagree, neutral, agree, strongly agree, and some “choose from the following” questions. The idea of targeting two different sample groups is to find out the difference between the impacts of influencers on two different generations of female consumers.

To commence the survey, an introduction was given stating the importance of this study in regard to the beauty industry and to study the consumer behavior of Generation Z and Millennial. The following Table 3 will give an overview of the variables that are explored in the hypotheses, along with their definitions and scale that will measure them in the survey.

Variable/construct	Definition	Scale (questions)
<b>Brand loyalty</b>	“The biased, behavioral response, expressed over time, by some decision-making unit, with respect to one or more alternative brands, out of a set of such brands (Jacoby et al., 1978).	<ul style="list-style-type: none"> <li>- I like the brand culture</li> <li>- I like the product</li> <li>- I will recommend products</li> <li>- I rely on this brand</li> <li>- I tend to buy from this brand</li> </ul>
<b>Self-congruity</b>	Self- congruity is defined as the parallel between consumer self-concept and brand personality that consumers feel or experience in the course of forming a consumer-brand relationship (Aaker, 1999).	<ul style="list-style-type: none"> <li>- This brand matches my personality</li> <li>- I chose this brand because of functional attributes (color, style).</li> <li>- I feel more confident with this brand</li> <li>- This brand enhances my status</li> <li>- This brand’s community makes me feel good.</li> <li>- I feel good when others agree with me.</li> </ul>
<b>Brand attitude</b>	It is defined as the buyer’s evaluation of the brand with respect to its expected capacity to deliver on a current relevant buying motive (Rossiter & Percy, 1987; 1997).	<ul style="list-style-type: none"> <li>- The brand has a positive image</li> <li>- Brand is of high quality</li> <li>- Brand is consistent with value</li> <li>- Brand is reliable and trustworthy</li> <li>- Brand meets my expectations and needs.</li> </ul>
<b>Brand engagement</b>	The extent of conscious performance of brand-related public consumer behaviors online beyond purchase and consumption.	<ul style="list-style-type: none"> <li>- I often suggest how brand X can improve.</li> <li>- I am enthusiastic about their instagram page.</li> <li>- I participate in contests/giveaways</li> <li>- I feel positive about their Instagram page.</li> <li>- I am actively in contact with them on social media.</li> <li>- I will share their posts with friends.</li> </ul>
<b>Influencers/bloggers</b>	“Social media influencers represent a new type of independent, third-party endorsers who shape an audience’s attitudes through blogs, tweets, and the use of other social media channels (Fredberg, 2010)”.	<ul style="list-style-type: none"> <li>- I like the influencer very much, that is how I choose cosmetic brands.</li> <li>- I like the influencer because they are informative and honest.</li> <li>- I browse the influencer’s profile to check out products from other brand.</li> <li>- I share their posts with my friends on</li> </ul>

social media.  
- I actively participate by commenting  
and liking their post.s

Table 3. Variables used to construct survey

The survey was divided into five parts based on the variables shown in Table 3. Each part consists of questions that will portray each item of the variable used to measure the value of the variable. The respondents were asked to rate these statements and this will give an overview of the results of each variable. The last section of the survey 'Influencers' also contained questions regarding social media usage and most used social media platform. The survey is displayed in Appendix X, where the structure of the questions for the respondents is presented.

#### **4.4. Sampling method**

As discussed that this paper will use quantitative data to analyze the relationship between the consumers and the influencers, along with the relationship of consumers with their favorite cosmetic brands. The sampling frame considered for this study are divided into two groups based on their age: Generation Z will consist of all respondents who are between the age of 24-38 years old, whereas, Millennial will consist of respondents between the age of 16-23 years old.

To conduct this study, the most appropriate method would be probability convenience sampling. This method of sampling uses randomization to ensure that all respondents from every group get a chance to provide their input. In order to extract this data, the method of stratified sampling will be used. This technique restricts the sample size from being extreme by dividing the population into subpopulation or "strata", each representing a certain characteristic of the sub-group.

The main targeted stratum of the survey would be a female consumer of cosmetic products, which are further divided into two age groups. The use of this sampling method will allow the author to focus on a particular part of the population rather than whole, which will in turn derive a more accurate result from the survey. The survey will be created using online survey software and it will be distributed through social media platforms such as Facebook, Instagram, and Twitter. Through these social media platforms, it will be more convenient to reach the sample that uses social media platforms actively and are engaging with brands on a digital platform.

The next section will discuss the results that were derived from conducting the survey developed and these results will be divided into two sections: descriptive results and inferential results. These results will be used to explain the characteristics of the respondents that were observed in the survey and analyse the relationship between them and the variables in order to answer the hypotheses.

## 5. Results

The following section will cover the results of the survey that was conducted. These results will be analyzed in two different forms that will provide a deep understanding of the research. The first part will show the descriptive statistics that will analyze and describe the sample. The second part will be show the inferential statistics and hypothesis testing. All figures, tables, graphs, computations and analyses conducted using SPSS can be found in Appendix A.

### 5.1. Descriptive statistics

The descriptive statistics will give an overview of the characteristics of 104 respondents that filled out the survey and it will enable the readers to understand their behavior towards social media and cosmetic brands based on their age. The survey was divided into different categories that had questions regarding specific variables.

#### 5.1.1. Demographics and brand preference

Figure 8 gives an overview of the ratio of the respondents from generation Z to the respondents who are millennial, and as noted, 77 females were between the age group of 16-23 years old. Therefore, the majority of the sample belongs to generation Z.

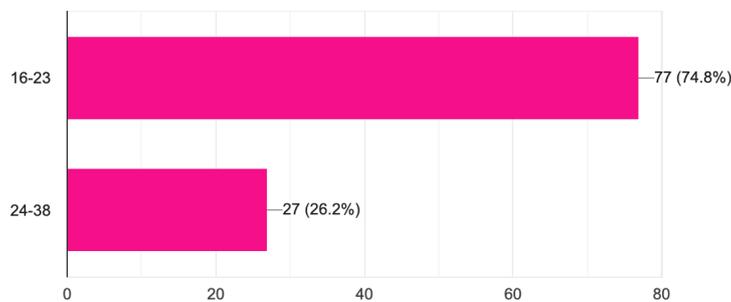


Figure 8. Age group of the sample

Furthermore, the respondents were asked to state the number of cosmetic brands they follow on social media and the result showed that most of the respondents (49.5%) follow 2 to 5 cosmetic brands on social media platforms, whereas 14.9% respondents follow more than 10 brands, as summarized in Figure 9.

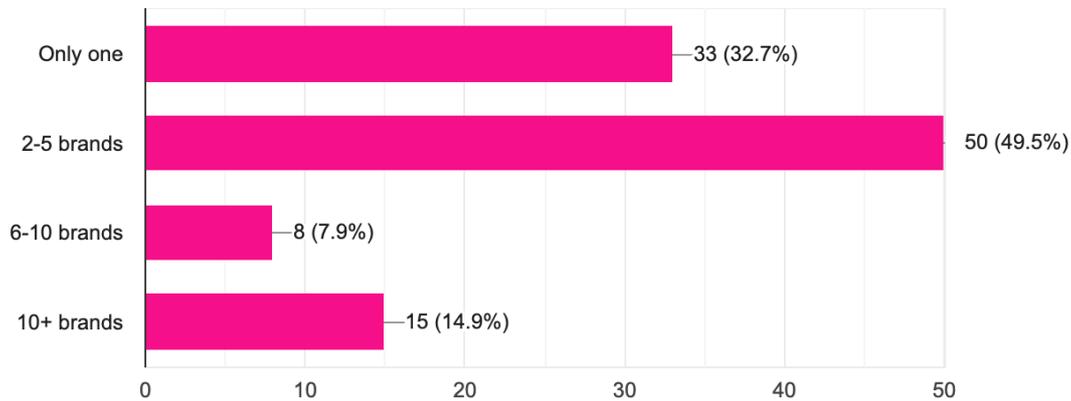


Figure 9. No. of cosmetic brands followed on social media

The respondents were asked to choose their most favorite cosmetic brand from a list of brands provided in the survey and in case the brand they prefer was not on the list, they could write it down separately.

According to the graph in Figure 10, most respondents chose MAC as their most favorite brand and other preferences are also shown in the figure.

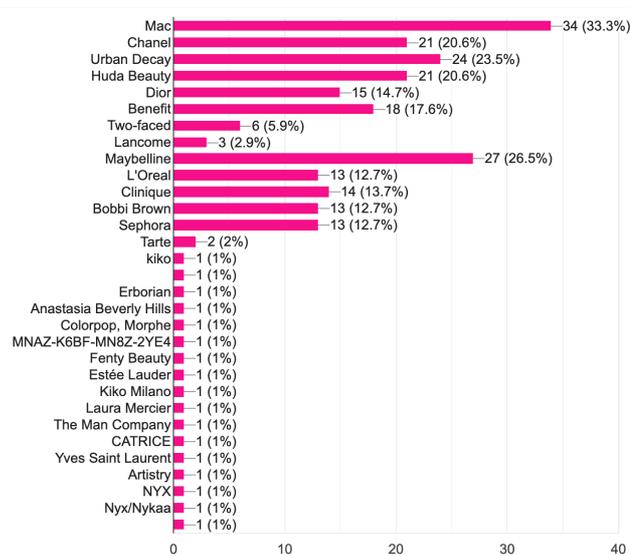


Figure 10. List of cosmetic brands

Additionally, the respondents were asked to state how often they purchase products from their favorite cosmetic brand and a likert scale was used for this question, ranging from points 1-5 (1 = very often, 5 = not at all). Majority (34.3%) of females stated that they buy frequently but 17.5% buy very often. Comparatively, 6.9% respondents have never bought from their favorite cosmetic brand.

