

The Impact of The Social Media Influencer Power On Consumer Attitudes Toward The Brand: The Mediating/Moderating Role of Social Media Influencer Source Credibility

OUTSTANDING PAPER: Social Media Marketing – BEST IN COFERENCE

Lubna Nafees, nafeesl@appstate.edu
Christy M. Cook, cookcm@appstate.edu
James E. Stoddard, stoddardje@appstate.edu

ABSTRACT

This paper presents a conceptual model of the impact of social media influencer power on consumer attitudes toward a brand. The research uses naïve theories of social influence, consumer socialization theory and market signaling theory to support the contention that social media influencer power will impact consumer brand attitudes. However, the impact of the social media influencer power on consumer brand attitudes is posited to be mediated and/or moderated by the social media influencer source credibility. In turn, the social media influencer source credibility is modeled as being positively related to the social media influencer's expertise/competence with respect to the product, the social media influencer's goodwill toward the consumer, and the social media influencer's trustworthiness.

Introduction

"Social media is a group of internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content (Kaplan and Haenlein 2010, p. 61)" Social media includes a wide variety of online forums including blogs, discussion boards, chat rooms, consumer-to-consumer email, consumer service and product ranking forums and websites, and social networking sites, to name a few (Mangold and Faulds 2009). Chi (2011) defined social media marketing as a "connection between brands and consumers, [while] offering a personal channel and currency for user centered networking and social interaction (p. 46)." The tools and approaches for communicating with customers have changed greatly with the emergence of social media; therefore, businesses must learn how to use social media in a way that is consistent with their business plan (Mangold and Faulds 2009). As of 2018 there are 3.196 billion people using social media, an increase of 13% over the previous year. One social media platform, Instagram,

brought in more than \$2.81 billion in mobile ad revenue in 2017. The Facebook-owned photo sharing application has grown in both features and its user base since its inception in 2010. Since the addition of Stories and IGTV (a video sharing platform on Instagram) in the last few years, its user base has only increased in size. There are more than 800 million active users of Instagram worldwide, 32% of whom fall between the ages of 18 and 24 and another 32% fall between the ages of 25 and 34 (Worthy 2018). Instagram users post more than 4.2 billion likes per day (Hootsuite 2018).

Instagram is the most engaging social media platform. According to a study by Burney (2017), **Instagram sees the most average interactions per post per 1,000 followers (known as the engagement ratio)**. The average engagement ratio is 29.67 on the platform, while Facebook sees around 16.54 average interactions per post per 1,000 followers. Instagram is also a great platform for executing influencer marketing campaigns because influencers prefer it over other platforms (Veirman et al 2017). Lee (2016) talked to 2,500 micro-influencers and found that **Instagram was their most preferred platform**. Fifty-nine percent of micro-influencers said that it's the most effective platform to engage their target audience.

Acting within the Instagram social media platform are social media influencers. Social media influencers are third party endorsers that attempt to shape consumer attitudes (Freberg et al. 2011). Increasingly, consumers are turning to social media influencers as a way to identify products and services that comport with their lifestyles (Connolly 2018; Casalo 2018; Ki and Kim 2019; Hughes et al 2019). Typically, social media influencers have a large following. According to Connolly, a social media influencer is someone who has greater than 10,000 followers, who engage with brands to help promote them, who share information about the products they love, and who are experts in their field. Brands look for methods to identify influencers whose audiences overlap with their target markets. Influencer marketing is continually on the rise as brands try harder to break through the noise created by a glut of content. The precipitous decline of organic reach (i.e., the number of people who have seen a post via unpaid distribution) on Facebook and Instagram makes social media promotion of content more challenging than before. Advertisement blockers are various tools that are used to block ads and they make amplification of content through display ads less appealing. More importantly, Americans trust recommendations from actual people significantly more than they trust advertising and promotion from brands, in any guise. The perceived authenticity of other people contributes to the rise of influencer marketing. The underlying premise and even the primary mechanics of influencer marketing have never changed. What has changed is the number of people that have "influence" in this modern age of people as media

A study by Nielsen Catalina Solutions (a major research company that tracks real world food and grocery purchases) in 2016 showed interesting results of an influencer marketing program conducted for White Wave Foods, the parent company of Silk Almond Milk and other products (Smith 2016). The marketing program was created and managed by TapInfluence, a

platform that unites content creators, influencers, and brands to build authentic relationships. TapInfluence found 258 fitness and food influencers, each of whom was asked to create content about Silk for their “Meatless Mondays” initiative. Content was also amplified on influencers’ social presences – but only organically as no paid media was employed. The program was automated and overseen using the TapInfluence platform, including the addition of relevant Federal Trade Commission disclosure statements, and insertion of a special tracking pixel from Nielsen Catalina Solutions, used in order to determine whether a household had been exposed to content created by the 258 influencers.

The results of this program for Silk Almond Milk showed that households exposed to influencer marketing purchased 10% more Silk products than a control group. Each 1,000 people viewing influencer marketing purchased \$285 more Silk products than a control group. (Smith, 2016).

The campaign content generated 1.1 million impressions on blog posts alone since the study period concluded. The impressions continue to accrue every day because the content is evergreen and lives online. As the number of impressions increase, the cost per engagement continues to decrease. The other benefit was that this programs created a treasure chest of influencer-created content they could use and re-use on their own social channels. Influencer marketing is relatively inexpensive (Ahmad 2018; Bevilacqua 2018) when compared to the cost of creating banner ads, television ads, outdoor ads, etc. which are always an investment layer on top of the media spend. With an influencer marketing program the “creative costs” are shouldered by the influencers themselves, and thus are part of the fees paid to TapInfluence or other influencer marketing platforms. It has been known for years that online influencers can generate net-new impressions, clicks, and even e-commerce sales. But this Silk Almond Milk study demonstrated that online influencer marketing impacted offline purchases too.

