The Effect of Influencer Marketing

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Abstract

Purpose: This research investigates the effect or influence of source credibility and parasocial relationship on purchase intention within influencer marketing. The motivation behind this research was the increase in usage of social media, not only in Denmark but throughout most of the world. Furthermore, with an increase in social media usage, marketers have to use new ways of reaching potential consumers. One of the ways is by using social media influencers, which is a growing business. To further investigate these three constructs of source credibility, parasocial relationship and purchase intention a comprehensive search and analysis of prior studies were conducted. Moreover, social influence theory was chosen as an overall theory for the research. Through the prior literature hypotheses and a conceptualization were made.

Method: This is an explanatory research, working within critical realism and it is using a quantitative mono-method. The primary data was collected through an online questionnaire. This questionnaire was distributed through Facebook and Aalborg University. The questionnaire yielded 250 complete responses and of those 137 useful responses for this particular research. Furthermore, for analyzing the questionnaire Structural Equation Modelling (SEM) was conducted, including Confirmatory Factor Analysis (CFA). To do this IBM SPSS AMOS was used as an analysing tool. The purpose of using SEM was to try and confirm the hypotheses made in the conceptualization to reveal the relationships between the three constructs.

Findings: By conducting structural equation modelling in IBM SPSS AMOS, it was found that source credibility has a positive significant effect on purchase intention. Additionally, source credibility was found to have a positive significant effect on the parasocial relationship between the follower and the social media influencer as well. These two findings were similar to the results found in previous studies. Meanwhile, homophily was not found to be significant in affecting the parasocial relationship, despite prior studies suggesting otherwise. Lastly, parasocial relationship was found to have a positive significant effect on purchase intention, which is the main contribution of this study.

Keywords: Social Media, Social Media Influencers, Source Credibility, Homophily, Parasocial Relationship, Purchase Intention, Social Influence, Generation Z

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Equations

Table of Acronyms

SC	→	Source credibility
PSI	→	Parasocial interaction
PSR	→	Parasocial relationship
HOM	→	Homophily
PI	→	Purchase intention
SEM	→	Structural equation modelling
CFA	→	Confirmatory factor analysis
EFA	→	Exploratory factor analysis
AVE	→	Average variance extracted
HTMT	→	Heterotrait-monotrait
MMTM	→	Multitrait-multimethod

1 Introduction

The use of social media platforms are on the rise and have been so in the last decade, if not more (Statista, 2020). Meanwhile, the usage of television is decreasing (Statista, 2019). Almost no one between the ages of 16-24 watches television anymore, making it extremely hard to reach that segment via the traditional media (AudienceNet, 2018). Because of this, companies must find other channels to reach consumers. One of the marketing channels which have seen a great increase in market size over the past 5 years is influencer marketing. The marketing market size of influencer marketing has grown more than 800 % worldwide over the last 5 years, resulting in 39 % of U.S. companies increasing their spending on influencer marketing (Statista, 2021). Moreover, a study from Denmark shows that advertisement using influencers is influencing more people regarding purchase intention, than TV advertisement, cinema advertisement, and printed advertisement (Høck, 2020). What is it that makes influencer marketing affect the consumers' buying intentions? This study seeks to investigate if and how this influencer marketing affects the consumers and their intentions to buy products endorsed by the influencers, for better or for worse.

1.1 Motivation

Influencer marketing is a rising phenomenon and the authors find the topic interesting. The authors themselves are in the group who rarely watch television and are therefore in the category of the consumers which the companies need to reach through other marketing channels. Moreover, Denmark is in the higher end regarding social media penetration in Europe, indicating there must be potential within the danish market to investigate social media influencers more (Statista, 2020). In 2020 people between the ages of 16-39 were found to be the ones with the highest social media usage in Denmark (Statistics Denmark, 2020). This means that Generation Z (ages 16-25) is the group of people with the lowest usage of television while having the highest usage of social media. This makes them the hardest audience to reach through traditional television marketing but also makes them the biggest audience for marketing through social media. Social media is used for a lot of different things, so why not use it for marketing products and services as well. For these reasons, it is interesting to investigate if influencer marketing affects the consumers and their buying intentions, as this is something Generation Z are exposed to on a daily basis. Should influencer marketing facilitate purchase intentions, then this might just be the way to reach this generation.