The next sub-parts will give a clear idea of how these female consumers behave towards their favorite cosmetic brands and influencers online.

### 5.1.2. Product Choice

The following items were tested in the survey in order to gain a perspective on the choice of cosmetic products of these particular female consumers. The mean and standard deviation derived will give an idea about the average choice of answer, which is shown in the table below. The respondents were asked to rate statements on a scale ranging from strongly agree to strongly disagree.

ITEM	MEAN	STANDARD DEVIATION
Brand choice	1.98	0.783
No substitute	3.03	1.199
Follow social media	2.82	1.283
Visit social media profile	3.64	1.123
Familiarity	2.19	1.072

Table 4. Mean and SD for product choice

The figures given in Table 4 portray the results of the respondents' inputs and show the mean and standard deviation for each item under the variable "product choice". The statements were supposed to be ranked on a scale of 1-5, 1 being strongly agreed and 5 being strongly disagree. The SD (standard deviation) for brand choice is 0.783 and mean is 1.98. The mean implies that on average, most respondents chose between strongly agree and agree regarding the item that states that Product X is their first choice of cosmetic brand. The SD of 0.783 shows that the results of all respondents were close to the mean of 1.98, which means that most of the sample agreed or felt neutral about this statement. Similarly, other statements can be interpreted based on their mean and SD values given in the table.

Overall, the mean of all the statements combined is 2.866 and the standard deviation is 1.258. This gives a very neutral picture of the responses as the average response of the respondents were either agree or disagree, considering the SD of 1.258, which shows a disperse population. This means that the respondents have a tendency to choose other brands over the cosmetic brand they like the most and on an average they do not share an active relationship on social media platforms.

### 5.1.3. Brand Loyalty

The following sub-part will give an insight into the aspect of brand loyalty. Respondents of the survey were asked to rate statements on brand loyalty towards their cosmetic brand on a scale of 1-5 (1=

strongly agree, 5= strongly disagree). According to Table 3 will show the mean and standard deviation of each items used to interpret brand loyalty.

ITEM	MEAN	STANDARD DEVIATION
Brand Culture	2.068	0.744
Loyal to the product	1.588	0.708
Recommend product	1.623	0.705
Product reliability	1.970	0.916
Intention to buy in future	2.07	0.956

Table 5. Mean and SD for brand loyalty

As we can see in the Table 5, there were 5 items listed that would support the brand loyalty variable. The first statement was regarding the brand culture, whether the respondents like the brand culture of cosmetic brand. The mean of this statement was 2.068 and SD was 0.744. This shows that the most respondents only “agree” with the statement that they like the brand culture. SD of 0.744 portrays that there is a close distribution of the sample and most respondents agree with the statement as the outliers are 1.324 and 2.812, which is between strongly agree and neutral.

Similarly, there were other statements ranked such as regarding the loyalty to the product, recommendation of the product, reliability, and intention to buy from the brand in the future. The mean and SD for these statements were roughly around the same value as the one for brand culture. The overall mean of the question was 1.863 and the SD was 0.843. Therefore, it can be seen that the average answer was to agree with statements, which means that most respondents are loyal to the cosmetic brands they like the most.

#### 5.1.4. Self-congruity

The self-congruity variable is used to investigate the relationship between the consumer and the brand on a personal level. The respondents rated 6 statements based on 6 items regarding self-congruity and the scale was from 1 – 5 (strongly agree to strongly disagree). As we can see in Table 6, the mean of all statements are ranging between 2 and 3, which means on an average most respondents either agree or feel neutral about these statements. The overall mean of the statements was 2.541 and the overall SD was 1.01.

ITEM	MEAN	STANDARD DEVIATION
Matches personality	2.64	0.822
Functional attributes	2.08	0.895
Increases confidence	2.242	0.937
Enhances status	3.030	1.063
Community shares ideas	2.848	0.983
Similar beliefs	2.414	1.078

Table 6. Mean and SD for self-congruity

This implies that on an average the respondents felt neutral about the statements because the outliers are ranging from 1.531 and 3.551, which means it lies between strongly agree and disagree. On an average, the respondents do not share a personal relationship with the brand or have an indifferent relationship, they neither agree nor disagree with the statements.

Figure 11 shows the results of the question “How would you describe the emotional attachment with Brand X?” The respondents were asked to rate this statement on a scale of very high to very low. Most of the respondents (33.3%) felt neutral about the emotional attachment with the brand. The same result is also derived from the mean and SD given in Table 4. Followed by, 38.4% respondents feeling high emotional attachment with the cosmetic brand and 28.3% feeling low emotional attachment with the brand.

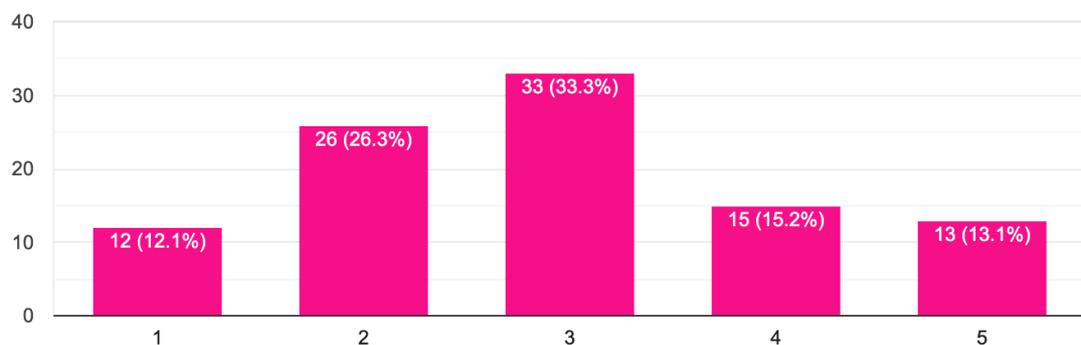


Figure 11. Emotional attachment towards to the brand

### 5.1.5. Brand attitude

The Brand Attitude variable was measured using five significant items: image of the brand, quality of the brand, value consistency, trustworthiness, and expectations of the consumers. By answering these items, it can be evaluated whether the consumers have a positive attitude towards the brand or they do

not. The respondents had to rank statements stating the items used to evaluate the variable on a scale of 1 to 5 (from strongly agree to strongly disagree). The results were used to derive mean and standard deviation of the overall question, as shown in Table 7.

ITEM	MEAN	STANDARD DEVIATION
Positive image	1.652	0.711
High quality	1.583	0.735
Value consistency	1.721	0.787
Trustworthy	1.625	0.714
Meets expectations	1.666	0.735

Table 7. Mean and SD for Brand Attitude

As we can see in the Table 7, the mean for all five items are between 1 and 2, which means that on an average most respondents either strongly agreed or simply agreed with the statements. The overall mean of the results for brand attitude is 1.65 and the SD is 0.735. This shows that overall, the consumer showed a positive attitude towards their favorite cosmetic brand and since the SD is only 0.735, the outliers are not largely dispersed.

Therefore, it can be stated that respondents share a positive attitude towards their favorite brands and they believe that all the items are true about the brand they have chosen.

### 5.1.6. Brand engagement

Brand engagement is used as one of the variables to explore the degree of engagement that the consumers have with the particular cosmetic brand they have chosen. Engagement can be measured by evaluating items such as the number of suggestions given to the brand, the degree of enthusiasm shown on their Instagram profile, participation in contests and giveaways, sharing the posts of the brand with peers and friends, and how the consumers feel about the brand. The respondents rated 6 statements based on 6 items regarding brand engagement and the scale was from 1 – 5 (strongly agree to strongly disagree), as shown in Table 8.

ITEM	MEAN	STANDARD DEVIATION
Suggestions to brand	3.175	1.190
Enthusiastic on Instagram	3.073	1.169
Participate in giveaways	3.452	1.294
In contact with brand on SM	3.618	1.202

Share their posts with friends	3.416	1.389
Positive about their SM profile	2.6	0.949

Table 8. Mean and SD for Brand Engagement

It is shown in Table 8 that most respondents have chosen the answer between 3 and 4, which is between feeling neutral and disagreeing. The overall mean for this particular question is 3.224 and the SD is 1.246. This explains that most respondents felt neutral about these statements and outliers are largely distributed, which are 4.47 and 1.978. By evaluating these values, it can be assumed that each respondent felt differently and there were respondents who disagreed with the statements. Therefore, it can be concluded that these female respondents do not have high engagement with their favorite brands on social media platforms.

Considering that the respondents have low-level engagement with their favorite brands on social media, they still portray a positive attitude towards the brands.

### 5.1.7. Influencers

This sub part of the descriptive statistics section will analyze an important variable of this study: Influencers. The survey consisted of a section dedicated to influencers and the respondents answered several questions and ranked statements regarding their social media usage and influencer following trend.