The purpose of this research is to develop a testable conceptual model of the effect of a social media influencer’s impact on consumer attitudes toward a brand. First, the mechanisms by which a social media influencer impacts consumer brand attitudes is presented. Next, the literature on perceived source credibility is reviewed and the determinants of perceived source credibility (perceived source expertise/competence, perceived source goodwill and perceived source trustworthiness) are reviewed. The conceptual model is then presented. Finally, directions for future research are discussed.

The Mechanisms by Which the Social Media Influencer Affects Consumer Brand Attitude

Several theories have been proposed to explain the impact of a social media influencer on consumer brand attitudes. These include naïve theories in the context of social influence (Cialdini 2009; Brinol et al. 2015), consumer socialization theory (Moschis and Churchill 1978) and market signaling theory (Spence 1973). For this research, the impact of a social media influencer on consumer brand attitudes is conceived of being the power of the influencer to

increase the likelihood that a consumer will purchase a brand endorsed by the social media influencer. These include naïve theories in the context of social influence, consumer socialization theory and market signaling theory. The following sections describe these theories and review the literature that has applied these theories within the marketing context.

Naïve Theories in the Context of Social Influence

For this research the social media influencer is posited to have an impact on consumer brand attitudes. This attitude can either be positive or negative depending on how consumers perceive and interpret the image of the social media influencer. Consider this - Some consumers like an influencer-endorsed brand on Instagram because the influencer has a huge following (i.e., the influencer is popular) whereas others will dislike the brand for the same reason (the influencer is not unique). The two seem contradictory and are explained by the naïve theories of popularity and exclusivity. The naïve theory of popularity is the belief that a product is desirable when it is popular. The naïve theory of exclusivity is the idea that some products are desirable when they are unique (e.g. Cialdini 2009).

Naive theories are defined as informal, commonsense explanations that people use in their everyday lives to make sense of their environment (i.e., common sense explanations). Within the context of this paper, naïve theories are consumer decision making heuristics. Naive theories often diverge from formal, scientific explanations of what actually happens in life (Deval et al. 2013). This research suggests that consumers' use of naive theories is very complex. For many marketplace phenomena including the impact of social media influencers, consumers may hold multiple potentially contradictory naive theories that may have opposing evaluative implications and thus drive different inferences as a function of which theory is active at the time of judgment.

Consumers rarely have complete information regarding products about which they form judgements. To compensate for this uncertainty, consumers use a variety of inferential strategies to fill the gaps in their product knowledge prior to making decisions (Gunasti and Ross 2009; Kardes, Posavac, and Cronley 2004). This research focusses on social media influencers who are used by consumers to draw inferences. The conclusion that a consumer draws regarding a social media influencer may depend on which naïve theory is active during judgement.

Recent research has explored how a variety of naive theories are used as the basis for consumer inference (e.g., Labroo and Mukhopadhyay 2009; Raghunathan, Naylor, and Hoyer 2006; Yorkston, Nunes, and Matta 2010; Brinol 2015). Steinhart et al. (2014) found a link between product type, functional (utilitarian products) or self-expressive (consumption depends on personal or social meaning of the product), and naïve theories elicited by exposure to the product. Exposing consumers to a functional product triggers the naïve theory of popularity, whereas exposing them to a self-expressive product elicits the naïve theory of

exclusivity. Their findings extend the set of the factors that drive the impact of two of Cialdini's (2009) core persuasive heuristics – social validation and scarcity on consumer's product purchasing behavior.

Deval et al. (2013) have illustrated how commonly held naive theories may conflict with each other and how consumers' evaluations of products vary according to the inference rule triggered by prior priming (e.g., popularity versus exclusivity in a social context). Specifically, when following the naive theory of popularity, consumers may interpret the interest of many others in the product as a favorable attribute (Cialdini and Goldstein, 2004; Cialdini, 2009). This phenomenon is similar to the “bandwagon” and “snob” effects (Corneo and Jeanne, 1997; Hellofs and Jacobson, 1999). The “bandwagon” effect is when consumers evaluate products favorably simply because of the number of people who have purchased or used them and the “snob” effect is just the opposite where consumers do not evaluate products favorably simply because of the number of people who have purchased or used them. When competing naïve theories coexist, the expectation is that situational factors can make one theory more salient than another and determine which of the competing theories will be used as an inference rule.

Consumer Socialization Theory

As has been stated, the social media influencer is posited to have an impact on a consumer's attitude toward the brand. The social media influencer can be viewed as a “socialization agent,” a source of influence that transmits norms, attitudes, motivations and behaviors to the consumer (Moschis and Churchill 1978). According to the theory of consumer socialization, consumers acquire cognitions and behaviors from the socialization agent through three processes, modeling, reinforcement, and social interaction. Modeling involves mimicking the socialization agent's behavior. Reinforcement can be both positive and negative methods used by the socialization agent. Finally, social interaction facilitates learning through mechanisms such as purposive consumer training. Consumer learning takes place during the consumer's interaction with the socialization agent (Moschis and Moore, 1979). According to Moschis (1987), peer group influence (including the power of the influencing agent) also plays an important role in influencing a consumer's behavior and attitudes.

Under the theory of consumer socialization, this research proposes that the social media influencer acts as a computer-mediated socialization agent. As a result, consumers who follow the social media influencer are predisposed to acquire the norms, attitudes, motivations and behaviors of the social media influencer. Consumers mimic the social media influencer's behavior and attitudes, are encouraged to behave in ways consistent with the social media influencer being followed, and are educated by the social media influencer about the product and/or its use.

Market Signaling Theory

Drawing from the economics of information paradigm, Spence (1973) was the first to discuss signaling theory. Applicable to promotion in organizations, the theory is relevant when asymmetric information exists between two parties (individuals or organizations) such as sellers who have relatively more information about their products and buyers who have relatively less information about the seller's products. Information asymmetry is likely to exist during the purchasing process for experience or credence goods. For example, with experience goods buyers have difficulty assessing the quality of a product in the pre-purchase decision making stage. Examples include hotels, movies and restaurants. With credence goods buyers not only have difficulty assessing the quality of a product in the pre-purchase decision making stage but also in the post-purchase stage. Examples include health care, automobile repair, and legal services (Benz 2007).

