

Exploring the dynamics of influencer marketing in shaping generation-y consumers' brand perceptions and purchase intentions

Prof Padhma Moodley*

Dept. of Strategic Communication
University of Johannesburg
South Africa

padhmam@uj.ac.za

* Corresponding author

Dr Paballo Patience Ntobaki

Dept. of Marketing and Retail Management
Durban University of Technology
South Africa

paballon@dut.ac.za

ABSTRACT

Influencer marketing has emerged as a powerful strategy in shaping brand perceptions and purchase intentions, particularly amongst Generation-Y consumers who are highly engaged with social media. This study investigated the impact of influencer marketing on the brand perceptions and purchase intentions of Generation-Y consumers in South Africa, a rapidly growing market for digital engagement. Through a quantitative approach, data were collected from 475 online respondents using a structured survey. The findings reveal that influencers significantly influence brand perceptions, enhancing brand reliability and appeal, which in turn increases purchase intentions. However, the study also identifies gaps in the integration of trust and authenticity in influencer content, which are critical factors driving consumer decisions. By examining the role of Social Learning Theory, the Elaboration Likelihood Model and para-social relationships, this research provides insights into the dynamics of consumer-influencer interactions. The study contributes to existing literature by offering a South African perspective on the effectiveness of influencer marketing as a strategic tool for brands aiming to engage with digitally savvy consumers. Future research should explore the long-term effects of these interactions on brand loyalty and the evolving landscape of influencer marketing.

Keywords: Influencer marketing, Generation-Y, brand perceptions, purchase intentions, social media, South Africa



1. INTRODUCTION

Influencer marketing has rapidly evolved as a dominant strategy within the global marketing landscape, driven by the rise of social media platforms and the growing influence of digital personalities. This form of marketing leverages social media influencers (SMIs) to promote brands and products, establishing a perceived authenticity and relatability that traditional advertising often lacks (Cassuto, 2023). In South Africa, influencer marketing has gained significant traction, reflecting broader global trends as consumers increasingly turn to social media for information, entertainment and purchasing decisions (Nhlapo, 2022). Despite the global growth of this industry, there remains a need to explore its specific impact within the South African context, particularly amongst Generation-Y consumers who are known for their high levels of social media engagement and reliance on digital content for decision-making.

The South African market presents unique characteristics, with a diverse consumer base and a rapidly expanding internet culture. This evolution has been accompanied by a rise in the prominence of local influencers who cater to niche and mass markets alike, offering brands an effective channel to engage with targeted audiences (Payflex, 2023). Unlike traditional advertising, influencer marketing allows for personalized content that resonates with specific consumer segments, thereby fostering a sense of community and trust between influencers and their followers. The impact of this marketing approach is especially pronounced amongst Generation-Y, also known as Millennials, who represent a significant proportion of South Africa's population and possess substantial purchasing power (Bevan-Dye, 2021).

Generation-Y consumers, born between 1981 and 1996, are digital natives who have grown up alongside the rapid advancement of technology and social media. This cohort is characterized by a strong inclination toward online interactions, with a preference for brands that demonstrate authenticity, transparency and social responsibility (Ladhari, Gonthier, & Lajante, 2019). Influencer marketing aligns well with these values, as influencers are often perceived as peers or relatable figures who provide trustworthy recommendations in a way that traditional advertising cannot. Research indicates that more than 70% of Generation-Y consumers follow influencers on platforms like Instagram, YouTube and TikTok, seeking their opinions when considering new brands or products (Jin, Muqaddam, & Ryu, 2019).

However, despite the growth of influencer marketing, there is a gap in understanding its specific impact on brand perceptions and purchase intentions within the South African context. While global studies have highlighted the effectiveness of influencer marketing in driving consumer behaviour, these findings may not fully translate to the South African market, where cultural, economic and social dynamics play a critical role in shaping consumer attitudes (Fourie, 2020). Furthermore, existing research often overlooks the subtle differences between various types of influencers, such as nano, micro, macro and mega influencers, each of which interacts with their audience in distinct ways (Syed, Mehmood, & Qaiser, 2023).

2. OBJECTIVES AND HYPOTHESES OF THE STUDY

To address these gaps, this study aims to investigate the extent to which influencer marketing influences Generation-Y consumers' brand perceptions and purchase intentions in South Africa. Specifically, the study focuses on the following objectives:

To explore the impact of influencer marketing on brand perceptions amongst Generation-Y consumers.

This objective seeks to understand how influencer marketing influences the way in which Generation-Y consumers perceive brands. Hypothesis H1 (below) directly tests this relationship, aiming to confirm whether influencer marketing enhances brand perceptions as suggested by the literature.

To examine the influence of influencer marketing on purchase intentions.

This objective focuses on the impact of influencer marketing on the willingness of Generation-Y consumers to purchase products. Hypothesis H2 (below) is directly linked to this objective, as it tests the strength and significance of the relationship between influencer marketing activities and consumers' purchase intentions.

To assess the role of consumer trust in the relationship between influencer marketing and Generation-Y's purchasing decisions.

This objective aims to investigate how trust, as influenced by interactions with social media influencers, affects purchasing decisions. Hypothesis H3 is formulated to examine this trust dynamic, as it hypothesizes that influencer marketing positively influences the level of trust that Generation-Y consumers have in brands, thereby affecting their purchase intentions.

The study draws on Social Learning Theory (SLT) and the Elaboration Likelihood Model to understand how consumers learn from and emulate influencers, whose endorsements often serve as powerful social cues that guide consumer behaviour (Glucksman, 2017). Additionally, the concept of para-social relationships, which describes the one-sided emotional bonds that followers develop with influencers, is explored to highlight the psychological mechanisms underpinning the influence of digital personalities (Hwang & Zhang, 2018).

Based on these theoretical foundations, the study hypothesizes the following:

- H1: There is a positive relationship between influencer marketing and brand perception.**
- H2: There is a positive relationship between influencer marketing and purchase intention.**
- H3: There is a positive relationship between influencer marketing and Generation-Y consumer trust.**

By focusing on the South African market, this research provides valuable insights into the dynamics of influencer marketing in a rapidly digitalizing consumer environment. It examines the factors that drive the effectiveness of influencer endorsements, including trust, perceived authenticity and relatability, and how these factors shape the brand perceptions and purchase intentions of Generation-Y consumers. The study also aims to contribute to the broader literature on influencer marketing by offering a contextual understanding of how these dynamics play out in an emerging market, ultimately providing brands with actionable strategies for engaging with this influential consumer segment.