The following graph (Figure 12) shows the result of the question “Which social media platforms do you use on a daily basis?”

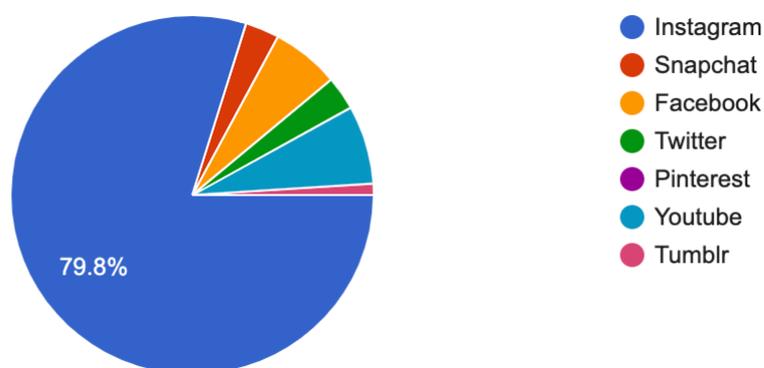


Figure 12. Most used social media application

The respondents were asked to choose one social media platform that they use the most from a list of several applications and the 79.8% of the respondents chose Instagram. The least chosen platform was Tumblr, which was only chosen by 1 respondent. Followed by 3% choosing Snapchat, 3% choosing Twitter, 7% selected Youtube, and 6% choosing Facebook. Therefore, this study’s primary focus concerning social media platform is Instagram as it is the most popular application among the two generations: generation Z and millennial.

The next question in this section of the survey was “How familiar are you with Instagram?” The respondents were asked to rank on a scale of 1 to 5 (1= very familiar and 5= not at all).

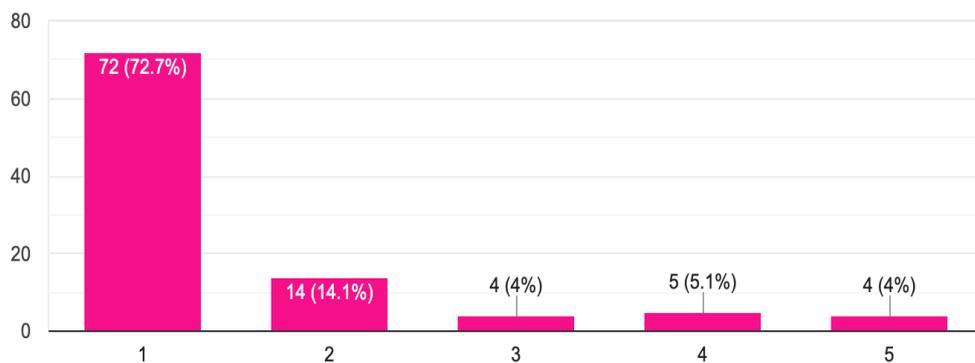


Figure 13. Familiarity with Instagram

In Figure 13 we can see that in total 99 respondents answered this question, out of which 72 have stated that they are very familiar with Instagram, whereas 4 respondents have declared that they are not at all familiar with the application. Considering that majority of the respondents have chosen very familiar, it can be assumed that both generations are daily users of Instagram, which is also established in the next question.

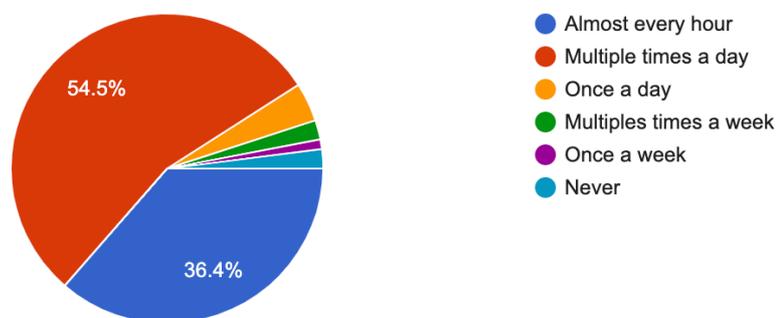


Figure 14. Instagram usage intervals

Figure 14 shows the results of the third question in the influencer section. The question was *“Please indicate how often you use Instagram”* and the respondents were asked to choose from a series of options such as: almost every hour, multiple times a day, once a day, multiple times a week, once a week, and never. According to the graph, most number of respondents (54.5%) answered that they use Instagram multiples times a day, followed by 36.4% respondents used Instagram almost every hour. This shows that almost 91% of all respondents use Instagram on a daily basis. However, 2 respondents also said that they never used Instagram, which implies they must be in those sample groups that use other social media platforms.

The next figure (14) shows a statistical result of the fourth question of this section and the graph represents the answers to the question *“How many bloggers/influencers do you follow on Instagram?”* The respondents were asked to choose from the following options: only one, 2- 5 bloggers, 6-10 bloggers, and 10+ bloggers.

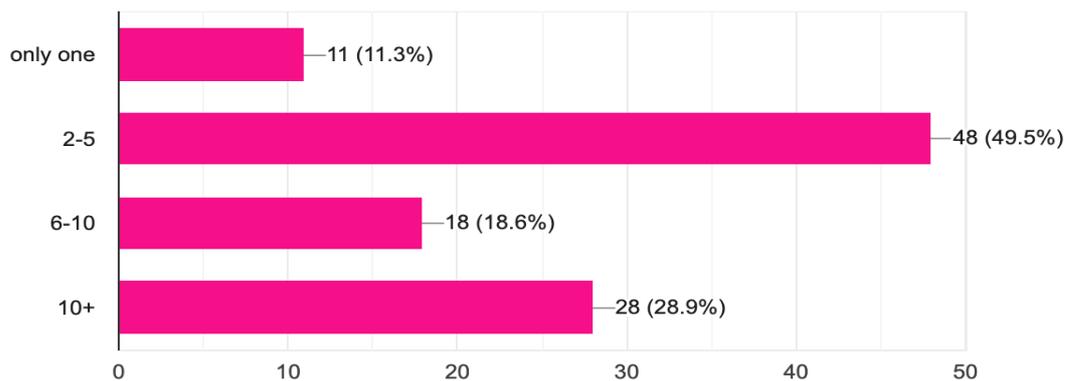


Figure 15. Number of influencers/bloggers followed

According to Figure 15, most of these female respondents follow 2-5 influencers on social media platforms, followed by 28.9% females following more than 10 influencers. Out of 104 total respondents, 97 answered this question. Additionally, a further observation can be made that 11 respondents follow only one influencer on social media, which means that they must rely on this particular influencer the most.

The next question that was answered by the respondents was *“To what extent do you value their social media presence?”* The respondents had to keep a particular influencer in mind and rate this question on a scale from extremely to not at all. The following Figure 16 displays the result of the question mentioned above.

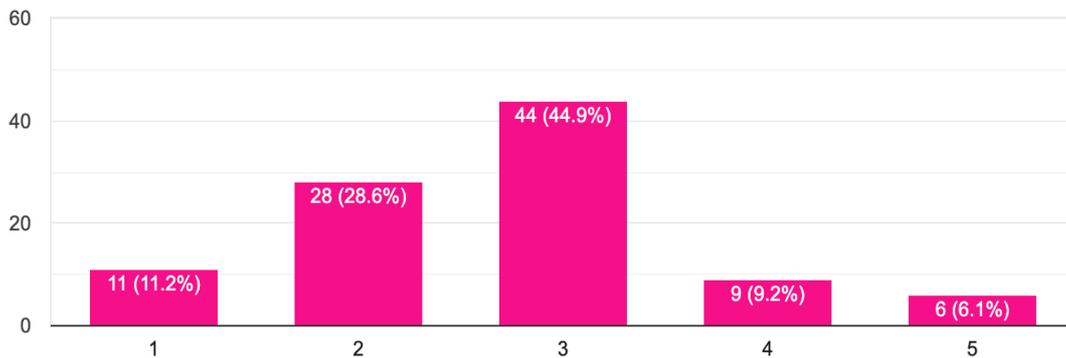


Figure 16. Value of influencer's social media presence

As shown in the graph (Figure 16), most respondents reacted neutral towards the presence of influencers on social media. Most number of respondents felt neutral or agreed and they value the presence of influencers. The ones who disagreed may not follow influencers on social media or may not rely on them and that is why they do not value their presence.

Furthermore, the respondents were asked to rate statements that stated factors behind following influencers: "I follow influencers because..." The scale ranged from 1 to 5 (1= strongly agree and 5= strongly disagree). The results shown in Table 9 are the mean and SD for each statement of the question.

ITEM	MEAN	STANDARD DEVIATION
Popularity	2.908	1.158
Similarity in personality	2.428	1.045
Promotes favorite brands	2.959	1.105
Influencer's lifestyle	2.510	1.133
Up-to-date with promotions	2.948	1.227
Many followers	3.587	1.125
Friends follow this blogger	3.448	1.167

Table 9. Mean and SD (reasons for following influencers)

The overall mean for this question was 2.970, which portrays on an average most respondents agreed with the statements but felt closer to neutral as well. The overall SD for this question was 1.202, which results in outliers ranging from 1.768 to 4.172. This means that respondents ranged from agreeing with the statements to disagreeing with them altogether. Therefore, it can be assumed that these respondents may have other reasons for following these influencers or they may not agree with these

factors strongly.