This is a relevant topic to discuss, as companies must find alternative ways to market themselves to the consumers. Moreover, with a decrease in people who watch television (Statista, 2019), they are not influenced by that part of traditional marketing making it an interesting and relevant topic as well. Further, influencer marketing is something that is speculated to increase in the future (Statista, 2021), so the research is something that will be relevant for years to come. As mentioned, social media influencers affect consumers' minds more than traditional advertisements (Høck, 2020).

Recent research on influencer marketing has shown the role of digital influencers' in regards to brand recommendation (Jiménez-Castillo & Sánchez-Fernández, 2019; Trivedi & Sama, 2020) and how influencers' source credibility (Weismueller, et al., 2020) plays a role and the effect this has on potential purchase intention. These studies composed the possibility to explore other constructs that may affect purchase intentions, along with new cultures and markets. However, in prior research source credibility has been found to be of great relevance when focusing on social media influencers and their effect on purchase intention. Therefore, this will be one of the constructs in this research, though, where prior research has focused on how source credibility impacts brand recommendations along with purchase intention this is not the case in this research.

Further, new research focuses on the relationship that emerges between influencers and their followers (Yuan & Lou, 2020) also called "parasocial relationship". They recommend further research regarding parasocial relationship and the effect it will have on purchase intention.

So, the effect of source credibility and parasocial relationship on product interest, as well as source credibility's effect on purchase intention has been researched. To the best of our knowledge, no study has yet researched the three concepts and how they affect each other in a single study. Therefore, it would be interesting to see how the source credibility and parasocial relationship influence each other and how they affect purchase intentions. For this reason, this will be the research topic of this study and will be the primary research contribution.

1.2 Problem Formulation

This study wishes to investigate the effect of source credibility and parasocial relationship within influencer marketing on the consumer's buying intention towards products endorsed by social media influencers. The motivation behind this was both due to the researchers' own experiences with the frequent exposure to influencers and their endorsements, as well as a lack of research on this specific topic. Furthermore, the rise in social media influencers and the use of these for marketing is increasing which may indicate a big potential in this type of marketing. This results in the following problem formulation, which this research wishes and seeks to answer:

"*How do Source Credibility and Parasocial Relationships affect the purchase intention of consumers within influencer marketing?*"

1.3 Methods Used

To answer the proposed problem formulation, this study makes use of various methods including critical realism, retroductive approach, hypotheses, and quantitative data collection. Critical realism was chosen as the philosophy of science behind the research, which influences the use of the retroductive approach. Moreover, hypotheses were made based on prior literature to explain the relationships between source credibility, parasocial relationship, and purchase intention. The quantitative data collection consisted of a questionnaire, which was analysed using structural equation modelling including confirmatory factor analysis and a structural model.

1.4 Findings

The results of this research answered the problem formulation in a satisfactory way. Through the data collected via the questionnaire, the analysis of the data showed that source credibility has a positive significant effect on purchase intention, as also found in previous studies. Further, the data showed that source credibility has a positive significant effect on the parasocial relationship between follower and social media influencer. Additionally, source credibility was found to have an indirect positive significant effect on purchase intention when going through parasocial relationship. Lastly, the main

contribution of this study was uncovered, as parasocial relationship was found to have a positive significant effect on purchase intention.

1.5 Further Structure of the Study

The structure of the study is as follows. In chapter 2, the literature review will be presented. In this chapter previous literature regarding the topic of this research will be presented. This contains theories regarding influence, as well as which theory this study is based upon. Further, the literature regarding digital marketing as a whole will be presented, while also diving into what a social media influencer is, as well as how these can be used in marketing. After this, literature about the concept of purchase intention will be presented. Further in the review, the literature about source credibility, its dimensions and how it has been found to impact purchase intention will be presented. When this has been explained, there will be a presentation of the literature regarding parasocial relationship, its impact on purchase intention, and how homophily impacts parasocial relationship. Lastly, a conceptual framework will be presented based on the literature found.