3. LITERATURE REVIEW: MAPPING THE INFLUENCER LANDSCAPE IN SOUTH AFRICA

The evolution of influencer marketing has transformed the global marketing landscape, allowing brands to engage consumers through authentic, relatable content. In South Africa, this industry has grown rapidly, driven by increased internet connectivity and a diverse range of influencers that cater to various consumer segments (Nhlapo, 2022). Influencer marketing, which leverages the reach and credibility of social media influencers (SMIs), has become a preferred strategy for brands seeking to enhance their visibility and influence consumer behaviour (Syed, Mehmood, and Qaiser, 2023). According to Marketing Spread (2022), approximately 45% of the South African population actively engages with social media platforms and exhibits a notable inclination towards following influencers on social media, ranking sixth on a global scale. These South Africans dedicate a considerable amount of time to social media platforms daily, positioning the country at fifth place worldwide in terms of the average duration of usage.

Influencers possess a substantial following, comprising individuals who demonstrate a strong inclination towards the influencers' content and endeavours. This is evident through their voluntary subscriptions to receive automated updates from the influencers, as well as their active engagement in comments and discussions with both the influencers and fellow followers (Farivar, Wang, and Turel, 2022: 2). Influencer marketing has proven to be advantageous for marketers and consumers alike as it combines pertinent and valuable content with strategic promotional efforts. This approach facilitates enhanced brand-consumer interactions through the utilisation of independently generated content on influencers' owned media platforms. Furthermore, the provision of personalised and interactive information can be enhanced, thereby bolstering consumer involvement and engagement.

3.1 UNDERSTANDING INFLUENCER MARKETING AND ITS GROWTH

Influencer marketing utilizes individuals with significant social media followings to promote brands and products, through creating intimate connections with audiences through relatable and authentic content (Cassuto, 2023). Influencers are categorized into tiers based on their follower count and engagement levels:

- **Nano-influencers** (fewer than 10 000 followers): Known for their highly engaged audiences, nano-influencers often have a close-knit follower base and are perceived as highly relatable and authentic. Despite their smaller reach, they are valuable for targeting niche markets with personalized content that resonates deeply with specific consumer segments (Abidin, 2016).
- **Micro-influencers** (10 000-100 000 followers): Micro-influencers maintain a balance between reach and engagement, making them highly effective for brands seeking to connect with audiences on a more personal level. They are often seen as experts in specific areas such as beauty, fitness or tech, and their endorsements carry significant weight amongst followers who view them as trusted sources (De Veirman, Cauberghe, & Hudders, 2017).
- **Macro-influencers** (100 000-1 million followers): Macro-influencers have a broader reach and often collaborate with well-known brands. While their content may appear more polished and professional, which can sometimes lessen perceived authenticity, they are effective in driving large-scale brand awareness and reaching a diverse audience (Syed *et al.*, 2023).
- **Mega-influencers** (over 1 million followers): Often celebrities or well-known public figures, mega-influencers have vast followings and high visibility. Although they offer the greatest reach, their endorsements are sometimes seen as less authentic due to their commercial nature, making them less impactful in driving trust and deep consumer engagement compared to smaller influencers (Evans, Phua, Lim, & Jun, 2017).

Each influencer tier offers distinct advantages, and the choice of influencer type can significantly impact the effectiveness of a marketing campaign. Micro and nano influencers, in particular, are widely utilized by South African brands for their perceived authenticity and ability to foster direct connections with targeted audiences (Marketing Spread, 2022). Recent data suggest that nearly 45% of South Africans actively engage with social media, dedicating considerable time daily to platforms like Instagram, Facebook and TikTok. This trend positions South Africa amongst the top countries globally for time spent on social media, reflecting the potential of influencer marketing to reach and engage a broad consumer base (Marketing Spread, 2022). Influencer-generated content, which blends personal experience with brand endorsements, often resonates more with consumers than traditional advertising due to its perceived authenticity and relatability (Nhlapo, 2022).

3.2 INFLUENCER MARKETING AND BRAND PERCEPTIONS

Social media influencers have re-defined the manner in which brands connect with consumers, particularly through their ability to shape brand perceptions in ways that traditional advertising cannot achieve. Influencers present brands within the context of their daily lives, creating narratives that resonate deeply with their followers (De Veirman, Cauberghe, & Hudders, 2017). This approach goes beyond simple product placement, as it integrates brands into influencers' lifestyles, making endorsements appear more authentic and relatable. Such relatability enhances brand credibility and fosters positive brand perceptions, particularly amongst Generation-Y consumers who are drawn to authenticity and transparency (Schouten, Janssen, & Verspaget, 2020).

3.2.1 The Personal Touch of Influencers and Brand Perception

Influencers are perceived as ordinary people who have achieved visibility through relatable content, allowing them to act as powerful opinion leaders and trendsetters. They often share unfiltered experiences, product reviews and personal stories, which make brand endorsements appear more genuine compared to the polished nature of traditional advertisements (Abidin, 2016). This personal touch not only humanizes brands but also makes them more

approachable and trustworthy. For Generation-Y, whose media consumption is dominated by social platforms, the ability of influencers to create a sense of intimacy and connection plays a crucial role in shaping how they perceive brands (Audrezet, De Kerviler, & Moulard, 2020).

Research supports the notion that influencer endorsements significantly enhance brand perceptions by increasing brand favourability, trustworthiness and emotional connection (Lou & Yuan, 2019). A study by Erkan and Evans (2018) found that consumers exposed to influencer-generated content rated brands more positively than those who viewed traditional advertisements. Influencers who openly share their experiences with products—whether through vlogs, social media posts or stories—allow consumers to see brands in action, creating a powerful, believable narrative that traditional advertising struggles to replicate.

3.2.2 Factors Enhancing Influencers' Impact on Brand Perceptions

Several factors enhance the impact of influencers on brand perceptions. Perceived expertise and credibility are critical, and influencers who are viewed as knowledgeable in a specific domain (e.g., fitness, beauty, technology) tend to shape brand perceptions more effectively (Lou & Yuan, 2019). Furthermore, the authenticity of the influencer—the degree to which they appear genuine and aligned with the brands they endorse—plays a pivotal role in influencing how their followers perceive brands (Audrezet, De Kerviler, & Moulard, 2020). Influencers who are transparent about their brand partnerships and who maintain a consistent personal brand are often more successful in positively influencing brand perceptions.