The last question of the survey consisted of statements that were ranked while keeping the most liked influencer in mind. The scale ranged from 1 to 5 (1= strongly agree and 5= strongly disagree). As we can see in Table 10, the mean and SD of each statement is specified and it can be interpreted that most respondents answered between the scale range 2 and 3. If we consider the overall mean of the statements, which is 2.769, it can be interpreted that on an average the most chosen answer was between agree and neutral.

ITEM	MEAN	STANDARD DEVIATION
<b>Chose brands because of influencer</b>	2.937	1.140
<b>Influencer is informative/honest</b>	2.291	1.150
<b>Influencer's posts about brands</b>	2.589	1.171
<b>Share influencer's posts</b>	3.052	1.347
<b>Active on their posts</b>	2.978	1.344

Table 10. Mean and SD for influencers

The overall SD of this question was 1.262, which results in outliers ranging from 1.507 to 4.031. Therefore, the respondents are largely dispersed on the scale according to the standard deviation. This means that there are very neutral answers to these statements and the respondents do not seem confident about these particular statements about their chosen influencer.

Moving on to the next chapter, the inferential statistics of this study will be explored. In order to get a better understanding of the research question, the hypotheses will be tested using statistical software. The testing of these hypotheses will give a clearer idea of the relationship between the influencers and cosmetic brands and how the two different generations react to this dynamic.

## 5.2. Inferential statistics

Inferential statistics can be used to analyze the collected data and explain the results in relation to the hypotheses. Conclusions can be drawn from the inferences and the final result can be generalized to all the females from the two generations, who follow influencers and cosmetic brands on social media. As discussed in 3.2 *Hypotheses Development*, each hypothesis consists of variables that portrays the

foundation of this study and each of these variables were tested in relation to each other to determine the impact of these factors on influencer marketing.

Before analyzing the inferential statistics of the study, it is essential to compare the mean and standard deviation derived on EXCEL to the mean and standard deviation derived from SPSS statistical software. The following Table 9 will demonstrate the mean and standard deviation of the values compared to the two age groups. Each variable's mean value is the average of all the items representing it, also known as the summative mean. The significance level shows if the relationship of the variable with the age is significant or not. These results were derived by conducting a Independent Sample T-Test on SPSS statistical software.

	Generation Z		Millennial		Sig. level
	Mean	Std. Dev.	Mean	Std. Dev.	
<b>Brand loyalty</b>	1.854	0.672	1.890	0.555	0.316
<b>Self-congruency</b>	2.597	0.769	2.593	0.720	0.936
<b>Brand attitude</b>	1.691	0.721	1.590	0.548	0.283
<b>Brand engagement</b>	3.202	1.018	3.237	0.863	0.572
<b>Influencers</b>	2.945	0.793	3.033	0.783	0.796

Table 11. Mean, standard deviation and significance level of Age groups vs. Variables

As shown in Table 11, the difference in mean between the two age groups is less. In relation to the results found in the descriptive statistics, it can be noticed that the results for each variable is similar. This implies that the characteristics portrayed by the respondents are similar towards the variables, in spite of the generation difference. The same can be applied to standard deviation, for each age group the distribution of data is in the same range. This means that age factor does not have an impact in consumer behavior. However, the significance values portray that all values are higher than that significance level of 0.05. According to this test, the relationship all five variables hold individually with the age factor is not significant and it cannot be held true.

Furthermore, the hypotheses will be tested to find out the relationship between the variables and it will be further analyzed to answer the research question.

By using the statistical software SPSS, certain tests were carried out for each hypothesis discussed above. As shown earlier, each hypothesis is divided into two sub-parts.

The following hypotheses will be analyzed based on the results obtained from statistical testing. Table 12 displays the results from conducting linear regression tests on SPSS for each hypothesis (a) and the values considered for examination are the B-Coefficient to test the relationship of the variables, Significance value (5%) to reject or accept the hypothesis, and Adjusted R Square to test the variance.

	Significance value	B-Coefficient	Adjusted R Square
<b>Hypothesis 1a</b>	0.436	0.068	-0.004
<b>Hypothesis 2a</b>	0.001	0.492	0.109
<b>Hypothesis 3a</b>	0.000	0.237	0.117
<b>Hypothesis 4a</b>	0.001	0.347	0.101
<b>Hypothesis 5a</b>	0.008	0.220	0.061

Table 12. Linear regression results

However, a different method was used to test hypotheses (b). To test the second sub-part of the hypotheses, a general univariate linear model was used. Splitting the file into the two age groups and comparing the significance level of each group in relation to the mean of the variables conducted this test.

### Hypothesis 1

**Hypothesis 1a: There is a direct affect of influencer attitude on brand attitude.**

Hypothesis 1a explores the impact of influencer attitude on brand attitude. In order to analyse the relationship between these two variables, Table 11 can be used to see the results. The adjusted R square value of **-0.004** states that if taken as a set, influencer attitude accounts for -0.4% of the variance in brand attitude. This means that influencer attitude can only explain -0.4% of the variation in brand attitude, which is nearly negligible. Hence, there is no significance of the explanatory variables and this

could have been improved if the sample size was larger. The B-coefficient is **0.068**, which states for 1 unit increase in influencer attitude; there are 0.068 units of increase in brand attitude, holding all other variables constant. At last, the significance level is **0.436**, which is a much higher value than the p-value of 0.05 that determines if the relationship holds true or not.

Considering the information provided in the literature, it can be determined that influencer attitude and brand attitude are independent of each other. By considering the adjusted R square value as well, it is determined that the negative value is negligible and it can be proven that there is no affect on variance between these two variables. An impact on one variable will not cause hindrances on the value of the other variable. It can be concluded that there is no significant impact of influencer attitude on brand attitude. *Therefore, Hypothesis 1a "There is a direct affect of influencer attitude on brand attitude" can be rejected.*

**Hypothesis 1b: There is a significant difference between the two age groups in terms of influencer attitude on brand attitude.**

The general linear model test conducted on SPSS consisted of brand attitude as the dependent variable and influencer attitude as the fixed factor. The data was split into two groups as per the age factor (Generation Z = 1, Millennial = 2). As per the results, the impact of influencer attitude on brand attitude for Generation Z showed the significance level of **0.669** and for Millennial it was **0.760**. Since both the values are different, the adjusted R square value of both groups will be evaluated, which are **-0.055** and **-0.277**. As the values are negative, they can be neglected.

This portrays that in a hypothetical situation where the impact of influencer attitude on brand attitude is measured; there will be no difference in the impact on both the age groups. This is further verified by observing Hypothesis 1a, which states that influencer attitude does not have an impact on brand attitude.

Therefore, it can be concluded that there is no difference in the age groups in terms of influencer attitude on brand attitude. *Therefore, Hypothesis 1b "There is a significant difference between the age groups in terms of influencer attitude and brand attitude" can be rejected.*

## Hypothesis 2

**Hypothesis 2a: There is a direct affect of brand attitude on brand engagement.**

The relationship explored in Hypothesis 2a is the affect of brand attitude on brand engagement. As observed in Table 11, the adjusted R square value derived is **0.109**, which states that brand attitude explains only 10.9% variance in brand engagement. This is a significantly high value and suggests a high impact on brand engagement. Furthermore, the B-coefficient stated is **0.492**, which means that for every 1 unit increase in brand attitude will result in an increase of 0.492 units for brand engagement. This value is higher compared to Hypothesis 1a and shows a strong relationship. Considering the significance value of **0.001** that is lower than the p-value of 0.05, it can be determined that brand attitude does have an impact on brand engagement.

These results help to determine the positive impact that brand attitude has on brand engagement. The value of variance derived implies that brand attitude accounts for almost 11% of the changes in brand engagement. As discussed in the literature, a positive brand attitude will encourage the consumer to build a relationship with the brand by purchasing their products again and engaging with the brand.

*Therefore, Hypothesis 2a "There is a direct affect of brand attitude on brand engagement" can be accepted.*

**Hypothesis 2b: There is a significant difference between the two age groups in terms of brand attitude on brand engagement.**

For Hypothesis 2b, the general linear model test was repeated with data split in relation to age. The values obtained showed that the impact of brand attitude on brand engagement for the consumers of Generation Z portrayed a significance value of **0.024** and for Millennial the significance value was **0.006**. These values are significant as they are lower than the p-value of 0.05. Since the values are promising, we will consider the adjusted R square value to establish the difference. For Generation Z the adjusted R square value was **0.321** and for Millennial the value was **0.666**. This explains that in the case of Generation Z, brand attitude will account for 32.1% of the variance in brand engagement. Whereas, for millennial it will be nearly double as brand attitude will explain 66.6% of the variance in brand engagement.

By examining these numbers, it can be proven that the impact of brand attitude on brand engagement between the two age groups is different. The variance in brand engagement due to brand attitude is almost double for the Millennial compared to Generation Z.