In chapter 3 the methodological considerations of the research will be explained. This consists of both the philosophy of science as well as the methodological choices of this study. Moreover, the different choices will be presented, together with the advantages and disadvantages of the chosen methods and approaches.

In chapter 4 the analysis of the data collected will be showcased. In this chapter, the findings will be presented and it will be discovered if the hypotheses created can be rejected or not. In the analysis, a structural equation model will be constructed consisting of a confirmatory factor analysis as well as a structural model.

In chapter 5 a discussion of the results will take place. Here the research will go into depth with the results, and what could have caused these.

In chapter 6 the study will be finalized, before moving on to the bibliography and appendices. This is where the conclusion of the research will take place and where the research will be summarized. This chapter will also include a section presenting the practical implications of the findings, limitations of the study, and future research.

2 Literature Review

In this chapter, the literature review of this study will be presented. The chapter will present findings of previous studies regarding the topic of this research, as well as how this study interprets the concepts and want to use them in the research. Further, four hypotheses based on the literature will be provided. Lastly, in the conceptualization, the knowledge gained will be presented in the form of a framework, which will be used further on in the study to test the previously made hypotheses.

The literature review of this study will start by presenting the theory on which this research is built. After this, the literature regarding the concept of "Digital marketing" will be presented. Afterwards, the review dives into the literature about "social media influencers" and how these can be used for marketing purpose. Following that, literature regarding "the concept of purchase intention" and how social media influencers affect this will be reviewed. Lastly, the literature regarding the concepts of "Source Credibility" and "Parasocial Relationships" will be presented as well. After this, the way in which other studies have used the two concepts in their research will be presented, as well as an explanation of how this research will approach the concepts going forward. This will then be connected to the theory presented. In the end, what has been found will be used to make a conceptual framework as well as four hypotheses, which will be tested further on.

2.1 Theoretical Background

Social judgment theory, social influence, elaboration likelihood model, and theory of reasoned action are all different influence theories. Social judgment theory's key point is that attitude change is influenced or affected by a judgmental process or effect (Doherty & Kurz, 1996). The more involved or interested a person is the more or less a person would be influenced. The elaboration likelihood model seeks to explain how people reflect things differently and how it will affect attitude and behaviour. Moreover, the elaboration likelihood model suggests that there are two routes to persuasion: The central route, and the peripheral route (Henningsen, et al., 2003). The theory of reasoned action proposes that people are influenced by two factors: Attitude towards the behaviour, and influence of social environment and subjective norms on behaviour, or simple just attitude and norms (Ajzen & Fishbein, 2000).

Lastly, there is social influence, where people are being influenced by either individuals or groups (Xu & Wu, 2020; Peng, et al., 2016; Liu, et al., 2019; Ifinedo, 2016). Social influence happens when an individual changes his or her behaviours, i.e. opinions, emotions and/or attitudes, because he or she is being influenced by another individual or group, rather it being intentionally or unintentionally (Xu & Wu, 2020; Peng, et al., 2016; Liu, et al., 2019; Ifinedo, 2016). In a lot of social encounters, an individual will modify his or her opinions, attitudes, and/or behaviour so it is similar to the opinion of those with whom they interact. Further, if two individuals are connected in an influence relationship, then they will influence each other to the point where the difference in their opinions will be reduced (Flache, et al., 2017). This study builds on the theory of Social Influence. The reason for this is, that a social media influencer is a person who influences consumers views and/or attitude towards a product of some sort (Saima & Khan, 2020; Freberg, et al., 2011). Therefore, the theory of social influence is the most relevant of the theories mentioned for this study.