When asymmetric information exists during the purchasing process such as when the consumer finds it difficult to assess pre- or post-purchase product quality, a need arises for marketing tactics by which firms can convincingly inform consumers about the quality of their products (Erdem and Swait 1998). Signaling is the notion that one party (the agent, sender or seller) credibly conveys some information (or signal) about itself to another party (the principal, receiver or buyer).

Bloom and Reve (1990) defined a marketing signal as "...a marketer-controlled, easy-to-acquire informational cue, extrinsic to the product itself, that consumers use to form inferences about the quality or value of that product p. 59." This definition implies that a marketing signal is a piece of information that a consumer can search out and process with minimal effort. Also, since a marketing signal does not provide detailed product information it can only provide consumers with the basis for making inferences about a product's attributes.

Herbig and Milewicz (1996) described the features of a marketing signal. The marketing signal must be transmitted by someone who has the ability to alter the nature and intensity of the signal. The marketing signal is an extrinsic informational cue that is not part of the product itself and can be accessed by a buyer easily and can be processed with minimal cognitive effort. The marketing signal is then used by a buyer to form inferences about a product since the cue does not contain detailed product information.

Bloom and Reve (1990) elaborate on the types of marketing signals that have been used by organizations. They include warranties, the amount of advertising done for a product, the market position or size of the organization, the type of atmosphere where the product is sold, the size and uniqueness of a trade show, the manner in which customer contact personnel dress and speak, endorsers of a product, and symbolic gestures such as when organizations provide low cost favors as tokens of appreciation. Of course price is another marketing signal (Bagwell and Riordan 1991).

The effectiveness of a marketing signal is determined to a large degree by the signaler's reputation and credibility (Herbig and Milewicz 1996). A signaler that is reputable and credible has goodwill and increases the effectiveness of the marketing signal. According to Herbig and Milewicz (1996), a signaler's good reputation can positively impact a buyer's perceived product quality.

Research has explored market signaling for quite some time. This section seeks to review the literature on the types of marketing signals that have been examined by researchers. Market signals such as price, advertising expenditures, product warranties, new product preannouncements and country of origin effects are reviewed.

One such marketing signal that has been explored is the use of price as a signal for product quality. Although not referring to price as a marketing signal, Monroe (1973) was among the first to suggest consumers see a positive relationship between price and quality. Recognizing that consumers make decisions with imperfect information, Wolinsky (1983) proposed that prices are used to signal differentiation in product quality such that lower prices would be associated with lower product quality. Bagwell and Riordan (1991) developed an economic model demonstrating that consumers infer a newly introduced high quality product from a high price, however the high quality product's price will decline over time as consumers become more informed.

A further stream of research suggests that advertising could be a marketing signal for product quality. Nelson (1970) was the first to advance the notion that an experience good's quality cannot be assessed prior to consumption, and if that experience good was advertised where the advertisement contained little product information (e.g., image advertising), the mere fact that the experience good was advertised would provide a signal about the product's quality. Using Nelson's theory, Milgrom and Roberts (1986) developed a model that formalized the proposition that uninformative advertising for an experience good could be a signal for product quality. Using a series of six experiments, Kirmani and Wright (1989) found some evidence for the effect of perceived advertising expense on product quality ratings. Kirmani (1990) proposed an inverted U-shaped relationship between perceived advertising spending and product quality. Initially low perceived advertising expenditures would lead to low quality brand perceptions and higher perceived advertising spending would lead to higher quality brand perceptions, but at some point, consumers might think advertising spending would be excessive which would lead to lower quality brand perceptions. She found this inverted-U shaped relationship occurred when the ad content was uninformative about brand attributes.

Another avenue of research on marketing signals asserts that consumers make inferences about a product's reliability based on the product's warranty. Using appliances and motor vehicles as stimuli, Weiner (1985) found that warranties were accurate signalers of product reliability. Using the appliance product category and a pre-/post-Magnuson Moss Act design,

Kelley (1988) found support for the idea that better product warranties are market signals for better product reliability and therefore can be used as a positioning tool to assist in competitive differentiation. Boulding and Kirmani (1993) found that when consumers believed that an organization would likely fulfill its warranty obligations, more robust warranties were associated with higher perceptions of product quality. Conversely, when consumers believed that an organization was unlikely to fulfill its warranty obligations, more robust warranties were associated with lower perceptions of product quality.

Marketing signal theory has also been employed to explore why some organizations preannounce new products (Eliashberg and Robertson 1988). Preannouncing behavior was defined as "...formal, deliberative communications well in advance of actual introduction or test marketing of the product or service..., p. 285." Using a sample of managers across industries, preannouncing firms stressed the benefits of image enhancement, distribution advantage, and demand stimulation.

Research has also been conducted exploring the effectiveness of marketing signals in the cross-cultural context (country of origin effect). In a study exploring brands as signals, Erdem, Swait and Valenzuela (2006) proposed that the mechanism through which brands act as signals of product quality is via credibility, where credibility involves expertise and trustworthiness. The study found an impact of brand credibility on perceived quality risk and information costs but the effect varied across seven countries using Hofstede's (1980) cultural dimensions model. Another study by Akdeniz and Talay (2013) employed signaling theory to understand how cultural differences can moderate the relationship between movie-related signals and box-office performance in the motion picture industry. Using movie-related signals such as sequel, production budget, star power, and critic's reviews, the study found differences also by Hofstede's cultural dimensions in the effectiveness of marketing signals on product performance (opening box office revenue).

Based on the aforementioned discussion of the naïve theory of social influence, consumer socialization theory and market signaling theory the proposition is that a social media influencer is likely to have an impact on consumers' attitudes toward a brand.