As there is a significant difference in the impact, it can be concluded that both age groups will face a difference in impact of brand attitude on brand engagement. *Therefore, Hypothesis 2b "There is a significant difference between the two age groups in terms of brand attitude on brand engagement" can be accepted.*

### Hypothesis 3

**Hypothesis 3a: There is a direct affect of brand engagement on brand loyalty.**

Moving on, Hypothesis 3a demonstrates the affect of brand engagement on brand loyalty. Consulting Table 11, we can determine results from the values. The adjusted R square value is **0.117** shows that brand engagement is accountable for 11.7% of the variance that takes place in brand loyalty. It is a significantly high value and will result in significance impact. Looking at the B-coefficient of **0.237**, it can be determined that for every 1 unit of brand engagement, there will be an increase of 0.237 units of brand loyalty. This is not a great impact, therefore it can be said that it may not have a significant impact. Finally, the significance value of **0.000** is less than the p-value of 0.05, which signifies that there is a direct affect as the hypothesis holds true.

Brand engagement as a theory shows that it is one of the central constructs of brand loyalty. The results obtained from the survey portray that brand engagement will explain almost 12% variance in brand loyalty's data set. This is a significant impact. Considering the high value of adjusted R square and p-value level, it can be said that brand engagement does have a direct impact on loyalty formed towards cosmetic brands. *Therefore, the Hypothesis 3a "There is a direct affect of brand engagement on brand loyalty" can be accepted.*

**Hypothesis 3b: There is a significant difference between the two age groups in terms of brand engagement on brand loyalty.**

General Linear Model test provided the results to answer Hypothesis 3b. The values displayed showed that the impact of brand engagement on brand loyalty for Generation Z had a significance value of **0.058** and for Millennial the significance value was **0.464**. As we can see, the significance value for the first age group is very close to the p-value of 0.05, which implies that it can held true. Whereas, for Millennial the value is much higher than the p-value, so it can be accepted. For further evidence, it can be seen in the results (Appendix) that the adjusted R square value for Generation Z is **18.8%** and for Millennial it is **5.6%**. It can be implied that the degree of variance for the first age group is much bigger than the variance of the second group.

This demonstrates that the affect of brand engagement on brand loyalty does differ from one age group

to another. It has a higher impact for the consumers in Generation Z. *Therefore, the Hypothesis 3b "There is a significant difference between two the age groups in terms of brand engagement on brand loyalty" can be accepted.*

#### **Hypothesis 4**

**Hypothesis 4a: There is a direct affect of self-congruency on the attitude towards the influencers.**

Table 11 portrays the results for Hypothesis 4a that demonstrates the impact of self-congruency on influencers. The adjusted R square value for this hypothesis is **0.101**, which means that self-congruency only accounts for 10.1% of the variance in the data set of influencers. Additionally, the b-coefficient is **0.347** that imply for every 1-unit increase in self-congruency, there will be a 0.347 increase in the units of influencer attitude. Lastly, the significance test provides the value of **0.001**. Since the value is less than significant p-value of 0.05, it can be determined that the relationship holds true. Considering all the data values obtained from Table 11, it can be determined that self-congruency does have an impact on the attitude towards influencers.

From results of the survey, the respondents showed a pattern that on average most respondents showed a positive response towards the influencers and their self-congruency with the influencers. This determines that if a consumer has a higher self-congruency with an influencer, they are more likely to form a positive attitude towards these influencers. *Therefore, the Hypothesis 4a "There is a direct affect of self-congruency on the attitude towards the influencers" can be accepted.*

**Hypothesis 4b: There is a significant difference between the two age groups in terms of self-congruency on influencer attitude.**

The General Linear Model test conducted for Hypothesis 4b however portrayed different results compared to Hypothesis 3b. The values displayed in the results implied that the impact of self-congruency on influencer attitude for Generation Z had the significance value of **0.077** and for Millennial it was **0.290**. The significance value for Generation Z is only slightly bigger than the p-value, however it is rejected because it is insignificant. To confirm this logic, the adjusted R square value will be considered.

The adjusted R square value of Generation Z was **0.188** and for Millennial it was **0.184**. Since the difference in variance for both age groups is less and both p-values are insignificant, it can be determined that the impact of self-congruency on influencer attitude is irrelevant to the age factor.

This portrays that even though self-congruency does have an impact on influencer attitude to some extent, the impact does not differ between the two age groups. This means that the outcome of this impact will be similar for both age groups. *Therefore, the Hypothesis 4b “There is a significant difference between the two age groups in terms of self-congruency on influencer attitude” can be rejected.*

### **Hypothesis 5**

**Hypothesis 5a: There is a direct affect of influencer attitude on brand loyalty.**

For the last set of hypotheses, we will consider the values of Table 11 again. This hypothesis tests the overall conceptual model, in order to find out if there is an affect of influencer attitude on brand loyalty. According to the table, the adjusted R square value derived is **0.061**. This signifies that influencer attitude explains only 6.1% of the variance in the data set of brand loyalty. Since it is positive, it can be considered significant. The B-coefficient derived from the test is **0.220**, which means that every 1-unit of increase in brand loyalty will result in only 0.220 units increase in brand loyalty. Lastly, the value of the significance level is 0.008. Since the value is less than the significant p-value of 0.05, this relationship can be held significant. Taking the results into consideration, it can be proven that attitude towards influencers does have a direct impact on brand loyalty.

Even though the variance in brand loyalty is only affected by 6.1% by influencer attitude, the literature proves that influencers have positively helped brands to enhance their revenue and customer base by helping them to expand their audience reach. *Therefore, the Hypothesis 5a “There is a direct affect of influencer attitude on brand loyalty” can be accepted.*

**Hypothesis 5b: There is a significant difference between the two age groups in terms of influencer attitude on brand loyalty.**

To answer Hypothesis 5b, we consider the results derived from linear model tests. The values obtained will enable the readers to comprehend if there is difference between the age groups in terms of the impact of influencer attitude on brand loyalty. The impact of influencer attitude on brand loyalty for Generation Z showed significance value of **0.154** and for Millennial the significance value was **0.165**. According to the significant p-value of 0.05, both the results for the two age groups are insignificant, which means the groups individually and compared are not significant.

However, in order to obtain more accurate conclusions, the adjusted R square value will be observed. The adjusted R square value for Generation Z was **0.114**, which means that influencer attitude accounts

for 11.4% of the variance in the dataset of brand loyalty. Whereas, for Millennial the value is **0.398**, which implies that influencer attitude explains almost 40% of the variance in brand loyalty.

Considering these changes, it can be concluded that the variance for Millennial is very high and the impact of influencer attitude or usage of influencer marketing strategies will be higher on brand loyalty for Millennial, as compared to Generation Z. Brand engagement occurs when the consumer is comfortable and satisfied with the products of the cosmetic brand, motivating them to have repurchase intention and becoming loyal to the brand if the satisfaction level is maintained. However, the p-value is insignificant, which determines that this relationship cannot be held true. *Therefore, the Hypothesis 5b "There is no significant difference between the two age groups in terms of influencer attitude on brand loyalty" can be rejected.*

The results obtained from descriptive and inferential statistics will now be considered to derive a conclusion for this paper that will successfully satisfy the objectives and answer the research question. Followed by, a discussion of practical implications that can be advised for marketers and recommendations on the study. Lastly, discussing the limitations and challenges faced during the conduction of the study and scope for future research.

## 6. Conclusion

### 6.1. Discussion of research question

These results can be used to respond to the research question, in view of which the paper was composed. The research question **“How does the use of influencer marketing have an impact on the brand loyalty of generation Z and millennial towards cosmetic brands?”** has thus been answered to some extent. The topics discussed in the literature review helped the readers to understand that relationship between consumer behavior, influencers, and brand management. The motive behind this paper was to mainly identify whether there is a difference in the impact of influencer marketing on two age groups: Generation Z and Millennial in terms of the brand loyalty towards their favorite cosmetic brand. The literature provided was used to develop a framework model that was followed throughout the paper. Followed by, the results derived from inferential statistics will be used to conclude whether the framework can be held true or not.

The reasonable conceptual model produced for the thesis was utilized to make a relationship among the consumers, influencers and cosmetic brands and this model would be utilized to respond to the research question. As shown in the thesis, the use of influencer marketing does have an impact on the brand loyalty of Generation Z and Millennial by creating several variables through which the consumers create a relationship with the brand. Using the concept of self-congruency, cosmetic brands offer partnerships to influencers or bloggers to promote their cosmetic products and create awareness by targeting a larger audience through a mediator.

Young females follow these influencers; hence the age factor comes into the role, which are seeking recommendations and validation on social media platforms. These users create a personal relationship with the influencers as they represent a part of the user’s characteristic or would have a similar personality trait. Other reasons for following influencers will also include the factor that these influencers promote certain brands that are liked by the user. Hence, this relationship enables the influencer to create more awareness among their followers about certain cosmetic brands and the users on social media platforms tend to buy products from these cosmetic brands because a person with more authority recommends it. However, it was established through the survey that consumers hold independent opinions and attitude towards influencers and cosmetic brands. Therefore, the image they carry of the cosmetic brand does not depend on influencer attitude.

But if the brand is viewed positively, the consumers will tend to engage more with the brand on social media platforms. They will like or comment on their posts, share their posts with their friends, and even recommend their products to other people. Eventually, the rate of engagement with the brand increases, which further can develop into brand loyalty. An increase in brand loyalty is one of the main objectives of any brand and using the method of influencer marketing is enabling the cosmetic brands to reach more users through social media. These consumers may not follow traditional channels for updates and news, and they require a more interactive experience when purchasing a product. Hence, the use of influencer marketing can have an impact on increasing brand loyalty among young generations.