2.1.1 Normative and Informational Influence

There are two ways in which an individual can be influenced by others within social influence: *Normative influence* and *informational influence* (Deutsch & Gerard, 1957). Normative influence is where the change in behaviour of the individual is caused due to the recipient interpreting the provided information of the influencer as an expectation to conform, e.g. to the expectation of a group of people (Xu & Wu, 2020; Li, 2013). The influencer mentioned here is someone who influences the individual and not necessarily a social media influencer. Normative influence happens in groups because of a desire to keep up group fellowship or with the purpose of generating positive assessments from peers within the group, e.g. by presenting arguments similar to the ones favoured by the other group members (Kaplan & Miller, 1987). When influenced by normative influence individuals experience a higher level of social pressure to conform to the attitudes of the group, which could mean performing or not performing a certain behaviour, even though the individual's beliefs might not equate to the behaviour (Kaplan & Miller, 1987). This could be if all of your friends are using a specific social media application on their phone and you then use it as well, even though you might not enjoy the application, just to keep in contact with your friends. This would mean that you conform to the expectation of others, which in this case is using the application (Xu & Wu, 2020; Li, 2013). Informational influence is when the behaviour of the individual is based upon the personal evaluation of the information presented by the influencer (Xu & Wu, 2020). This can change group members' attitudes as facts, evidence, and different forms of information are discussed within the group, with

the objective being reaching a decision of high quality (Kaplan & Miller, 1987). Moreover, it is important for the individual to feel inclined to make informed choices, and therefore the perception of people who are seen as credible and trustworthy is seen as proof of a product's quality (Lord, et al., 2001). An example of information influence could be if your friend recommends a restaurant which you have never heard of before. You then make a decision to try it and make your own decision as to whether or not you actually like the restaurant. Since you have received new information from another person this is called informational influence (Xu & Wu, 2020).

2.1.2 The Three Processes of Influence

Besides the normative and informational influence, according to Kelman (1958), there are three processes through which an individual can be influenced. The three processes are *Compliance, Identification*, and *Internalisation*, and these provide a well-established ground for understanding the social behaviour and acting of individuals.

The compliance process is occurring when the individual accepts the influence because he or she has hopes of receiving a favourable reaction from another individual or a group of individuals. He or she does not have to believe in the content of the behaviour but adopts it with the purpose of gaining a specific reward and/or approval as well as to avoid punishment or disapproval by not adopting the behaviour. This is not within a group of friends or people he or she knows personally but rather within society as a whole (Kelman, 1958). This is closely related to the formerly mentioned normative influence, where an individual would have similar attitudes to other individuals as a way to gain acceptance, even though the attitude might not equate to that of the individual.

The identification process is similar to the compliance process, but with a more specific self-defining purpose. This process occurs when an individual accepts influence with the intention of establishing or maintaining a satisfying self-defining relationship with another individual or a group of people (Kelman, 1958). He or she adopts the behaviour or attitude of the person or group because it is connected with the sought after relationship. Again, the behaviour does not need to equal the attitude of the individual, but it is needed to establish or maintain the sought after relationship. So, this means that identification is when an individual is being influenced by others in the same social group (Kelman, 1958). This is - as with the compliance process - closely related to the formerly mentioned normative influence.

The last process of internalisation occurs when an individual accepts influence due to the content being congruent with his or her own value system (Kelman, 1958). This can be in the form of a membership of a group of people with the same values as oneself or a person with the same values (Ozuem, et al., 2021). This is then the quite opposite of the identification process. In the identification process, the sought after group of people decide the behaviour of the individual, whereas the valued behaviour decides the group within the internalisation process. This is linked to informational influence as the individual's behaviour is based upon the personal evaluation of the data presented by the influencer.

2.2 Digital Marketing

"Digital marketing" started as a term that described the marketing of products and services by utilizing digital channels. Today it is a term describing a company's use of digital technology as a way of getting customers, promoting their brand, and increasing sales (Kannan & Li, 2017). Digital marketing is the activity, institutions, and processes for creating, communicating and delivering offerings that have value to the consumers and society (AmericanMarketingAssociation, 2017). This includes e-commerce, mobile devices, Internet-of-Things, artificial intelligence, smart products and many more (Herhausen, et al., 2020). Meanwhile, The Digital Marketing Institute (Smith, 2007, in Wymbs, 2011, p. 94) defines it as: "The use of digital technologies to create an integrated, targeted and measurable communication which helps to acquire and retain customers while building deeper relationships with them". So, digital marketing is about building relationships and communicating with consumers through digital technology, to help increase sales. One way of doing so is by making use of a Social Media Influencer.