Additionally, the emotional connections that influencers build with their followers enhance the effectiveness of their endorsements. Para-social relationships, characterized by the one-sided emotional bonds that followers develop with influencers, make these endorsements feel personal and trustworthy, further elevating brand perceptions (Hwang & Zhang, 2018). This connection can turn followers into brand advocates, amplifying positive perceptions through word-of-mouth and user-generated content, thus expanding the brand's reach beyond the influencer's direct audience.

Social media influencers play a crucial role in shaping brand perceptions by presenting brands in ways that traditional advertising cannot. Influencers use their platforms to showcase products as part of their daily lives, creating a narrative that resonates with their followers (De Veirman, Cauberghe, & Hudders, 2017). This personal touch enhances brand credibility and relatability, which is particularly appealing to Generation-Y consumers who value authenticity and transparency (Schouten, Janssen, & Verspaget, 2020). Studies have found that influencer endorsements can significantly enhance how brands are perceived, often making them appear more trustworthy and desirable (Evans, Phua, Lim, & Jun, 2017).

3.3 INFLUENCER MARKETING AND PURCHASE INTENTIONS

Influencer marketing extends beyond enhancing brand awareness. It plays a direct and substantial role in influencing consumers' purchase intentions. Influencers act as trusted advisors, providing recommendations that often feel more like personal advice rather than commercial pitches (Jin, Muqaddam, & Ryu, 2019). This perceived personal connection and relatability enable influencers to drive consumer behaviour in ways that traditional advertising often fails to achieve.

Influencer marketing impacts purchase intentions primarily through content strategies that create engaging, authentic and emotionally resonant experiences for consumers. Influencers often employ storytelling techniques, live demonstrations and interactive content that allow followers to envision how products fit into their own lives (Evans, Phua, Lim, & Jun, 2017). This narrative approach not only showcases the product's benefits but also frames the influencer as a relatable figure who uses the product in a genuine way, prompting followers to consider purchasing.

Studies have shown that the authenticity and quality of influencer content are key factors influencing purchase decisions. Consumers are more likely to act on endorsements when influencers appear sincere and when their content feels natural, rather than forced or overly commercialized (Lou & Yuan, 2019). High-quality content that provides clear, detailed information about product usage, benefits and personal experiences significantly boosts

followers' confidence in making a purchase. For instance, influencer-generated content such as tutorials, reviews and real-time product demonstrations offers practical insights that traditional advertising often lacks, enhancing the perceived value of the product (Hughes *et al.*, 2019).

3.3.1 Content Engagement and Purchase Intention

The level of engagement that influencers maintain with their audiences plays a critical role in driving purchase intentions. Engaging content—such as polls, Q&A sessions and interactive stories—allows influencers to address follower queries, dispel doubts, and reinforce the credibility of their endorsements in real-time. This two-way interaction enhances the persuasiveness of the message and increases the likelihood of purchase by making followers feel personally involved in the decision-making process (Childers, Lemon, & Hoy, 2019).

Moreover, influencers frequently leverage social proof—a psychological phenomenon where individuals conform to the actions of others—to boost purchase intentions. By showcasing user-generated content, testimonials or community feedback, influencers create a sense of popularity and desirability around a product, making followers more inclined to purchase it (De Veirman, Cauberghe, & Hudders, 2017). Social proof, combined with influencer endorsements, creates a powerful persuasive mechanism that taps into consumers' fear of missing out (FOMO), thus driving immediate purchase decisions.

3.3.2 Psychological Influences on Purchase Intentions

The psychological impact of influencer marketing on purchase intentions can be understood through various theories, including Social Learning Theory and the Elaboration Likelihood Model (ELM). Social Learning Theory suggests that consumers adopt behaviours observed in influencers, especially when these influencers are perceived as role-models or peers (Glucksman, 2017). This behavioural modelling effect is particularly strong when influencers demonstrate product use in their content, as followers are likely to emulate the behaviours of someone they admire.

The Elaboration Likelihood Model further explains that consumers process influencer messages through the peripheral route, focusing on cues such as attractiveness, likability and the influencer's reputation, rather than on in-depth product information (Petty & Cacioppo, 1986). This model highlights why influencers are effective in prompting impulsive purchases, as followers are often swayed by the influencer's overall appeal and the emotional resonance of the content rather than analytical evaluations of the product.

3.4 TRUST AS A MEDIATING FACTOR IN INFLUENCER MARKETING

Trust is a cornerstone of the influencer-consumer relationship and serves as a critical mediator between influencer marketing and consumer behaviour. In influencer marketing, trust operates as the foundation upon which the effectiveness of endorsements is built, influencing how consumers perceive brands and make purchasing decisions. When consumers trust an influencer, they are more likely to internalize their recommendations, hence making trust a key driver in converting endorsements into actions (Labrecque, 2014).

Trust in influencers develops over time through consistent, transparent and authentic engagement. Influencers who regularly interact with their followers, respond to comments, share personal stories and disclose their brand partnerships foster a sense of honesty and openness that builds trust. This transparent communication differentiates influencers from traditional advertising, which is often perceived as impersonal and profit-driven (Hwang & Zhang, 2018).

For Generation-Y, trust is particularly valuable because they seek authenticity in their interactions with brands and influencers. They view influencers not just as marketers but as trusted advisors who offer guidance, insights and genuine opinions. Influencers who are seen as honest and reliable are more successful in persuading their followers to adopt their brand recommendations, underscoring the importance of trust in influencer marketing (Schouten, Janssen, & Verspaget, 2020).

3.4.1 Trust as a Mediator Between Influencer Marketing and Consumer Behaviour

Trust acts as a mediator in the relationship between influencer marketing and consumer behaviour, particularly in the context of brand perceptions and purchase intentions. The mediating role of trust means that even highly engaging or visually appealing content may fail to drive consumer action if the influencer lacks credibility in the eyes of their followers (Verma, Kapoor and Gupta 2024).

- **Influencing Brand Perceptions:** Trust enhances the positive impact of influencer endorsements on brand perceptions. When followers trust an influencer, they are more likely to perceive the endorsed brand as credible and desirable. This connection is particularly significant amongst Generation-Y, who often rely on influencers to guide their brand choices and validate their purchasing decisions (Lou & Yuan, 2019).
- **Driving Purchase Intentions:** Trust directly impacts purchase intentions by making endorsements feel more like personal recommendations from a friend rather than commercial pitches. This relational dynamic increases followers' willingness to act on endorsements, thus reinforcing the critical role of trust in converting influencer marketing efforts into actual sales (Hwang & Zhang, 2018).
- **Mitigating Negative Perceptions:** Trust also serves as a buffer against negative perceptions or backlash when influencers address criticisms or mishaps openly. Influencers who respond transparently to issues, admit mistakes or adjust their content based on follower feedback can maintain or even strengthen trust, demonstrating resilience and integrity (Audrezet *et al.*, 2020).