This overall model representing the relationship between the consumers, influencers, and cosmetic brands gives a detailed layout of how influencer marketing has an impact on brand loyalty, especially on Generation Z and Millennial.

## **6.2. Theoretical contribution**

The objective of this paper was to identify the impact of influencer marketing on the brand loyalty of Generation Z and Millennial towards cosmetic brands and to find out if there is a difference between how the consumers of these two generations behave. This part of the study will link the literature provided above to the results obtained. This will be used to analyse and find conclusions based on theory and whether it has been proven through the survey or not.

### Affect of influencer attitude on brand attitude

As mentioned in the literature, self-congruity is a tendency when a consumer purchases a product that is in congruence with some aspect of their personality (Hanna and Wozniak, 2001). This means that consumers often find similarities between themselves and the brand in order to form a positive brand attitude. However, it is also proven that the use of influencer marketing affects the decisions of the consumer because they are opinion leaders, display expertise in certain product and service categories and portray characteristics of an efficient person (Langner, Hennigs & Wiedmann, 2013). Therefore, in the cases where consumers switch from one cosmetic brand to another, it may be due to the dissatisfaction and they would consider taking recommendations from their favorable influencers.

However, in this study, this theory has been proven wrong. The hypothesis consisting of these variables was rejected and it portrayed that influencer attitude has no influence over brand attitude. The

perception a consumer would have about an influencer would not have an affect on their attitude towards cosmetic brands. This implies that their attitude and opinions towards influencers is independent to their attitude towards cosmetic brands. Considering that consumers may follow several influencers and brands that may not have correlation with each other, which portrays an independent relationship. Therefore, it can be said that if the consumer's attitude towards their chosen influencer changes, then it will not have an impact on the attitude towards their favorite cosmetic brand. After analyzing the survey results, it was established that consumers hold a positive attitude towards cosmetics brands that share similar aesthetics and characteristics as the consumer rather than being mediated through the influencer.

#### Affect of brand attitude on brand engagement

Presumably, a positive brand attitude will result in higher brand engagement. If a consumer feels positive towards a particular cosmetic brand, their online engagement with the brand will automatically increase on their chosen social media platform. It is implied in Table 1, that a consumer with a high level of involvement with the brand will lead to higher brand loyalty (Park, 1996), as brand involvement and loyalty are highly correlated. However, studies have shown that involvement and engagement are separate concepts, as there is a difference between 'involvement' and 'participation' (Brodie et al., 2011). On the other hand, it is also proven that consumers' attitude towards a brand also varies depending on their engagement with the brand. This means that brand attitude and brand engagement are interlinked. As the engagement becomes stronger, the consumer forms a deeper positive attitude, which is difficult to change (Solomon, 2010)

Furthermore, from the results it can be seen that this hypothesis is held true. Respondents have shown a positive brand attitude, even though the rate of engagement is neutral. By choosing social media platforms, the respondents have limited options regarding engagement factors to choose from. By considering this factor, the overall result shown is positive. The results prove the theories right and portray that brand attitude enhances brand engagement. It is crucial for the brand to cater to different age groups appropriately because as mentioned in sub chapter "Generational differences in marketing" that these consumers are fast-paced and their interests keep changing (Gobé, 2010). Therefore, the use of different marketing methods on social media platforms can be used to encourage involvement with the brands and also suggested by this study.

### Affect of brand engagement on brand loyalty

In any case, if a consumer has a high rate of engagement with the brand, they will develop a certain kind of loyalty towards the cosmetic brand. High involvement with a product may enhance brand loyalty (Traylor, 1998). Similarly, low involvement with a product has shown a significance decrease in brand loyalty because the consumer does not hold strong feelings or beliefs about the brand (Amine, 1998). Therefore, proving the relationship that a higher rate of brand engagement will result in brand loyalty. Consumers with high level of engagement will portray an interest in lower price sensitivity and premium products (Ramkumar et al., 2013). The outcome post purchase that is related to loyalty can be predicted by brand engagement rather than other constructs such as satisfaction and quality. This is essential because it explores the depth of consumer relationships with the brand (Bowden, 2009; Hollebeek, 2011a, 2011b).

From the results, it can be concluded that this concept is true and the survey has proven that brand engagement does have an impact on brand loyalty. Even though respondents have showed a neutral behaviour towards brand engagement, overall it plays a crucial role in determining brand loyalty.

### Affect of self-congruency on influencer attitude

Considering the conceptual framework model in this thesis, the results imply that the model may need to shift its variables in order to satisfy the research purpose. It can be analyzed that if a consumer has high self-congruency, it will have an impact on how they perceive the influencers they follow. According to Levy (1959), consumers tend to see the similarities between them and other people and products. Their decision of selecting an influencer or a product may come from a social factor. The higher the level of self-congruency, the more positive will be the attitude towards influencers but not necessarily to the brand.

This relationship is true but it does not differ with the generation gap. Both age groups behave in the same pattern towards the changes in self-congruency. As presented in this thesis, there are some similarities between the two generations, which includes factors such as being surrounded by technology and living a life of fast changes and more validation. These similarities can explain that self-congruency between both generations has an impact on influencer attitude and how they are perceived.

Consumers value the opinion of those influencers with higher power, and use these values to enhance their self-concept. Young consumers are more likely to get influenced as they admire these influencers and bloggers, and adopt these values for self-construction (Boon & Lomore, 2001). As it is proven in the

results, consumers do share a personal relationship with the influencers and this is where the concept of self-congruency can be applied. If a social media user feels that there are similarities between them and the influencer, they will unconsciously develop an attachment with the influencer and in that case it is easy to get influenced by their opinions.

#### Affect of influencer attitude on brand loyalty

As shown in previous studies, influencer marketing and social media marketing have played crucial roles in increasing brand loyalty for brands. The use of influencer marketing has a positive impact on purchase intentions, which in turn helps in building brand loyalty as repurchasing from the same brand leads to commitment (Mao, Sang & Zhu, 2014). This form of marketing is highly different from the methods used in traditional marketing and it is more affective because it gives a personal touch to the process of marketing. In fact, the exchange of information, sharing posts of products that are posted by influencers, etc. improves the trust building process between the consumer and brand, and it also decreases insecurity (Hajili, 2004).

From the results derived in this paper, it is proven that influencer marketing does hold a significant impact on brand loyalty. This impact on brand loyalty does not differ with age group, which means that Generation Z and Millennial are both susceptible to change.

Since only one aspect of the model does not hold true, it can be determined that even though consumers have independent attitudes about influencers and cosmetic brands, consumers can still create a relationship with cosmetic brands through influencers.

Furthermore, it is shown in the descriptive statistics that most respondents use social media platforms, especially Instagram, on a daily and more frequent basis. All the brands mentioned by the respondents hold a strong social media community on Instagram and have active consumers engaging with the brands. Even though the rate of brand engagement on digital platforms may not be high, it can be seen that these respondents are loyal towards the brand and hold a positive attitude.

Overall, the thesis proves that there is a certain relationship between the three factors: consumers, influencers, and cosmetic brands. The consumers may differ in attitude and behavior based on their age group. The main reason for targeting Generation Z and Millennial was to be able to establish the impact of the fast-paced technology that is changing the marketing strategies for all cosmetic brands on the

current youth (Generation Z), as well as, the generation older than the youth (Millennial) as they have experienced the traditional methods of marketing as well.

For most hypotheses, there was an observed difference between the two age groups. The digitalization of marketing strategies is enabling the brands to create a two-way relationship with the consumer, where they can experience a personal relationship with the cosmetic brands online and allow to tailor to different segments too, which as this thesis shows can be beneficial.

### **6.3. Practical implications for marketers**

The findings of this study can be used as an insightful outlook into the behavior of Generation Z and Millennial on a digital platform. The information provided in this thesis can be used to understand consumer behavior on a digital platform. This research can be used as a guide for businesses and influencers on what attracts consumers about advertising influencers, how they choose certain products and influencers, what motivates them to participate with internet brand influencers and how influencers can work with them.

As the reasons mentioned to follow influencers were not enough, marketers can use this study to extract other external reasons for selecting influencers or following bloggers, which may not be associated with self-congruency. The types of influencers that were discussed in the literature are the three major types of influencers, within which there are several other kinds that specialize in different fields. As a proposal for future studies, researchers can explore the concept of influencers in depth to conduct a more accurate study and target a sample group associated with specific influencers.

Cosmetic brands should also stay up-to-date with marketing campaigns and strategies in order to keep the consumers attracted and to create more creative content. With the increase in digitalization, it is essential to analyse how to use social media platforms effectively and create a valuable experience for the consumer. Using the new features on social media platforms such as Instagram, influencers can create a more personalized content for their followers, encouraging them to engage actively. Companies can also conduct cost-benefit analysis by weighing out their investment in this strategy and the return on investment they receive. As shown in this thesis, the returns are highly profitable. Therefore, doing a deep analysis would also help them conduct campaigns for appropriate target groups from where they will receive maximum engagement.