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2.3 What Is a Social Media Influencer?

There are several names for what to call these online influencers, the two most used being *digital influencers* (De Veirman, et al., 2017; Torres, et al., 2019) and *social media influencers* (Xu & Pratt, 2017; Saima & Khan, 2020; Freberg, et al., 2011; Garcia, 2017). The definitions of what they are, are very similar and the two terms will therefore be treated as being the same. Further, the terms "influencer" and "social media influencer" will be utilized as interchangeable terms throughout this study.

According to Freberg et al. (2011), a social media influencer is "a new type of independent third party endorser who shapes audience attitudes through blogs, tweets, and the use of other social media" (Freberg, et al., 2011, p. 90). Meanwhile, De Veirman et al. (2017) sees social media influencers as creators of content and they have a solid base of followers on social media. Through these social media, they share their everyday lives, what they experience as well as their opinions on everything from food to politics. They have gotten this solid follower-base by creating viral content on their social media profiles (Garcia, 2017). The influencer uses these social media platforms to influence and shape the consumers' views of a specific brand or product. This is done through updates, pictures and videos uploaded to social media (Saima & Khan, 2020; Freberg, et al., 2011). Some even go as far as calling them internet celebrities (Xu & Pratt, 2017), though, social media influencers are more relatable, as they share their lives and interact with their followers directly (Torres, et al., 2019).

Social media influencers are even considered to be opinion leaders, as Casaló et al. (2020) found to be the case within the fashion industry. Opinion leaders have been found to be of influence in regards to consumers' behaviour due to their appeal and connection to the audience (followers), as well as their expertise within a certain area (Lin, et al., 2018). It has been found that the opinion of others have a big impact on how consumers evaluate products (Burnkrant & Cousineau, 1975), meaning

that social media influencers have a big impact on how their followers perceive a specific product if they review the product on their social media profiles.

So, a social media influencer is a creator of content who has a lot of followers on social media, whom they have gotten by creating viral content. The influencer then uses the social media platforms to share his or her opinions and everyday life, to try and influence the followers' view on a specific brand or product, through videos, pictures and written posts. This is called *influencer marketing.*

2.4 Influencer Marketing

The abovementioned digital marketing, as well as the emergence of social media influencers and their effect on the consumers' opinions, have created this rather new term called "influencer-marketing". Within the past few years, influencer marketing has grown a lot, and the money spent on it by companies as well (Lou & Yuan, 2019).

Influencer marketing is the strategy of a company using key individuals' or opinion leaders' influence to try and drive the consumers' purchasing decisions. This is done by the influencers using their reach on social media platforms to deliver a specific message about a company or product to their followers, in order to secure more sales (Brown & Hayes, 2008; Martínez-López, et al., 2020). In order to do so, a company offers the influencer to test a product or by paying them, aiming to affect the influencer to endorse the company's product among his or her's social media followers (De Veirman, et al., 2017). More specifically, this is a way to get opinion leaders to spread word of mouth about a brand and its products to his or her audience (Thorne, 2008).

2.4.1 Advantages of Influencer Marketing

Reaching the right segment is one of the major advantages of using influencer-marketing. Partnering with the right influencer with followers ideal to the company's business can help a company reach the right consumers. Making use of influencer marketing can also help your brand build trust and credibility, as followers trust the influencer and what they say about your product (Harvey-Franklin, 2019). Further, influencer marketing can help a company reach audiences which they otherwise would not have reached. Influencers can have several million followers, and if the company have chosen the right influencer, these millions could all be consumers interested in the company's product (Meerman, 2020; Barker, 2019).

