



Ss. CYRIL AND METHODIUS UNIVERSITY IN SKOPJE
INSTITUTE OF ECONOMICS - SKOPJE
Republic of North Macedonia



International Scientific Conference

CONTEMPORARY CHALLENGES OF ECONOMIC GROWTH
AND SUSTAINABILITY OF BUSINESSES

BOOK OF ABSTRACTS

Editors
Irina Piperkova
Elizabeta Djambaska



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SOURCE CREDIBILITY THEORY APPLIED TO INFLUENCER MARKETING

Abstract: Social media represent a strategic resource for companies to promote and build relationships with consumers. Since social media marketing, as a part of the company's promotional mix, facilitates brand-related e-WOM through influencer marketing (a valuable alternative for brand promotion among other valuable instruments), companies nowadays use digital influencers which are online personalities who post content with expertise in a certain area, and generate a base of followers interested in their area of expertise. Digital endorsers i.e., influencers are perceived as credible and thus positively affect customers' purchase intention and in cases when the recipient has little or no information except the message being advertised, the endorser's credibility is especially important. Source credibility is related to the communicator's character and positive characteristics that affect message persuasiveness. The source credibility theory explains the existence of different dimensions of the message source credibility that affect customers' purchase intention. This study focuses on four dimensions of source credibility, that is expertise, trustworthiness, attractiveness, and similarity. Source expertise refers to the extent to which the communicator is perceived as a source of valid assertions, whereas a trustworthy source is perceived as honest, sincere, and truthful. Regarding physical aspects of the source, attractiveness is associated with likeability, elegance, classy, beautiful, or sexy characteristics of the source of the message. Similarity dimension refers to similarities in cultural background, demographics, and

values between the source of the message i.e., the endorser, and the message recipient i.e., the social media user. Despite a solid base of past research that investigates source credibility, there is still a gap mainly because most of previous studies focus on investigating advertisement effectiveness and purchase intention through the mediating role of source credibility, and, to the author's knowledge, no previous study investigated the direct effect of perceived credibility of influencers on customers purchase intention with a focus on one social network. Having in mind previously stated, the purpose of the study is to analyze Instagram influencers' credibility to determine the impact of social media users' perceptions regarding influencers' credibility on their purchase intention. Previous studies confirmed that source credibility dimensions positively affect customers' purchase intention. To test the proposed hypotheses a survey was conducted, with an online questionnaire as a method of data collection, on a purposive sample of 76 Instagram users in North Macedonia that follow influencers. The results revealed that the trustworthiness and attractiveness of influencers positively affect customers' purchase intention. The findings of the conducted research add value to the scientific community and the growing literature in the field of influencer marketing regarding the role and impact of digital influencers on consumer behavior by focusing on the four-dimensional construct of source credibility unlike most of the past research that investigates three dimensions of credibility. Finally, the study provides a direct insight into the dimensions of digital influencers' credibility that influence potential customers' intention to purchase the product being advertised. Moreover, the study can serve as a guide to marketing managers regarding the effective implementation of influencer marketing for increasing the customers' purchase intention.

Keywords: *influencer marketing, social media, credibility, purchase intention*