The digitization of the businesses all over the globe has resulted in a more efficient working behavior, more revenue, less costs, and more quality-based content being delivered to the consumers. As the current generation of consumers have easy access to information online and understand the genuineness of information they are receiving, brands should focus on being more authentic. Additionally, the use of a popular technology called “bots” can be used for influencer marketing. Brands have already started using Influencer Marketing Automation (IMA), as a form of marketing tool that reduces the time and effort of influencer marketing, while maintaining the quality and authenticity of the content.

Keeping the age factor in mind, companies can develop strategies using influencers that would just target certain age groups such as Generation Z and Millennial, by considering how they behave differently. The survey can be analyzed based on age groups and the patterns of difference can be used for further research. Targeting and segmenting the consumer base even more would enable the marketers and influencers to reach a wider and more authentic audience. Focusing on consumer traits can also be beneficial, as it will explain their choices. By analyzing the study of personalities and introducing consumer traits to this study will open new roads to new conclusions. This will give the marketers an advantage of catering to different types of consumers and follow their traits to reach out to them. If the cosmetic brands pay attention to the behavior of the consumers and comprehend the market they are targeting, they will be able to retain higher profits and increase brand loyalty.

Companies and marketers should not underestimate the amount of knowledge consumers have about the endorsements they see. Therefore, the use of influencers should be made cautiously. Consumers tend to trust those influencers more who show results of personal experiences, and have a quality-based content on their profile. Future researchers can possibly address other aspects such as purchase intention, and create models that will breakdown factors as to why consumers follow social media influencers. By exploring the concept of purchase intention, the marketers can understand whether the consumer’s intention to purchase a product was influenced by an influencer or the brand itself. This can lead to new scales of attractiveness and new variables that will elaborate the framework model, and be used for further studies in the field of influencer marketing. Furthermore, the companies can develop appropriate campaign structure for their products based on the needs of the consumers.

Influencers can also benefit from this study by understanding what their followers like and dislike and how to gain loyalty of their followers. This will enable the influencers to create an image that is more trustworthy, credible, and reliable for the followers.

## 6.4. Future research and limitations

It is imperative to discuss the challenges faced in the study and limitations that were caused from receiving accurate results. The survey may not reflect individual characteristics of the respondents and rather focused primarily on their behavior in a limited situation. The answers received from the respondents were based on an imaginable situation and it is possible that they may not feel likewise in real life cases.

Respondents were asked to choose one specific cosmetic brand to answer all the questions. However, it is highly likely that they may have different preferences for different cosmetic products. This can lead to inaccuracy of results, as they may not be able to describe the alternate preferences they have. Therefore, marketers can consider the variation in cosmetic products and their particular brand preferences from the respondents to understand their behavior in a better way.

The sample collected was very small as there were obstacles in reaching a wider audience through social media such as respondents not answering due to busy schedule or not being to comprehend questions so they missed out on questions. Due to a small sample, ratio between the age group was vast. There were total 104 respondents, out of which 78 respondents were between the ages of 16-23. This means the overall study was slightly skewed towards Generation Z and the sample for Millennial was relatively small to compare with the other group. As mentioned before, not all respondents answered all the questions, which means it is difficult to apply all the results of all the questions to the entire sample. In the future, marketers can look into a simpler pattern of questions that will keep the respondents engaged and motivated to answer all the questions. Long surveys can cause problems for busy respondents with low level of patience.

Nationality can be considered as a factor of analysis in the future. Since the usage of social media platforms allover the world is different and depends on the geographical location, it can be beneficial to keep the nationality in mind and study if there is a pattern of change due to the difference in nationalities and regulations of specific countries.

Furthermore, the questions regarding the influencers were focused more on influencers as a whole. The respondents may have specific kinds of influencers who they follow such as bloggers, make up artists, celebrities, different types of influencers, etc. and they should be taken into account to understand the

primary reasons for following influencers. This will initiate more detailed studies for researchers in the future in the field of influencers and developing new theories on how to use influencer marketing most efficiently. Additionally, it would be useful in further research that researchers also analyze the influencers' points of views and create another sample group for research design that would consist of influencers and bloggers.

The most used social media platform was Instagram, which led to the entire study focusing on influencer marketing on Instagram. If a bigger sample is collected for further research, it can be determined that some consumers may behave differently on other social media platforms and where they feel the most connected with the influencer/brand.

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## 8. Appendices

### 8.1 Appendix A: Pre-survey questions

1. What is your age?

2. Name your top 3 favorite beauty cosmetic brands

3. Which cosmetic brands do you follow on Instagram?

4. Do you follow beauty influencers on Instagram?

Yes

No

## 8.2 Appendix B: Survey questions

### WELCOME!

Hello everyone! I am writing a thesis to complete my degree of M.Sc in Management (specialisation in Digital Marketing and Social Media Management).  
The research question of my thesis is "How does the use of influencer marketing have an impact on the brand loyalty of generation Z and millennial towards cosmetic brands?".

Kindly fill out this survey in order to help me get as many responses as possible to conduct my study. Your feedback would be of utmost importance to me.  
It will not take longer than 7-8 minutes.

Thank you for your time :)

Karina Dogra

Please select your age group

16-23

24-38

### Cosmetic product

How many cosmetic brands do you follow on Instagram?

Only one

2-5 brands

6-10 brands

10+ brands

In this situation, please choose your favourite brand from the list given below (throughout the survey, your chosen brand will be referred to as Brand X)

- Mac
- Chanel
- Urban Decay
- Huda Beauty
- Dior
- Benefit
- Two-faced
- Lancome
- Maybelline
- L'Oreal
- Clinique
- Bobbi Brown
- Sephora
- Other: \_\_\_\_\_

How often do you purchase from Brand X?

	1	2	3	4	5	
Very often	<input type="radio"/>	Never				

Keeping Brand X in mind, rate the following statements:

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
This cosmetic brand is my first choice	<input type="radio"/>				
I will not buy another brand if it is present in the same store	<input type="radio"/>				
I follow Brand X on social media platforms to stay up-to-date	<input type="radio"/>				
I visit their profiles on a daily basis	<input type="radio"/>				

How familiar are you with Brand X?

	1	2	3	4	5	
Very familiar	<input type="radio"/>	Unfamiliar				

**BRAND LOYALTY**

Keeping Brand X in mind, rate the following statements:

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I like the brand culture	<input type="radio"/>				
I like the products of brand X	<input type="radio"/>				
I will recommend products from brand X	<input type="radio"/>				
I rely on brand X for their products	<input type="radio"/>				
I intend to buy from brand X very often	<input type="radio"/>				

**SELF-CONGRUITY**

Keeping Brand X in mind, rate the following statements:

	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree
I chose brand X because it matches my personality	<input type="radio"/>				
I chose brand x because of their functional attributes (colour, symbol, packaging)	<input type="radio"/>				
I feel more confident purchasing from this brand	<input type="radio"/>				
Brand X helps me enhance my status	<input type="radio"/>				
I feel good about myself when Brand X community shares my ideas	<input type="radio"/>				
I feel good when others agree with my beliefs	<input type="radio"/>				

How would you describe your emotional attachment with brand X?

	1	2	3	4	5	
Very high	<input type="radio"/>	Very low				

**BRAND ATTITUDE**

Keeping Brand X in mind, rate the following statements:

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
The brand has a positive image	<input type="radio"/>				
The brand is of high quality	<input type="radio"/>				
The brand is consistent with their value	<input type="radio"/>				
The brand is reliable and trustworthy	<input type="radio"/>				
The brand meets my expectations and needs	<input type="radio"/>				

**BRAND ENGAGEMENT**

Keeping Brand X in mind, rate the following statements:

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I often suggest how brand x can improve itself	<input type="radio"/>				
I am enthusiastic in relation to the brand's instagram page	<input type="radio"/>				
I participate in giveaways/contests	<input type="radio"/>				
I feel positive about their instagram page	<input type="radio"/>				
I am actively in contact with brand X on social media	<input type="radio"/>				
I will share their posts with my friends on social media	<input type="radio"/>				

**Influencers/bloggers**

Which social media platforms do you use on a daily basis?

- Instagram
- Snapchat
- Facebook
- Twitter
- Pinterest
- Youtube
- Tumblr

How familiar are you with Instagram?

	1	2	3	4	5	
Very familiar	<input type="radio"/>	Not at all				

Please indicate how often you use Instagram?

- Almost every hour
- Multiple times a day
- Once a day
- Multiples times a week
- Once a week
- Never

How many bloggers/influencers do you follow on Instagram?

- only one
- 2-5
- 6-10
- 10+

To what extent do you value their social media presence?