Social Media Influencer Source Credibility: Mediator or Moderator between Social Media Influencer Power and Consumer Brand Attitudes

As Herbig and Milewicz (1996) suggests, source credibility is one factor that determines the effectiveness of a marketing signal. Perceived source credibility has been defined as "judgements made by a perceiver...concerning the believability of a communicator (O'Keefe 2002, p. 181). Ohanian (1990) defined source credibility as "...a communicator's positive characteristics that affect the receiver's acceptance of a message (p. 41)." Commonly, perceived source credibility is conceptualized as a three dimensional construct which includes (1) expertise/competence – the degree to which the perceiver believes the source to know the

truth, (2) goodwill – the degree to which the perceiver believes a source has the perceiver’s best interests at heart, and (3) trustworthiness – the degree to which a perceiver believes the source will tell the truth as s/he knows it (McCroskey and Teven 1999; Westerman, Spence and Van Der Heide 2011; McLaughlin 2016; Jimenez-Castillo and Sanchez-Fernandez 2019).

A highly credible source is commonly found to induce more persuasion toward advocacy than a low-credibility source (Lirtzman and Shuv-Ami 1986). Gotlieb et al. (1987) found that it was easier to attract customers when the source was more credible. The degree of perceived credibility of the source influenced the recipient’s intention to use suggestions made by the source and the acceptance or rejection of the suggestions from the source (Bannister, 1986; Suzuki, 1978). Source credibility has also been found to influence the confidence versus doubt people have in the thoughts they generate in response to a persuasive message (Brinol, Petty and Tormala, 2004). The trustworthiness, goodwill and expertise dimensions of source credibility might have differential importance in affecting attitude formation and change.

The following section discusses the three dimensions of source credibility of source expertise/competence, source goodwill and source trustworthiness in more detail.

Expertise/Competence

Expertise refers to the extent to which a speaker is perceived to be capable of making correct assertions (Hovland, Janis and Kelley, 1953). Herron (1997) found that the quality of arguments affected persuasion only when the source had high expertise. Chebat et al. (1988) found that a low-expertise source was more persuasive than was a high-expertise source when participants had a favorable initial opinion toward the advocacy. Homer and Kahle (1990) found that under high-involvement, the high-expertise source was superior to the low-expertise source, but in a low-involvement condition, a high-expertise source was less influential than a low-expertise source. Debono and Klein (1993) found that highly dogmatic individuals are equally persuaded by strong and weak arguments when the source was an expert. Different individuals are influenced differently based on source credibility. For instance, level of an individual’s self-monitoring and dogmatism will determine their reactions to an expert versus inexperienced source (Debono and Klein, 1993; Debono and Harnish, 1988). Sorrentino et al. (1988) found that source expertise might not have an impact on persuasion when recipients are highly-involved and uncertainty-oriented, but may when recipients are highly involved and certainty oriented. Based upon the aforementioned literature this research proposes that perceived source expertise impacts consumer brand attitudes via perceived source credibility, where the source is a social media influencer.

Goodwill

Hovland, Janis and Kelley (1953) identified that source credibility was related to the source’s perceived goodwill, which they referred to as the source’s intention toward the receiver

(McCroskey and Young (1981). McCroskey and Young (1981) identified goodwill as the source's "...attitude toward the well-being of the receiver (p. 25)."

McCoskey and Tevin (1999) introduced a concept they called perceived caring, also termed goodwill, and proposed that it was composed of three elements: understanding, empathy and responsiveness. According to McCoskey and Tevin, understanding is knowing another individual's ideas, needs and feelings. Empathy is the ability of an individual to identify with another individual's feelings. Finally, responsiveness is one individual's attentiveness to another individual's communication.

Goodwill plays a notable role in consumer decision making heuristics. That is "help[ing] individuals make quick judgements and identifying content of interest from a potentially overwhelming set of choices (Xu, 2013, p. 758)." Goodwill is implicitly part of "Recommender Systems" such as social media influencers as "it is often necessary [for consumers] to make choices without sufficient personal experience of the alternatives (Resnick and Varian, 1997, p. 56)." Consumers rely on a social media influencer's perceived goodwill as a substitute for first-hand product indexing. "In everyday life, [consumers] rely on [goodwill] recommendations from other people either by word of mouth, recommendation letters, movie and book reviews printed in newspapers, or general surveys...(Resnick and Varian, 1997, p. 56)." Hence, altruism is a facet of our testable conceptual model development of the effect of social media influencer's impact on consumer's attitude toward the brand. This research proposes that a source's goodwill will impact consumer brand attitudes via source credibility, where the source is a social media influencer.

Trustworthiness

Hoveland, Janis and Kelley (1953) conceived of source credibility being related to the source's trustworthiness. They defined trustworthiness as "the degree of confidence in the communicator's intent to communicate the assertions he considered most valid (p. 21)."

McGinnies and Ward (1980) found that trustworthiness is more impactful than is expertise. However, other studies have tended to show that trustworthiness alone may not be enough or maybe less important than expertise (Hovland and Weiss, 1951; Kelman and Hovland, 1953). This research proposes that a source's trustworthiness will impact a consumer's brand attitudes via source credibility, where the source is a social media influencer.

Social Media Influencer Source Credibility Summary

McCroskey and Teven (1999) developed measurement scales for expertise/competence, goodwill and trustworthiness which are shown in Figure 1. In this study, the entire scale taken together was conceptualized as the measure of social media influencer source credibility. The correlations between the perceived source credibility score and three dimensions in the

McCroskey and Teven (1999) study were: Expertise/Competence, .78; Goodwill, .89; and Trustworthiness, .92 demonstrating convergent validity. The reliability scores are in the table.

In developing the conceptual model, consideration must be given as to whether social media influencer source credibility acts as a mediator or moderator between social media influencer power and consumer attitudes toward the brand.