2.4.2 Disadvantages of Influencer Marketing

It is an advantage for companies to collaborate with the right influencer, but it can be just as big of a disadvantage if the company chooses the wrong influencer. It can be hard to find the right influencer. Fake followers are becoming a problem and partnering with an influencer with a lot of these will result in money wasted on trying to influence fake persons (Pfund, 2019). Another disadvantage is that the company cannot control what the influencer does when he or she is not endorsing a product. This could result in a crisis spillover if the influencer does something unacceptable, which then could hurt the company's brand image (TransformationMarketing, 2019).

2.5 The Concept of Purchase Intention

The possibility of a consumer planning to purchase a certain product or service in the future is referred to as "Purchase intention" (Wu, et al., 2011; Raza, et al., 2014). This intention consists of the buyer's attitude and evaluation (of the product/service), as well as external components (Raza, et al., 2014). Research has shown that an increase in purchase intention results in an increase in the chance of the consumer making a purchase (Martins, et al., 2019; Chang & Wildt, 1994), so it is clear why this is an interesting thing to investigate, as it can help managers predict sales.

Moreover, purchase intention is influenced by many different factors, such as brand, price, quality, and trust (Raza, et al., 2014). In the study by Morwitz et al. (2007), it was found that intentions of buying are more correlated with actual purchases for existing products (rather than new ones), as well as for durable goods (rather than non-durable goods). Further, it was found that there was a higher correlation regarding intentions to purchase specific brands rather than a product category.

The concept of purchase intention is utilized as a long-term predictor of the purchase behaviour of the consumer, as it is considered an important criterion for a continuous purchase (Teng, et al., 2018), though it has been found that intentions are more correlated with purchases over a short period of time rather than a longer period (Morwitz, et al., 2007). This suggests that individuals have a better predicting power towards short-term behaviour than long-term behaviour.

2.6 Source Credibility and Parasocial Relationship

2.6.1 Source Credibility

Source credibility is a term describing a communicator's (in this case a social media influencer) positive traits that have an effect on the receiver's (in this case a follower) acceptance of the message communicated (Ohanian, 1990). Previous studies have suggested that one of the highly important factors is source credibility when it comes to celebrity endorsements. These studies have found that when information comes from a credible source, then it affects consumer attitudes as well as behaviour (Hovland, et al., 1953; Weismueller, et al., 2020).

Source credibility increases message acceptance and increases positive attitudes towards endorsements (Reinikainen, et al., 2020; Pornpitakpan, 2004). It has been found that the higher an individual rate the credibility of an influencer, i.e. their source credibility, the more favourable the individual's attitude will be towards the advertisement as well as the brand being endorsed, which consequently leads to higher purchase intention (Goldsmith, et al., 2000; Pornpitakpan, 2004).

The credibility of the influencer was found to have the most significant direct effect on purchase intention in the study made by Saima & Kahn (2020). Adding to this is the research by Reinikainen, et al. (2020), Sokolova & Kefi (2020), and Wang, et al. (2017) which found influencer credibility to positively affect purchase intention. Additionally, Chetioui, et al. (2020) found that within the fashion industry perceived credibility of the influencer had a positive impact on the attitude towards the social media influencer, and these attitudes positively impacted the purchase intention of the consumer. On the contrary, two studies reviewed in this study did not find a positive relationship between source credibility and purchase intention (Lee & Kim, 2020; Jain, et al., 2019).

According to a study made by Hovland, et al. (1953), trustworthiness and expertise are the two dimensions that make up source credibility. Adding to this is the "Source Credibility Model" by Ohanian (1990) which has the three dimensions of "trustworthiness", "expertise", and "attractiveness" as the ones in focus. Her study suggests that these dimensions are the most influential source-effects on purchase intention. These three dimensions have since been used to research the source credibility of social media influencers in several studies (Reinikainen, et al., 2020; Wang, et al., 2017; Yuan & Lou, 2020; Djafarova & Trofimenko, 2018; Weismueller, et al., 2020). These exact

three dimensions were found to have a significant effect on purchase intention in the study made by Weismueller, et al. (2020) as well.