3.5 THEORETICAL PERSPECTIVES: SOCIAL LEARNING THEORY; THE ELABORATION LIKELIHOOD MODEL (ELM) AND PARA-SOCIAL INTERACTION

This study is anchored in three key theories, namely Social Learning Theory (SLT), the Elaboration Likelihood Model (ELM), and the concept of Para-social Relationships. Together, these theories provide a comprehensive understanding of how influencer marketing affects Generation-Y's consumer behaviour, addressing the study's objectives related to brand perceptions, purchase intentions, and trust.

3.5.1 Social Learning Theory (SLT)

Developed by Bandura (1977), SLT posits that individuals learn behaviours through observing and imitating others (Glucksman, 2017). In influencer marketing, SLT explains how Generation-Y consumers adopt brand perceptions and purchasing behaviours by emulating influencers who act as role-models. Influencers showcase brands in everyday scenarios, allowing followers to visualize themselves using the products, thereby reinforcing desired behaviours and increasing purchase intentions (Hu & Zhu, 2022). Brands utilise their resources by partnering with social media influencers, with the hope that consumers who engage with these influencers will adopt their behaviours, essentially mirroring them (Glucksman, 2017: 79). The theory also serves as a foundational context for understanding social media influencers who represent a distinctive form of independent third-party endorsers, akin to celebrity endorsements. They possess the ability to shape audience attitudes and influence decision-making through their social media presence, which further affirms what this theory posits, that an individual's intention to purchase products is significantly influenced by their perceptions of social media influencers' attitudes and effectiveness, encompassing factors like source credibility, source attractiveness, product match-up and meaning transfer when promoting products (Lim *et al.*, 2017: 21).

3.5.2 Elaboration Likelihood Model (ELM)

The Elaboration Likelihood Model (ELM), developed by Petty and Cacioppo (1986), is a dual-process theory of persuasion that explains how individuals process persuasive messages and the resulting impact on attitudes and behaviors. ELM posits two routes of persuasion: the central route and the peripheral route. The central route involves deep, thoughtful processing of information, often leading to long-lasting attitude change when the message is highly relevant and credible. Conversely, the peripheral route involves superficial processing, where individuals rely on cues such as attractiveness, likability, and credibility of the source rather than the message's content.

In the context of influencer marketing, the ELM is particularly pertinent to purchase intentions (Objective 2, H2). Influencer marketing often operates through the peripheral route, where consumers are influenced by the influencer's perceived credibility, attractiveness, and relatability rather than in-depth analysis of the product (Petty & Cacioppo, 1986). This explains why followers may quickly decide to purchase a product based on an influencer's endorsement, as the persuasive cues provided by the influencer are often more impactful than detailed product information (Evans *et al.*, 2017).

3.5.3 Para-social Relationships

Para-social relationships are one-sided emotional bonds between followers and influencers, creating intimacy and trust. These relationships make endorsements feel more personal and credible, amplifying their effectiveness. Para-social relationships further enhance the impact of influencer marketing. These one-sided, emotionally charged connections enable followers to feel close to influencers, enhancing the credibility and persuasiveness of their recommendations (Hwang & Zhang, 2018). This dynamic is particularly effective amongst Generation-Y, who value authenticity and personal engagement, and often view influencers as more relatable and trustworthy compared to traditional celebrities or brand advertisements (Nah, 2022). Moreover, this theory emphasizes that an individual's intention to purchase products is significantly influenced by their attitudes and the effectiveness of social media influencers. In the process of shaping audience attitudes and decision-making through social media, influencers can impact consumer behaviours, whether through direct or indirect social interactions (Mgiba and Nyamande, 2020: 4).

TABLE 1: LINKAGE OF THEORIES AND HYPOTHESES

	Social Learning Theory	Elaboration Likelihood Model	Para-social Relationships
H1: Brand Perceptions	Influencers shape brand perceptions through visible, authentic interactions with brands, acting as social cues that followers mimic.	ELM explains how influencers use peripheral cues (emotional appeals, personal stories) to drive impulsive purchase decisions.	Para-social relationships make endorsements feel genuine, positively influencing brand perceptions.
H2: Purchase Intentions	Repeated and consistent endorsements by influencers drive followers to imitate their purchasing behaviours.	Emotional and visually engaging content enhances brand perceptions without the need for detailed product information.	Emotional connections with influencers drive purchase intentions as followers feel personally persuaded by endorsements.
H3: Trust	Genuine engagement and transparency by influencers foster trust, making followers more likely to adopt their recommendations.	Credibility, as a peripheral cue, highlights the role of trust in enhancing the impact of endorsements.	The familiarity and personal connection inherent in para-social relationships foster a high level of trust, enhancing receptivity to recommendations.

These theories complement each other by explaining the mechanisms of observational learning, peripheral persuasion and emotional bonding that drive influencer marketing's impact on brand perceptions, purchase intentions and trust. SLT focuses on imitation; ELM on persuasion through peripheral cues; and Para-social Relationships on emotional and trust-based connections, providing a robust framework that aligns with the study's objectives.

4. METHODOLOGY

This study employed a quantitative research design to investigate the effect of influencer marketing on Generation-Y consumers' brand perceptions and purchase intentions in South Africa. A quantitative approach was adopted to measure the relationships between variables and test hypotheses through statistical analyses (Zikmund & Babin, 2010). This approach enabled the collection of numerical data, allowing for objective conclusions about the influence of social media influencers on consumer behaviour. A structured survey was conducted with a targeted sample of South African Generation-Y consumers who are active social media users.

The target population consisted of South African Generation-Y consumers (born 1981-1996) who engage with social media platforms (Bevan-Dye, 2021). Non-probability sampling methods, including convenience and purposive sampling, were used to select participants who met specific criteria, namely aged between 18-43 years and active engagement with social media influencers (Sekaran & Bougie, 2010). Screening questions ensured that respondents matched the study's focus on Generation-Y consumers. Data were collected using a structured online questionnaire hosted on Qualtrics, featuring Likert-scale questions to measure attitudes toward influencer marketing, brand perceptions and purchase intentions.