According to Muller, Judd and Yzerbyt (2005):

“Both processes [mediation/moderation] focus on a given treatment effect, in this case the effect of a social media influencer’s power to alter a consumer’s attitude toward a brand. The issue of mediation addresses how that treatment effect is produced. Mediation analyses attempt to identify the intermediary process that leads from the manipulated independent variable to the outcome or dependent variable. The issue of moderation focuses on factors that influence the strength and/or direction of the relation between the treatment variable and the dependent variable (p. 852).”

Holmbeck (1997) asserts that a mediator variable is one that specifies the mechanism by which the independent variable impacts the dependent variable. This paper reasons that, if a social mediator has little source credibility, the social media influencer will lose his/her ability to influence the brand attitudes of consumers (the effect will not occur). However, it is also possible that social media influencer source credibility could moderate the relationship between social media influencer power and consumer brand attitudes. If social media influencer source credibility moderates the relationship between social media influencer power and consumer brand attitudes the expectation would be that the effect would be to diminish the impact when social media influencer source credibility is low. Finally, social media influencer source credibility could also both mediate and moderate the effect of social media influencer power on consumer brand attitudes if social media influencer source credibility acts as a partial mediation variable. As Zhao, Lynch and Chen (2010) note, a majority of articles examining mediation effects conclude that the impact of the mediator is only partial and is accompanied by a direct effect. If social media influencer source credibility is only a partial mediational variable, and a significant direct effect between social media influencer power and consumer brand attitudes remains after accounting for social media influencer source credibility, then social media influencer source credibility could also moderate the direct effect and act as a mediator/moderator variable.

The Conceptual Model

Based on the previous discussion the conceptual model is advanced (see Figure 2). The following propositions are derived from the conceptual model:

- P₁: Expertise/Competence of the social media influencer will be positively related to the social media influencer’s source credibility.

- P₂: Trustworthiness of the social media influencer will be positively related to the social media influencer's source credibility.
- P₃: Goodwill of the social media influencer will be positively related to the social media influencer's source credibility.
- P₄: Social media influencer power is positively related to consumer attitude toward brands.
- P_{4a}: Social media influencer power to influence consumer brand attitudes is mediated by social media influencer source credibility.
- P_{4b}: Social media influencer power to influence consumer brand attitudes is moderated by social media influencer source credibility.

Discussion and Future Research

The purpose of this research was to develop a conceptual model that explains the likely mechanisms by which a social media influencer impacts consumer brand attitudes. Model development began with the review of mechanisms by which a social media influencer affects consumer brand attitudes. Those theories include naïve theories in the context of social influence, consumer socialization theory and market signaling theory. Each one of the theory supports the notion that the social media influencer affects consumer brand attitudes.

Next, the research reviews the literature on source credibility. Previous research has identified three dimensions of source credibility including source expertise/competence, source goodwill and source trustworthiness. We adapted source expertise/competence, source goodwill and source trustworthiness from previous literature and renamed these constructs - influencer expertise/competence, influencer goodwill and influencer trustworthiness since we are operating within the context of social media. The discussion of social media influencer source credibility concludes with a discussion about whether the construct operates as a mediator or a moderator variable between social media influencer power and consumer brand attitudes.

The model proposes that social media influencer power is likely to impact consumer brand attitudes when the social media influencer is perceived to be a credible source of information. In addition, the model proposes that the social media influencer's source credibility is contingent on consumers' social media influencer's expertise/competence, goodwill and trustworthiness.

The model also proposes that social media influencer source credibility either mediates or moderates the relationship between social media influencer power and consumer brand attitudes. If social media influencer source credibility is a mediator between social media influencer power and consumer brand attitudes, two possibilities exist. Either social media influencer source credibility is a full mediation variable or alternatively social media influencer source credibility could be a partial mediation variable. Should social media influencer source credibility be a full mediation variable, then social media influencer source credibility cannot act as a moderating variable. However, should social media influencer source credibility be a partial mediation variable then social media influencer source credibility could also

simultaneously act as a moderating variable between social media influencer power and consumer attitudes toward the brand. The reason for this is that with partial mediation, a statistically significant relationship remains between the independent variable and dependent variable with the introduction of the mediating variable into the model (Hayes 2018).

The next step for this study is to conduct exploratory research to determine whether the specified relationships are tenable. A survey will be designed that asks respondents to think of a social media influencer that they are familiar with. This can be followed by a question about the social media influencer power to persuade a consumer to purchase a brand discussed by the influencer that they follow. The social media influencer's credibility and the social media influencer's expertise/competence, goodwill and trustworthiness can also be assessed. Questions concerning brand attitudes and brand purchase intentions may also be included.

If posited relationships in the model are supported by exploratory research (i.e., a survey) they will be followed up with causal research (i.e., a series of experiments). These experiments are envisioned to manipulate social media influencer credibility, expertise/competence, goodwill and trustworthiness to determine the strength (e.g., the effect size) and direction of the posited relationships.

References

- Ahmad, Irfan (2018), The Influencer Marketing Revolution, Social Media Today, February 16, <https://www.socialmediatoday.com/news/the-influencer-marketing-revolution-infographic/517146/>, accessed on August 5, 2019.
- Akdeniz, M. Lillur and M. Berk Talay (2013), Cultural Variations in the Use of Marketing Signals: A Multilevel Analysis of the Motion Picture Industry, *Journal of the Academy of Marketing Science*, 41 (5), 601-624.
- Bagwell, Kyle and Michael H. Riordan (1991), High and Declining Prices Signal Product Quality, *The American Economic Review*, 81 (1), 224-239.
- Bannister, Bannister D. (1986), Performance Outcome Feedback and Attributional Feedback: Interactive Effects on Recipient Responses, *Journal of Applied Psychology*, 71, 203-210.
- Benz, Men-Andri (2007), *Strategies in Markets for Experience and Credence Goods*, Accessed Online at: https://doi.org/10.1007/978-3-8350-9580-9_1, on December 19, 2018.
- Bevilacqua, Jessica (2018), "Why Brands Need to Utilize Influencer Marketing in 2018," *St. Joseph Communications*, April 3, <https://stjoseph.com/insight/influencer-marketing-2018-infographic/>. Accessed on August 5, 2019
- Bloom, Paul N. and Torger Reve (1990), Transmitting Signals to Consumers for Competitive Advantage, *Business Horizons*, 33 (4), 58-66.