2.6.2 Parasocial Relationship

The term "Parasocial Interaction" (PSI) was originally put forth by Horton & Wohl (1956) whose study made a description of parasocial interaction as being the audiences' illusory social experience with a person within media. This is further elaborated as being an illusion of intimacy and a feeling of a real relationship. This kind of relationship is established by a member of the audience, and the media persona could be unaware of the relationship (Dibble, et al., 2016). Additionally, the feeling of a PSI is described as when an individual "feel that they know and understand the persona in the same intimate way they know and understand flesh and blood friends" (Perse & Rubin, 1989, p. 60). Even though social media influencers have a way of making a bidirectional relationship with a follower through comments on posts, this is not realistic as the influencer cannot actually answer all of the followers' request due to the number of followers they have. Due to this, social media influencers are similar to celebrities, which makes the relationship illusory, as originally put forward (Sokolova & Kefi, 2020).

A relevant related term is "Parasocial Relationship" (PSR), which is based upon the concept of PSI. This term has been used to explain relationships between an audience member and soap opera characters (Perse & Rubin, 1989) as well as vloggers on YouTube (Lee & Watkins, 2016). PSR is the socioemotional bond between a media persona and the audience (Horton & Wohl, 1956), in our case a follower and an influencer. The term PSR refers to a lasting relationship linking the audience (follower) and media persona (influencer), whereas PSI refers to the audiences' relationship-feeling following a one-time exposure to a production of some sort, e.g. a movie. Therefore, PSI is restricted to a single viewing episode (timespan of a movie or an episode of a tv-show), while PSR can extend beyond this single viewing episode (Dibble, et al., 2016). Repeated exposure to a social media influencer can generate feelings of a relationship, and as this continues to develop the follower will start to trust the influencer and seek out their advice (Rubin, et al., 1985).

2.7 The Use of the Terms

2.7.1 The Use of Source Credibility

This study will be accompanying several other studies in its approach to source credibility and its dimensions. The three dimensions of trust, expertise, and attractiveness presented by Ohanian (1990) in the "Source Credibility Model" will be the ones used to approach the term further on in the study as well as in the questionnaire, when asking about source credibility. The reason for choosing these three dimensions is that two of them (trust and expertise) were put forth as being dimensions by Hovland, et al. (1953) in the initial study of the dimensions of source credibility. Further, Ohanian's (1990) "Source Credibility Model" is widely used among previous studies examining source credibility. Some have used only one, some two of the dimensions, and some of the studies have used all three to define and investigate the term. How the dimensions have been used as well as their significance will now be presented.

2.7.1.1 *Trustworthiness*

Being one of the first two dimensions found to make up source credibility Hovland, et al (1953) described trustworthiness as "the degree of confidence in the communicator's intent to communicate the assertions he considers most valid" (Hovland, et al., 1953 cited in Ohanian, 1990, p. 41). A more recent, and maybe easier definition to understand, is the one made by Spence, et al. (2013, p. 4) which is "the perception that a person will tell the truth if they know it". To help detail the dimension Ohanian (1990) has come up with some specific terms to describe it and these are dependability, reliability, sincereness, and honesty. Messages delivered by a trustworthy source are thought of as being more believable than if the source is thought of as not being trustworthy (Hovland & Weiss, 1951). For this reason, companies need to choose endorsers (influencers) with a high sense of trustworthiness for their endorsement to be well received by the consumers (followers).

The factor of trust has been found to be an important factor for a social media influencer to affect the purchase intention of the consumer in several studies. Chetioui, et al. (2020) found trust to have a positive impact on the attitude towards the social media influencer, which positively impacted the purchase intention of the consumer. Adding to this is the study by Saima & Khan (2020) which also found trust to have a significant effect on the credibility of the influencer. Meanwhile, Lou & Yuan (2019) found the influencer's trustworthiness to be of importance in the influence of the consumers'

purchase decision. Further, in the study by Kostantopoulou et al. (2019), it was found that even though the participants were sceptical about reviews given from beauty influencers, once the influencer gained the participants' trust the decision-making process was facilitated.