Data were analysed using SPSS version 28.0, incorporating descriptive and inferential statistics. Descriptive statistics summarized the sample characteristics, while Exploratory Factor Analysis (EFA) identified underlying constructs related to brand perceptions and purchase intentions. Multiple regression analysis tested the influence of influencer marketing on these dependent variables, assessing the strength and significance of influencers' impact on consumer behaviour. Institutional Ethical approval was obtained for the study. Participants were informed about the study's purpose, anonymity and voluntary participation. Informed consent was secured, with assurances of confidentiality. The use of non-probability sampling limits generalizability, and self-reported data may introduce biases. Future research should explore diverse sampling methods and longitudinal studies to assess long-term effects

5. FINDINGS AND ANALYSIS

This section presents the results of the data analysis, highlighting the key findings regarding the impact of influencer marketing on Generation-Y consumers' brand perceptions and purchase intentions in South Africa. The data analysis involved descriptive statistics, exploratory factor analysis (EFA) and multiple regression analysis to assess the relationships between influencer marketing and the study's dependent variables.

5.1 DEMOGRAPHIC CHARACTERISTICS

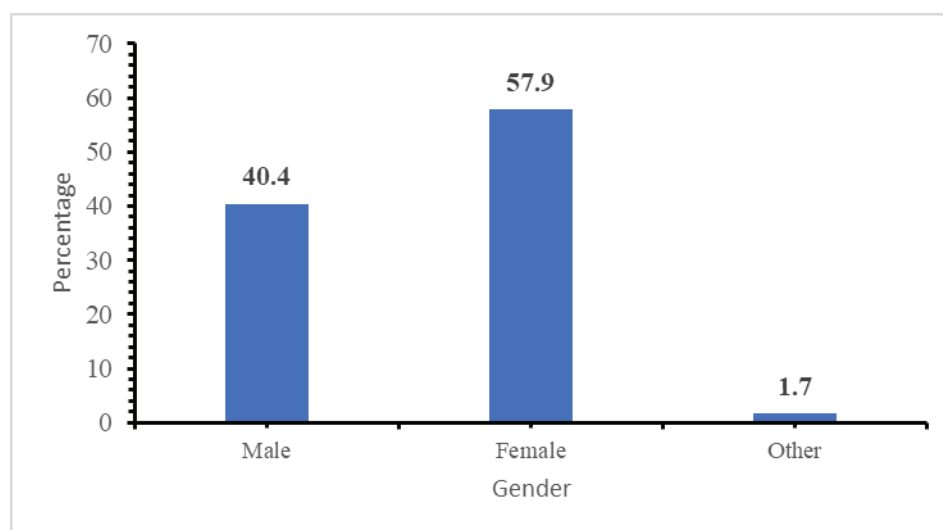


FIGURE 1: GENDER DISTRIBUTION

The final sample comprised 475 respondents, predominantly female (57.9%), followed by males (40.4%) and a small number identifying as 'other' (1.7%). The age distribution showed a significant representation of respondents aged 27-30 years (44.2%), followed by those aged 31-35 years (35.8%) and 36-43 years (20%). The racial composition was diverse, with 66.8% identifying as Black, 13.9% as Indian, 12.6% as Coloured and 6.7% as White. These demographic characteristics reflect the diversity of the South African Generation-Y cohort and underscore the potential for influencer marketing to reach various consumer segments.

5.2 FACTOR ANALYSIS

5.2.1 Exploratory Factor Analysis (EFA)

TABLE 2; FACTOR LOADINGS

Rotated Component Matrix ^a		
	Component	
	1	2
PI1	,688	
PI2	,714	
PI3	,731	
PI4	,773	
PI5	,640	
PI6	,791	
PI7	,682	
PI8	,662	
PI9		,651
PI10	,737	
PI11		,843
PI12	,522	,599
PI13	,658	,526
PI14	,793	
PI15	,723	
PI16	,761	
PI17	,821	
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. Rotation converged in 3 iterations. Variance=60.19% Kaiser-Meyer-Olkin Measure of Sampling Adequacy=0.903 Bartlett's Test of Sphericity= (p<0.001; X ² =5729,686; df=136)		

An exploratory factor analysis was conducted to identify the underlying constructs related to brand perceptions and purchase intentions influenced by social media influencers. The Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy was 0.903, indicating that the data were suitable for factor analysis (Hair *et al.*, 2013). Bartlett's Test of Sphericity was significant ($\chi^2 = 5729.686$, $p < 0.001$), confirming the appropriateness of the factor analysis.

The EFA extracted two distinct factors using the principal component analysis with varimax rotation, which together explained 60.19% of the variance. The factor loadings are shown in Table 2.

TABLE 3: EXTRACTED FACTORS, VARIANCE AND RELIABILITY OF CONSUMER BRAND PERCEPTION AND INFLUENCER-DRIVEN DECISION- MAKING

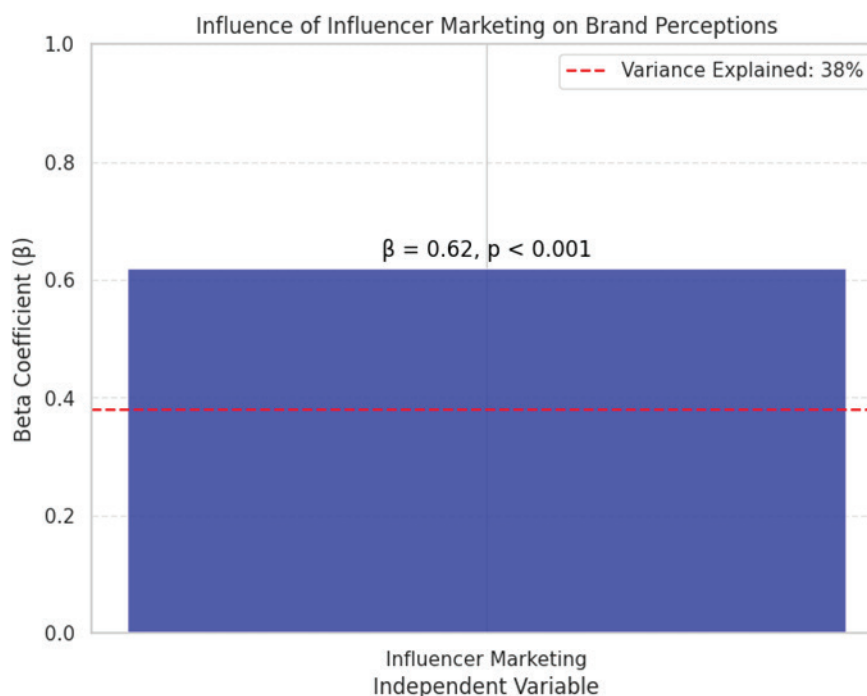
Factor	Construct	Items included	Number	Variance extracted	Cronbach's alpha
1	Purchase Intention	PI-PI8, PI14-P17	12	51.64	.934
2	Influencer-Driven Decision-Making	PI9, PI11	2	8.55	.475