- Boulding, William and Amna Kirmani (1993), A Consumer-Side Experimental Examination of Signaling Theory: Do Consumers Perceive Warranties as Signals of Quality? *Journal of Consumer Research*, 20 (1), 111-123.
- Briñol, P., D.D. Rucker, and R.E. Petty (2015), Naive theories about persuasion: Implications for information processing and consumer attitude change. *International Journal of Advertising* 34, (1)85–106. doi:10.1080/02650487.2014.997080
- Burney, Kara (2017), Prove Your Impact: The 2017 Digital Marketing Analytics Performance Report, Available at <https://trackmaven.com/blog/digital-marketing-analytics-benchmarks-report/>, accessed on March 29, 2019
- Casaló, Luis V., Carlos Flavián and Sergio Ibáñez-Sánchez. (2018) Influencers on Instagram: Antecedents and consequences of opinion leadership. *Journal of Business Research*, <https://doi.org/10.1016/j.jbusres.2018.07.005>
- Chebat, Jean-Charles, Pierre Filiatrault, Michel Laroche and Catherine Watson (1988), Compensatory Effects of Cognitive Characteristics of the Source, the Message, and the Receiver Upon Attitude Change, *Journal of Psychology*, 122, 609-621.
- Chi, Hsu-Hsien (2011), Interactive Digital Advertising vs Virtual Brand Community: Exploratory Study of User Motivation and Social Media Marketing Responses in Taiwan, *Journal of Interactive Advertising*, 12:44-61.
- Cialdini, Robert B. (2009) *Influence: Science and Practice*, Boston: Pearson Education.
- Cialdini, Robert B. and Noah J. Goldstein (2004), Social Influence: Compliance and Conformity, *Annual Review of Psychology*, 55, 591-621
- Connolly, Bill (2018), Why Consumers Follow, Listen to, and Trust Influencers, Online at: http://www.olapic.com/resources/consumers-follow-listen-trust-influencers_article/, Accessed on November 16, 2018.
- Corneo, Giacomo and Olivier Jeanne (1997), Conspicuous Consumption, Snobbism and Conformism, *Journal of Public Economics*, 66 (1): 55–71.
- DeBono, Kenneth G. and Richard J. Harnish (1988), Source Expertise, Source Attractiveness, and the Processing of Persuasive Information: A Functional Approach, *Journal of Personality and Social Psychology*, 55(4), 541-546.
- DeBono, Kenneth G. and Claudine Klein (1993), Source Expertise and Persuasion: The Moderating Role of Recipient Dogmatism, *Personality and Social Psychology Bulletin*, 19, 167- 173.
- De Veirman, Marijke, Veroline Cauberghe, and Liselot Hudders(2017) ,Marketing Through Instagram Influencers: Impact of Number of Followers and Product Divergence on Brand Attitude, *International Journal of Advertising*,36(5), 798-828

- Deval Helene, Susan P. Mantel, Frank R. Kardes and Steven S. Posavac (2013), How Naive Theories Drive Opposing Inferences from the Same Information, *Journal of Consumer Research*, 39: 1185–1201.
- Eliashberg, Jehoshua and Tomas S. Robertson (1988), New Product Preannouncing Behavior: A Market Signaling Study, *Journal of Marketing Research*, 25 (3), 282-292.
- Erdem, Tulin and Joffre Swait (1998), Brand Equity as a Signaling Phenomenon, *Journal of Consumer Psychology*, 7 (2), 131–157.
- Erdem, Tulin, Joffre Swait and Ana Valenzuela (2006), Brands as Signals: a Cross-Country Validation Study, *Journal of Marketing*, 70 (1), 34-49.
- Freberg, Karen, Kristin Graham, Karen McGaughey and Laura Freberg (2011), Who Are Social Media Influencers? A Study of Public Perceptions, *Public Relations Review*, 37, 90-92.
- Gotlieb, Jerry B., Robert F. Gwinner, John L. Schlacter, and Robert D. St. Louis (1987), Explaining Consumers' Reactions to Price Changes in Service Industries: The Effects of the Location of the Service Provider, the Credibility of the Information Source and the Importance of the Service to the Consumer, *Journal of Professional Services Marketing*, 3(1-2), 19-33.
- Gunasti, Kunter and William T. Ross (2009), How Inferences About Missing Attributes Decrease the Tendency to Defer Choice and Increase Purchase Probability, *Journal of Consumer Research*, 35(5), 823-37.
- Hayes, Andrew F. (2018), Introduction to Mediation, Moderation, and Conditional Process Analysis, 2 ed, New York: The Guilford Press
- Hellofs, Linda L. and Robert Jacobson (1999). Market Share and Customers' Perceptions of Quality: When Can Firms Grow Their Way to Higher Versus Lower Quality, *Journal of Marketing*, 63: 16–25.
- Herbig, Paul and John Milewicz (1996), Market Signaling: A Review, *Management Decision: Quarterly Review of Management Technology*, 34 (1), 35-45.
- Herron, Terri L. (1997), The Persuasion Effects Of Time Pressure And Source Expertise In An Audit Setting: An Elaboration Likelihood Application, *Dissertation Abstracts International: Humanities And Social Sciences*, 57(10-A), 4434.
- Hofstede, Gert (1980), Culture's Consequences: International Differences in Work-Related Values, Beverly Hills, CA: Sage Publications.
- Holmbeck, Grayson N. (1997), Toward Terminological, Conceptual, and Statistical Clarity in the Study of Mediators and Moderators: Examples From the Child-Clinical and Pediatric Psychology Literatures, *Journal of Consulting and Clinical Psychology*, 65 (4), 599-610.