	1	2	3	4	5	
Extremely	<input type="radio"/>	Not at all				

I follow influencers because:

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
they are popular	<input type="radio"/>				
they have similar personality traits as I have	<input type="radio"/>				
they promote my favorite brands	<input type="radio"/>				
I can associate with the blogger's lifestyle	<input type="radio"/>				
I stay updated about promotions	<input type="radio"/>				
they have many followers	<input type="radio"/>				
my friends follow them	<input type="radio"/>				

Thinking about your most liked influencer, rate the following statements:

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I like the influencer very much, that is how I choose cosmetic brands	<input type="radio"/>				
I like the influencer because they are informative and honest	<input type="radio"/>				
I browse the influencer's profile to check out products from other brands	<input type="radio"/>				
I share their posts with my friends on social media	<input type="radio"/>				
I actively participate by commenting and liking their posts	<input type="radio"/>				

### 8.3 Appendix C: SPSS results

#### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.080 <sup>a</sup>	.006	-.004	.67572

a. Predictors: (Constant), Mean Influencers

#### ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.279	1	.279	.612	.436 <sup>b</sup>
	Residual	43.377	95	.457		
	Total	43.656	96			

a. Dependent Variable: Mean Brand Attitude

b. Predictors: (Constant), Mean Influencers

#### Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.459	.267		5.453	.000
	Mean Influencers	.068	.087	.080	.782	.436

a. Dependent Variable: Mean Brand Attitude

#### Hypothesis 1a

#### Tests of Between-Subjects Effects

Dependent Variable: Mean Brand Attitude

Age <sup>1</sup>	Source	Type III Sum of Squares	df	Mean Square	F	Sig.
.	Corrected Model	.000 <sup>a</sup>	0	.	.	.
	Intercept	1.960	1	1.960	.	.
	MeanInfluencers	.000	0	.	.	.
	Error	.000	0	.		
	Total	1.960	1			
	Corrected Total	.000	0			
1	Corrected Model	10.088 <sup>b</sup>	22	.459	.836	.669
	Intercept	115.221	1	115.221	209.993	.000
	MeanInfluencers	10.088	22	.459	.836	.669
	Error	25.788	47	.549		
	Total	235.973	70			
	Corrected Total	35.876	69			
2	Corrected Model	4.447 <sup>c</sup>	17	.262	.681	.760
	Intercept	53.137	1	53.137	138.317	.000
	MeanInfluencers	4.447	17	.262	.681	.760
	Error	3.073	8	.384		
	Total	73.283	26			
	Corrected Total	7.520	25			

a. R Squared = . (Adjusted R Squared = .)

b. R Squared = .281 (Adjusted R Squared = -.055)

c. R Squared = .591 (Adjusted R Squared = -.277)

#### Hypothesis 1b

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.343 <sup>a</sup>	.118	.109	.91151

a. Predictors: (Constant), Mean Brand Attitude

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	10.440	1	10.440	12.566	.001 <sup>b</sup>
	Residual	78.100	94	.831		
	Total	88.541	95			

a. Dependent Variable: Mean Brand Engagement

b. Predictors: (Constant), Mean Brand Attitude

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.411	.249		9.674	.000
	Mean Brand Attitude	.492	.139	.343	3.545	.001

a. Dependent Variable: Mean Brand Engagement

**Hypothesis 2a**

**Tests of Between-Subjects Effects**

Dependent Variable: Mean Brand Engagement

Age <sup>1</sup>	Source	Type III Sum of Squares	df	Mean Square	F	Sig.
.	Corrected Model	.000 <sup>a</sup>	0	.	.	.
	Intercept	13.444	1	13.444	.	.
	MeanAttitude	.000	0	.	.	.
	Error	.000	0	.		
	Total	13.444	1			
	Corrected Total	.000	0			
1	Corrected Model	22.364 <sup>b</sup>	12	1.864	2.204	.024
	Intercept	311.779	1	311.779	368.661	.000
	MeanAttitude	22.364	12	1.864	2.204	.024
	Error	47.360	56	.846		
	Total	786.131	69			
	Corrected Total	69.724	68			
2	Corrected Model	12.393 <sup>c</sup>	8	1.549	4.228	.006
	Intercept	156.538	1	156.538	427.287	.000
	MeanAttitude	12.393	8	1.549	4.228	.006
	Error	6.228	17	.366		
	Total	291.083	26			
	Corrected Total	18.621	25			

a. R Squared = . (Adjusted R Squared = .)

b. R Squared = .321 (Adjusted R Squared = .175)

c. R Squared = .666 (Adjusted R Squared = .508)

**Hypothesis 2b**

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.356 <sup>a</sup>	.126	.117	.60705

a. Predictors: (Constant), Mean Brand Engagement

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.065	1	5.065	13.746	.000 <sup>b</sup>
	Residual	35.008	95	.369		
	Total	40.074	96			

a. Dependent Variable: Mean Brand Loyalty

b. Predictors: (Constant), Mean Brand Engagement

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.101	.214		5.136	.000
	Mean Brand Engagement	.237	.064	.356	3.708	.000

a. Dependent Variable: Mean Brand Loyalty

**Hypothesis 3a**

**Tests of Between-Subjects Effects**

Dependent Variable: Mean Brand Loyalty

Age <sup>1</sup>	Source	Type III Sum of Squares	df	Mean Square	F	Sig.
.	Corrected Model	.000 <sup>a</sup>	0	.	.	.
	Intercept	3.240	1	3.240	.	.
	MeanEngagement	.000	0	.	.	.
	Error	.000	0	.		
	Total	3.240	1			
	Corrected Total	.000	0			
1	Corrected Model	14.459 <sup>b</sup>	22	.657	1.728	.058
	Intercept	161.741	1	161.741	425.311	.000
	MeanEngagement	14.459	22	.657	1.728	.058
	Error	17.874	47	.380		
	Total	272.463	70			
	Corrected Total	32.332	69			
2	Corrected Model	5.090 <sup>c</sup>	16	.318	1.093	.464
	Intercept	73.232	1	73.232	251.560	.000
	MeanEngagement	5.090	16	.318	1.093	.464
	Error	2.620	9	.291		
	Total	100.623	26			
	Corrected Total	7.710	25			

a. R Squared = . (Adjusted R Squared = .)

b. R Squared = .447 (Adjusted R Squared = .188)

c. R Squared = .660 (Adjusted R Squared = .056)

**Hypothesis 3b**

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.333 <sup>a</sup>	.111	.101	.74748

a. Predictors: (Constant), Mean Self-congruity

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6.670	1	6.670	11.939	.001 <sup>b</sup>
	Residual	53.637	96	.559		
	Total	60.308	97			

a. Dependent Variable: Mean Influencers

b. Predictors: (Constant), Mean Self-congruity

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.069	.271		7.638	.000
	Mean Self-congruity	.347	.100	.333	3.455	.001

a. Dependent Variable: Mean Influencers

Hypothesis 4a

**Tests of Between-Subjects Effects**

Dependent Variable: Mean Influencers

Age <sup>1</sup>	Source	Type III Sum of Squares	df	Mean Square	F	Sig.
.	Corrected Model	.000 <sup>a</sup>	0	.	.	.
	Intercept	7.367	1	7.367	.	.
	MeanCongruity	.000	0	.	.	.
	Error	.000	0	.		
	Total	7.367	1			
	Corrected Total	.000	0			
1	Corrected Model	21.909 <sup>b</sup>	26	.843	1.624	.077
	Intercept	331.507	1	331.507	638.821	.000
	MeanCongruity	21.909	26	.843	1.624	.077
	Error	22.833	44	.519		
	Total	661.230	71			
	Corrected Total	44.742	70			
2	Corrected Model	9.842 <sup>c</sup>	14	.703	1.402	.290
	Intercept	181.203	1	181.203	361.289	.000
	MeanCongruity	9.842	14	.703	1.402	.290
	Error	5.517	11	.502		
	Total	254.531	26			
	Corrected Total	15.359	25			

a. R Squared = . (Adjusted R Squared = .)

b. R Squared = .490 (Adjusted R Squared = .188)

c. R Squared = .641 (Adjusted R Squared = .184)

Hypothesis 4b

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.266 <sup>a</sup>	.071	.061	.62746

a. Predictors: (Constant), Mean Influencers

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.915	1	2.915	7.405	.008 <sup>b</sup>
	Residual	38.190	97	.394		
	Total	41.105	98			

a. Dependent Variable: Mean Brand Loyalty

b. Predictors: (Constant), Mean Influencers

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.207	.248		4.869	.000
	Mean Influencers	.220	.081	.266	2.721	.008

a. Dependent Variable: Mean Brand Loyalty

**Hypothesis 5a**

**Tests of Between-Subjects Effects**

Dependent Variable: Mean Brand Loyalty

Age <sup>1</sup>	Source	Type III Sum of Squares	df	Mean Square	F	Sig.
.	Corrected Model	.000 <sup>a</sup>	0	.	.	.
	Intercept	3.240	1	3.240	.	.
	MeanInfluencers	.000	0	.	.	.
	Error	.000	0	.		
	Total	3.240	1			
	Corrected Total	.000	0			
1	Corrected Model	12.971 <sup>b</sup>	22	.590	1.417	.154
	Intercept	137.067	1	137.067	329.449	.000
	MeanInfluencers	12.971	22	.590	1.417	.154
	Error	20.386	49	.416		
	Total	279.222	72			
	Corrected Total	33.357	71			
2	Corrected Model	6.226 <sup>c</sup>	17	.366	1.973	.165
	Intercept	77.013	1	77.013	415.000	.000
	MeanInfluencers	6.226	17	.366	1.973	.165
	Error	1.485	8	.186		
	Total	100.623	26			
	Corrected Total	7.710	25			

a. R Squared = . (Adjusted R Squared = .)

b. R Squared = .389 (Adjusted R Squared = .114)

c. R Squared = .807 (Adjusted R Squared = .398)

**Hypothesis 5b**