- **Factor 1: Purchase Intentions** – This factor included items related to consumers' intentions to purchase products endorsed by influencers (PI1-PI8, PI14-PI17), explaining 51.64% of the variance. The high Cronbach's alpha (0.934, Table 3) indicated strong internal consistency and reliability amongst these items, suggesting that the factor robustly measured the influence of influencer marketing on purchase intentions.
- **Factor 2: Influencer-Driven Decision-Making** – This factor comprised items PI9 and PI11, focusing on decision-making influenced by negative or positive influencer reviews, accounting for 8.55% of the variance. However, the relatively low Cronbach's alpha (0.475, Table 3) suggested weaker internal consistency, prompting further refinement in future research to enhance the reliability of this construct.

5.2.2 Hypothesis Testing: Multiple Regression Analysis

Multiple regression analysis was conducted to test the relationships between the independent variable (influencer marketing) and the dependent variables (brand perceptions and purchase intentions). The model aimed to determine the extent to which influencer marketing impacts consumer behaviour amongst Generation-Y.

Influence of Influencer Marketing on Brand Perceptions

**FIGURE 2: INFLUENCER MARKETING INFLUENCE ON BRAND PERCEPTIONS**

The regression analysis revealed that influencer marketing significantly impacts brand perceptions amongst Generation-Y consumers ($\beta = 0.62, p < 0.001$). The model explained 38% of the variance in brand perceptions ($R^2 = 0.38$), indicating a substantial effect. Influencers who were perceived as authentic, relatable and trustworthy had the most significant impact on enhancing brand perceptions, aligning with the findings of previous studies (He et al., 2019). Consumers reported that influencers' recommendations made brands appear more reliable and appealing compared to traditional advertisements.

Influence of Influencer Marketing on Purchase Intentions

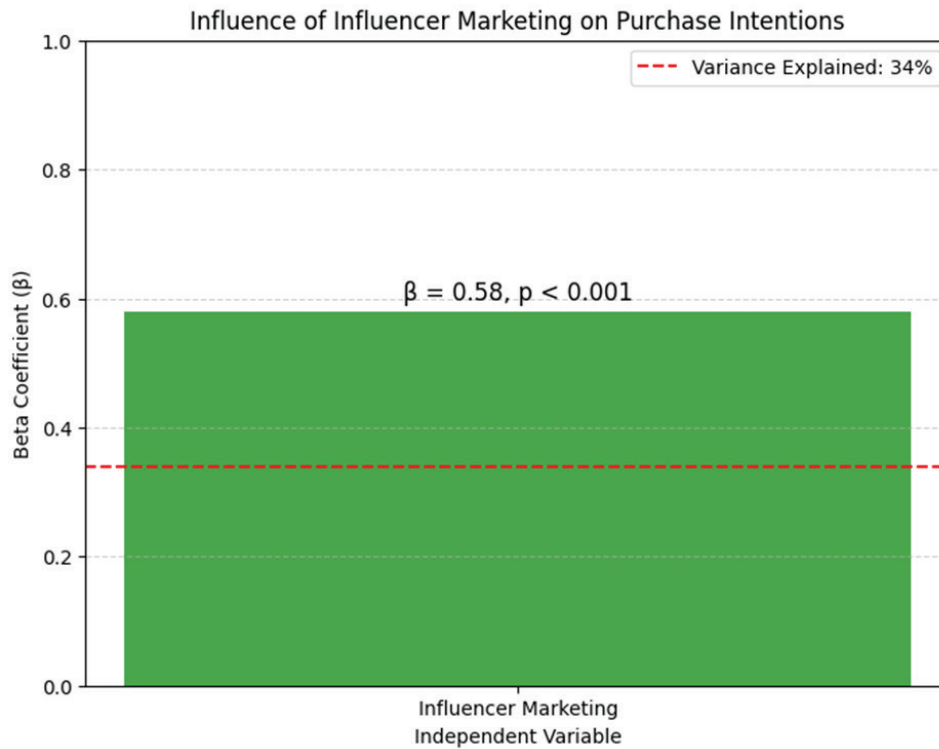


FIGURE 3: INFLUENCER MARKETING INFLUENCE ON PURCHASE INTENTIONS

The results showed that influencer marketing also significantly influences purchase intentions ($\beta = 0.58, p < 0.001$), with the model explaining 34% of the variance in purchase intentions ($R^2 = 0.34$). Key drivers included the perceived credibility of the influencer, the quality of content, and the degree of engagement between the influencer and their followers. Influencers who regularly interacted with their audience and provided honest feedback were found to have a stronger influence on purchase decisions, emphasizing the importance of perceived authenticity in influencer marketing (Syed, Mehmood, & Qaiser, 2023).