- Homer, Pamela M. and Lynn R. Kahle (1990), Source Expertise, Time of Source Identification, and Involvement in Persuasion: An Elaborative Processing Perspective, *Journal of Advertising*, 9(1), 30-39.
- Hootsuite (2018), A Long List of Social Media Statistics That You Need to Know in 2018, Available at: <https://blog.hootsuite.com/social-media-statistics-for-social-media-managers/#instagram>, accessed November 15, 2018.
- Hoveland, Carl I., Irving L. Janis and Harold H. Kelley (1953), *Communication and Persuasion*, New Haven: Yale University Press.
- Hughes, Christian, Vanitha Swaminathan and Gillian Brooks (2019), Driving Brand Engagement Through Online Social Influencers: An Empirical Investigation of Sponsored Blogging Campaigns, *Journal of Marketing*, 1-19
- Jiménez-Castillo, David and Raquel Sánchez-Fernández. (2019), The role of digital influencers in brand recommendation: Examining their impact on engagement, expected value and purchase intention. *International Journal of Information Management* 49, 366-376.
- Kardes, Frank R., Steven S. Posavac and Maria L. Cronley (2004), Consumer Inference: A Review of Processes, Bases, and Judgement Contexts, *Journal of Consumer Psychology*, 14(3), 230-56.
- Kelley, Craig A. (1988), An Investigation of Consumer Product Warranties as Market Signals of Product Reliability, *Journal of the Academy of Marketing Science*, 16 (2), 72-78.
- Kelman, Herbert C., and Carl I. Hovland (1953), "Reinstatement" of the Communicator in Delayed Measurement of Opinion Change, *The Journal of Abnormal and Social Psychology*, 48(3), 327- 335.
- Ki, Chung-Wha 'Chloe' and Kim, Youn-Kyung (2019), The mechanism by which social media influencers persuade consumers: The role of consumers' desire to mimic, *Psychology & Marketing*, 1-18.
- Kirmani, Amna (1990), The Effect of Perceived Advertising Costs on Brand Perceptions, *Journal of Consumer Research*, 17 (2), 160-171.
- Kirmani, Amna and Peter Wright (1989), Money Talks: Perceived Advertising Expense and Expected Product Quality, *Journal of Consumer Research*, 16 (3), 344-353.
- Lee, Kamiu (2016) Small but Mighty: Bloglovin' Releases the First Installment of its Micro-Influencer Marketing Primer, Available at <https://influence.bloglovin.com/small-but-mighty-bloglovin-releases-the-first-installment-of-its-micro-influencer-marketing-4815c0cf454d>, accessed on April 2, 2019.
- Lirtzman, Sidney I. and Avichai Shuv-Ami (1986), Credibility of Sources of Communication on Products' Safety Hazards, *Psychological Reports*, 58(3), 707-718.

- Mangold, W.G. and D.J. Faulds (2009), Social Media: The New Hybrid Element of the Promotional Mix, *Business Horizons*, 52, 357-365.
- McCroskey, James C. and Jason J. Teven (1999), Goodwill: A Reexamination of the Construct and Its Measurement, *Communication Monographs*, 66, 90-103.
- McCroskey, James C. and Thomas J. Young (1981), Ethos and Credibility: The Construct and Its Measurement After Three Decades, *Central States Speech Journal*, 32 (1), 24-34.
- McGinnies, Elliott. and Charles D. Ward (1980). Better liked than right: Trustworthiness and expertise as factors in credibility. *Personality and Social Psychology Bulletin*, 6(3), 467-472.
- McLaughlin, Caitlin (2016), Source Credibility and Consumers' Responses to Marketer Involvement in Facebook Brand Communities: What Causes Consumers to Engage?, *Journal of Interactive Advertising*, 16 (2), 101–16.
- Milgrom, Paul and John Roberts (1986), Price and Advertising Signals of Product Quality, *Journal of Political Economy*, 94 (4), 796-821.
- Monroe, Kent B. (1973), Buyer's Subjective Perceptions of Price, *Journal of Marketing Research*, 10 (1), 70-80.
- Moschis, George P. (1987), *Consumer Socialization*, Lexington, Massachusetts: Lexington Books.
- Moschis, George P. and Gilbert A. Churchill, Jr. (1978), Consumer Socialization: A Theoretical and Empirical Analysis, *Journal of Marketing Research*, 15 (November), 599-609.
- Moschis, George P. and Roy L. Moore (1979), Decision Making Among the Young: A Socialization Perspective, *Journal of Consumer Research*, 6 (September), 101-112.
- Muller, Dominique, Charles M. Judd, and Vincent Y. Yzerbyt (2005), When Moderation is Mediated and Mediation is Moderated, *Journal of Personality and Social Psychology*, 89 (6), 852-863.
- Nelson, Phillip (1970), Information and Consumer Behavior, *Journal of Political Economy*, 78 (2), 311-329.
- Ohanian, Roobina (1990), Construction and Validation of a Scale to Measure Celebrity Endorsers' Perceived Expertise, Trustworthiness, and Attractiveness, *Journal of Advertising*, 19 (3), 39-52.
- O'Keefe, Daniel J. (2002), *Persuasion: Theory and Research (2 ed.)*, Thousand Oaks, CA: Sage.
- Raghunathan, Rajagopal, Rebecca W. Naylor and Wayne D. Hoyer (2006), The Unhealthy = Tasty Intuition and Its Effects on Taste Inferences, Enjoyment, and Choice of Food Products, *Journal of Marketing*, 70(4): 170–184.
- Resnick, Paul and Varian, Hal R. (1997), Recommender Systems, *Communications of the ACM*, 40 (3), 56-58

- Smith, Erin (2016), TapInfluence and Nielsen Catalina Solutions Launch Collaboration for CPG Brands to Measure Sales Impact of Influencer Marketing Campaigns, Available at <https://www.tapinfluence.com/blog-tapinfluence-and-nielsen-catalina-solutions-launch-collaboration-for-cpg-brands-to-measure-sales-impact-of-influencer-marketing-campaigns/>, accessed on April 2, 2019.
- Sorrentino, Richard M., D. Ramona Bobocel, Maria Z. Gitta, James M. Olson and Erin C. Hewitt (1988), Uncertainty Orientation and Persuasion: Individual Differences in the Effects of Personal Relevance on Social Judgments. *Journal of Personality and Social Psychology*, 55(3), 357-371.
- Spence, Michael (1973), Job Market Signaling, *The Quarterly Journal of Economics*, 87 (3), 355 – 374.
- Steinhart, Yael, Michael Kamins, David Mazursky and Avraham Noy (2014), Effects of Product Type and Contextual Cues on Eliciting Naïve Theories of Popularity and Exclusivity, *Journal of Consumer Psychology*, 24 (4), 472-483.
- Suzuki, Kouhei (1978), Acceptance and Rejection of a Suggestion, *Japanese Psychological Research*, 20, 60-70.
- Weiner, Joshua Lyle (1985), Are Warranties Accurate Signals of Product Reliability? *Journal of Consumer Research*, 12 (3), 245-250.
- Westerman, David, Patric R. Spence and Brandon Van Der Heide (2011), A Social Network as Information: The Effect of System Generated Reports of Connectedness on Credibility on Twitter, *Computers in Human Behavior*, 28, 199-206.
- Wolinsky, Asher (1983), Prices as Signals of Product Quality, *Review of Economic Studies*, 50 (4), 647-658.
- Worthy, Paige (2018), Top Instagram Demographics That Matter to Social Media Marketers, Available at: <https://blog.hootsuite.com/instagram-demographics/>, accessed April 15, 2019.
- Xu, Qian (2013), Social Recommendation, Source Credibility, and Recency: Effects of News Cues in a Social Bookmarking Website, *Journalism & Mass Communication Quarterly*, 90(4), 757e775. <http://dx.doi.org/10.1177/1077699013503158>, accessed April 30, 2019.
- Zhao, Xinshu, John G. Lynch Jr., and Qimei Chen (2010), Reconsidering Baron and Kenny: Myths and Truths about Mediation Analysis, *Journal of Consumer Research*, 37 (3), 197-206.

Instructions: Please indicate your impression of the person noted below by circling the appropriate number between the pairs of adjectives below. The closer the number is to an adjective, the more certain you are of your evaluation.

Expertise/Competence ($\alpha = .85$)

Intelligent	1 2 3 4 5 6 7	Unintelligent
Untrained	1 2 3 4 5 6 7	Trained
Inexpert	1 2 3 4 5 6 7	Expert
Informed	1 2 3 4 5 6 7	Uninformed
Incompetent	1 2 3 4 5 6 7	Competent

Goodwill ($\alpha = .92$)

Cares About Me	1 2 3 4 5 6 7	Doesn't Care About Me
Has My Interest at Heart	1 2 3 4 5 6 7	Doesn't Have My Interest at Heart
Self-Centered	1 2 3 4 5 6 7	Not Self-Centered
Concerned With Me	1 2 3 4 5 6 7	Unconcerned With Me
Insensitive	1 2 3 4 5 6 7	Sensitive
Not Understanding	1 2 3 4 5 6 7	Understanding

Trustworthiness ($\alpha = .92$)

Honest	1 2 3 4 5 6 7	Dishonest
Untrustworthy	1 2 3 4 5 6 7	Trustworthy
Honorable	1 2 3 4 5 6 7	Dishonorable
Moral	1 2 3 4 5 6 7	Immoral
Unethical	1 2 3 4 5 6 7	Ethical
Phoney	1 2 3 4 5 6 7	Genuine

Figure 1: Measures of Expertise/Competence, Goodwill and Trustworthiness as Indicators of Perceived Source Credibility

Adopted from McCroskey and Teven (1999)

Whole scale $\alpha = .94$

A Mediating/Moderating Model of the Social Media Influencer Effect on Brand Attitudes

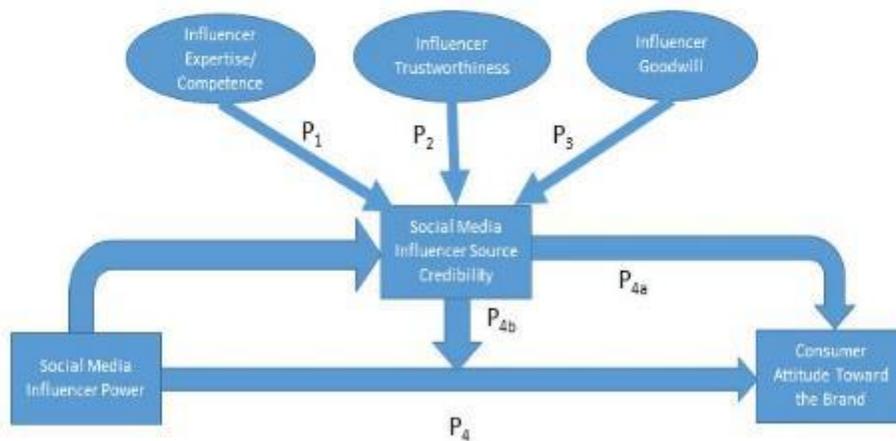


Figure 2: The Conceptual Model

Keywords: Social Media Influencer, Social Media Influencer Power, Naïve Theory, Consumer Socialization Theory, Market Signaling Theory, Brand Attitudes

Author Information

Lubna Nafees, nafeesl@appstate.edu, Christy M. Cook, cookcm@appstate.edu and James E. Stoddard, stoddardje@appstate.edu

Department of Marketing

John A. Walker College of Business

Appalachian State University

Spring 2019

Track: Social Media Marketing

ID#: 1409