Impact of Negative Influencer Reviews

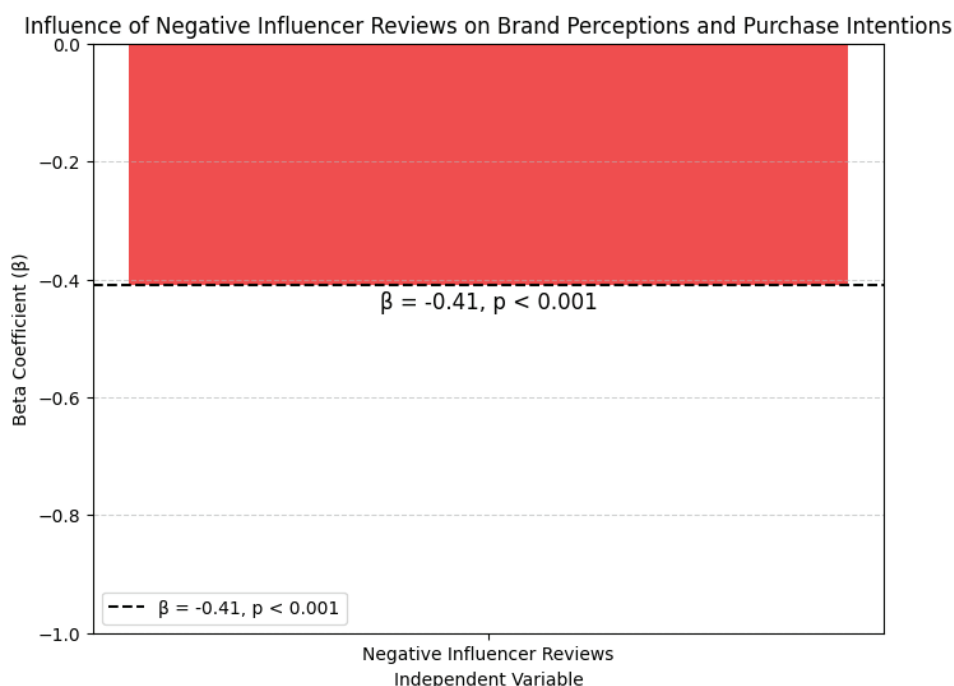


FIGURE 4: NEGATIVE REVIEW IMPACTS ON BRAND PERCEPTIONS AND PURCHASE INTENTIONS

Interestingly, the analysis indicated that negative influencer reviews could significantly alter brand perceptions and purchase intentions ($\beta = -0.41$, $p < 0.001$). Consumers were likely to avoid brands that received poor reviews from influencers, highlighting the powerful role of influencers in shaping consumer attitudes not only through positive endorsements, but also through critical evaluations (Singh *et al.*, 2020). This highlights the dual nature of influencer marketing, where both positive and negative interactions can substantially impact consumer behaviour.

5.3 ADDITIONAL INSIGHTS

5.3.1 Role of Para-social Relationships

The findings also highlighted the role of para-social relationships in enhancing the impact of influencer marketing. Consumers who developed strong emotional bonds with influencers were more likely to perceive their endorsements as genuine and trustworthy, leading to higher purchase intentions. This aligns with the concept of para-social interaction, which suggests that followers often view influencers as friends or trusted advisors, making their recommendations more persuasive (Hwang & Zhang, 2018).

5.3.2 Trust and Credibility as Critical Factors

Trust emerged as a crucial factor influencing both brand perceptions and purchase intentions. Influencers perceived as trustworthy were more effective in shaping consumer attitudes, as trust acted as a mediator between influencer marketing and consumer behaviour (He *et al.*, 2019). Brands that align with credible influencers are likely to see improved consumer engagement and loyalty, thus highlighting the strategic importance of influencer selection in marketing campaigns.

5.4 MAIN FINDINGS AND THEIR IMPLICATIONS

5.4.1 Influencer Marketing's Influence on Brand Perceptions

The study found that influencer marketing significantly affects brand perceptions amongst Generation-Y consumers ($\beta = 0.62$, $p < 0.001$), supporting the first hypothesis that influencer marketing positively influences how consumers perceive brands. This aligns with the objective of understanding the extent of this influence. Influencers enhance brand perceptions by presenting products in authentic and relatable ways, which contrasts with the more impersonal nature of traditional advertising (He *et al.*, 2019). The study highlights that influencers perceived as credible, trustworthy and engaging are more effective in enhancing positive brand perceptions, a finding consistent with existing literature (Syed, Mehmood, & Qaiser, 2023).

The implications for brands targeting Generation-Y are that the strategic use of influencers who align with their values can significantly boost brand perceptions. Moreover, marketers should prioritize authenticity and relatability in influencer collaborations, thereby ensuring that influencers genuinely connect with their audience. This approach not only improves brand image but also enhances consumer trust, a key driver of brand loyalty. The findings suggest that marketers should carefully vet influencers for credibility and alignment with brand values in order to maximize the positive impact on brand perceptions.

5.4.2 Influencer Marketing's effect on Purchase Intentions

The study also confirmed that influencer marketing significantly influences purchase intentions ($\beta = 0.58$, $p < 0.001$), supporting the second hypothesis that influencer marketing positively affects consumers' willingness to purchase endorsed brands. The analysis showed that the extent of this influence is mediated by the influencer's perceived credibility, the quality of their content, and the degree of audience engagement. Generation-Y consumers are highly responsive to influencers who provide honest feedback and actively engage with their followers, emphasizing the importance of perceived authenticity in influencing purchasing decisions (Singh *et al.*, 2020).

The implications are that brands can leverage influencer marketing as a powerful tool to drive purchase intentions amongst Generation-Y consumers. By partnering with influencers who demonstrate honesty and transparency, brands can create compelling narratives that resonate with this audience. The study suggests that influencers who share personal experiences and genuinely endorse products are more likely to convert their followers into buyers. Brands should therefore focus on long-term relationships with influencers rather than once-off promotions, as consistent engagement enhances credibility and reinforces purchase intentions over time.

5.4.3 The Dual Impact of Positive and Negative Influencer Reviews

The study revealed that both positive and negative influencer reviews significantly impact brand perceptions and purchase intentions (*H3: There is a positive relationship between influencer marketing and Generation-Y consumer trust*), with negative reviews having a substantial adverse effect ($\beta = -0.41$, $p < 0.001$). This finding emphasizes the dual nature of influencer marketing, where influencers can act as both advocates and critics. Negative reviews from trusted influencers can deter consumers from purchasing a brand, thus highlighting the risks associated with influencer partnerships (He *et al.*, 2019).

The implication is that this dual impact underscores the importance of managing influencer relationships carefully. Brands must monitor influencer content to ensure alignment with brand messaging whilst also being prepared to address any negative feedback promptly. Transparency in addressing criticism and engaging in open communication can mitigate potential damage to brand perceptions. Additionally, the findings suggest that brands should be selective in their choice of influencers, focusing on those who are committed to maintaining a balanced and honest representation of the products they endorse.

5.5 THEORETICAL IMPLICATIONS

5.5.1 Role of Social Learning Theory (SLT)

The study's findings support SLT, which posits that individuals learn behaviours through the observation and imitation of others. Influencers, as role-models in the digital space, provide cues that shape consumer attitudes and behaviours. This is particularly evident in how Generation-Y consumers emulate the purchasing behaviours of the influencers they follow, confirming that influencers act as social agents who significantly impact consumer decision-making (Glucksman, 2017).

The study highlights the effectiveness of SLT in explaining consumer behaviour in the context of influencer marketing. Marketers can leverage this theory by selecting influencers whose behaviour and values align with the desired brand image. This alignment not only fosters brand loyalty but also encourages consumers to adopt the behaviours modelled by influencers, such as trying new products or engaging with brands in positive ways.

5.5.2 Role of Para-social Relationships

The findings also amplify the importance of para-social relationships in enhancing the influence of social media influencers. Consumers who feel emotionally connected to influencers are more likely to trust their recommendations and act on them, hence reinforcing the hypothesis that these relationships mediate the impact of influencer marketing on purchase intentions (Hwang & Zhang, 2018).

This implies that for marketers, fostering para-social relationships through influencer partnerships can be a strategic advantage. By selecting influencers who actively engage with their audience, brands can deepen the emotional connection between the influencer and their followers. This strategy not only enhances the perceived credibility of the influencer's endorsements, but also strengthens the overall impact on consumer behaviour. Marketers should encourage influencers to share personal stories, engage in two-way communication, and create content that fosters a sense of community amongst followers.

5.5.3 Role of the Elaboration Likelihood Model (ELM)

The study's findings highlight the relevance of the Elaboration Likelihood Model (ELM) in understanding how influencer marketing affects consumer decision-making, particularly amongst Generation-Y. ELM suggests that individuals process persuasive messages through either the central route, which involves careful and thoughtful consideration of message content, or the peripheral route, which relies on superficial cues such as attractiveness, likability and credibility of the source (Petty & Cacioppo, 1986). In the context of influencer marketing, the peripheral route is often dominant, as consumers are influenced more by the appeal and perceived authenticity of influencers rather than the detailed attributes of the products being promoted.

The study found that influencer marketing significantly impacts purchase intentions through peripheral cues such as the influencer's perceived credibility, engagement style and emotional appeal. Influencers who present themselves as trustworthy and relatable create a compelling persuasive effect, leading followers to make quick, often impulsive, purchase decisions based on the influencer's recommendations rather than an in-depth analysis of the product itself.

This implies that the ELM provides marketers with valuable insights into how to craft effective influencer marketing strategies. By understanding that Generation-Y consumers often engage with influencer content through the peripheral route, marketers can focus on enhancing these persuasive cues. Key strategies include:

- **Leveraging Emotional Appeals:** Influencers should create content that resonates emotionally with followers, such as storytelling, personal anecdotes or behind-the-scenes insights, which can enhance the emotional engagement and perceived relatability of the endorsement.
- **Maximizing Source Credibility:** Marketers should collaborate with influencers who maintain high credibility and authenticity in their niche. The study's findings highlight that influencers perceived as genuine and honest are more persuasive, emphasizing the importance of selecting influencers who align well with the brand's values and image.
- **Creating Visually Engaging Content:** Since the peripheral route often involves visual cues, influencers should prioritize high-quality, visually appealing content that captures attention and maintains engagement. Content that is aesthetically pleasing and easily shareable further amplifies the persuasive impact.
- **Encouraging Interactive Engagement:** Engagement tactics such as polls, Q&A sessions and interactive stories can enhance the peripheral appeal of influencer content. By involving followers directly, influencers can strengthen the sense of community and make their endorsements feel more personal, boosting their influence on purchase intentions.

In summary, ELM provides a theoretical foundation for understanding why influencer marketing works, particularly amongst younger, digitally-savvy consumers. By focusing on enhancing peripheral cues like credibility, relatability and emotional connection, marketers can effectively influence consumer behaviour, driving brand perceptions and purchase decisions in a competitive digital landscape.

6. DISCUSSION

This study aimed to investigate the influence of influencer marketing on Generation-Y consumers' brand perceptions and purchase intentions in South Africa. By applying Social Learning Theory (SLT) and the concept of para-social relationships, the study sought to understand how social media influencers impact consumer behaviour within this specific demographic. The analysis demonstrates the significant impact of influencer marketing on Generation-Y consumers' brand perceptions and purchase intentions in South Africa. The study confirms that influencers play a pivotal role in shaping consumer behaviour, with their perceived authenticity and relatability serving as key drivers of influence. However, the results also reveal the potential risks associated with negative reviews, emphasizing the need for brands to carefully manage their relationships with influencers.

The findings confirm that influencer marketing plays a significant role in shaping brand perceptions and purchase intentions amongst Generation-Y consumers, offering valuable insights for marketers looking to engage this digital-savvy audience. Moreover, these findings contribute to the growing body of literature on influencer marketing by

providing a South African perspective, highlighting the importance of cultural context in understanding consumer-influencer dynamics. Future research should explore the long-term effects of these relationships on brand loyalty and examine how different types of influencers (nano, micro, macro) uniquely impact consumer behaviour.

6.1 PRACTICAL IMPLICATIONS

6.1.1 Strategic Selection of Influencers

The study's findings emphasize the need for brands to be strategic in their selection of influencers. Influencers who align with brand values, maintain authenticity and engage meaningfully with their audiences are most effective in influencing brand perceptions and purchase intentions. Brands should therefore prioritize long-term partnerships over short-term promotions to build trust and credibility with consumers.

6.1.2 Managing Risks Associated with Negative Reviews

Given the potential negative impact of unfavourable reviews, brands must establish clear guidelines and maintain open communication with influencers. Promptly addressing any negative feedback and engaging transparently with consumers can mitigate the impact of such reviews. Brands should also consider working with influencers who are known for balanced, honest evaluations in order to maintain credibility, even in the face of criticism.

6.1.3 Enhancing Consumer Engagement through Influencer Partnerships

The findings suggest that influencer marketing can significantly enhance consumer engagement when executed thoughtfully. Brands should leverage influencers to create interactive and engaging content that resonates with Generation-Y consumers. This could include live sessions, Q&A formats and collaborative content that allows consumers to feel involved in the brand's journey.

6.1.4 Limitations and Future Research Directions

While this study provides valuable insights, it is limited by its use of non-probability sampling, which may affect the generalizability of the findings. Future research should consider using a more diverse sampling approach, including different geographic regions and other generational cohorts. Additionally, longitudinal studies are recommended to explore the long-term effects of influencer marketing on brand loyalty and consumer behaviour.

7. CONCLUSION

The study confirms that influencer marketing is a powerful tool in shaping brand perceptions and purchase intentions amongst Generation-Y consumers in South Africa. The findings highlight the importance of authenticity, trust and engagement in influencer partnerships, and provide actionable insights for brands seeking to leverage the influence of social media personalities. By understanding the dynamics of influencer marketing, brands can better navigate the digital landscape and connect meaningfully with this influential consumer segment.

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