It was also suggested that the transparency of the influencer have an impact on consumer purchase intention. The research suggests that the influencer makes use of a clear disclosure, as opposed to a more ambiguous one, as this helps in making the message more transparent (Woodroof, et al., 2020). This could be related to trust in the influencer, as the follower feels distrust if the influencer tries to hide the disclosure and vice versa. On the other hand, Gajanova et al. (2020) found Slovakian consumers to have quite a degree of distrust in social media influencers, while Statista (2021, p. 33) found that 86% of U.S. internet users distrust influencers and bloggers. It was also suggested that the transparency of the influencer have an impact on consumer purchase intention. The research suggests that the influencer makes use of a clear disclosure, as opposed to a more ambiguous one, as this helps in making the message more transparent (Woodroof, et al., 2020). This could be related to trust in the influencer, as the follower feels distrust if the influencer tries to hide the disclosure and vice versa. On the other hand, Gajanova et al. (2020) found Slovakian consumers to have quite a degree of distrust in social media influencers, while Statista (2021, p. 33) found that 86% of U.S. internet users distrust influencers and bloggers.

2.7.1.2 *Expertise*

Expertise was one of the first two dimensions found to influence the source credibility (Hovland, et al., 1953). In the study, it was described as the extent to which a communicator (influencer in our case) is perceived as being a valid source of information. Further defining this, is Ohanian (1991) who found the factors of knowledge and experience as being dimensions of expertise.

This is supported by Reichelt et al. (2014) who say that expertise is the knowledge and experience with the topic which the influencer possesses. An expert is assumed to provide a more believable review of a product or information about a topic than those not congruent with the topic at hand (Edwards, et al., 2013b). This is backed up by the studies of Torres, et al. (2019) as well as Chetioui, et al. (2020) which found that congruence between the social media influencer and the brand/product endorsed had an impact on the purchase decision of the consumers.

So, even though Reichelt et al. (2014) found that an influencer does not need any expertise to build a community, the expertise will be needed for the influencer to gain acceptance as being "competent" within the area and thereby earn credibility.

2.7.1.3 *Attractiveness*

This dimension as a source of credibility is relevant because of the idea that consumers are more likely to be positive towards information received by attractive individuals (Pornpitakpan, 2004). This "attractiveness" refers to both physical attractiveness (Pornpitakpan, 2004; Bergkvist & Zhou, 2016) as well as social attractiveness (Djafarova & Rushworth, 2017; Jin & Phua, 2014), which comes more into play when talking about endorsing products via social media. In the research made by Torres et al. (2019), they found that the purchase intention of the consumers is influenced by the attractiveness of the social media influencer, which included their likeability as well as familiarity.

Physical attractiveness refers to beauty (Ohanian, 1990; Djafarova & Trofimenko, 2018), style (Phua, et al., 2017), and uniqueness (Djafarova & Trofimenko, 2018; Casaló, et al., 2017) of the endorser (influencer). This is supported by the fact that attractive people in marketing are especially useful in the fashion industry (Djafarova & Trofimenko, 2018).

Social attractiveness refers to the followers, likes and comments which an influencer gets on social media platforms. The idea is, that social media profiles with a high count of likes, comments and followers will have a high social attractiveness as well (Djafarova & Rushworth, 2017; Jin & Phua, 2014; Weismueller, et al., 2020). This addition to the dimension of attractiveness is, as mentioned, important when talking about social media endorsement, as Jin & Phua (2014), and Edwards, et al. (2013a) found that endorsers without a face to go with it can be considered attractive. This means that physical attractiveness is not always necessary or even a factor that affects the consumers.

Based upon the literature above, a figure was made to illustrate source credibility and how the dimensions of trust, expertise, and attractiveness make up source credibility. This is how the research will be defining source credibility further on. Questions regarding source credibility for the questionnaire will be chosen with these dimensions in mind.
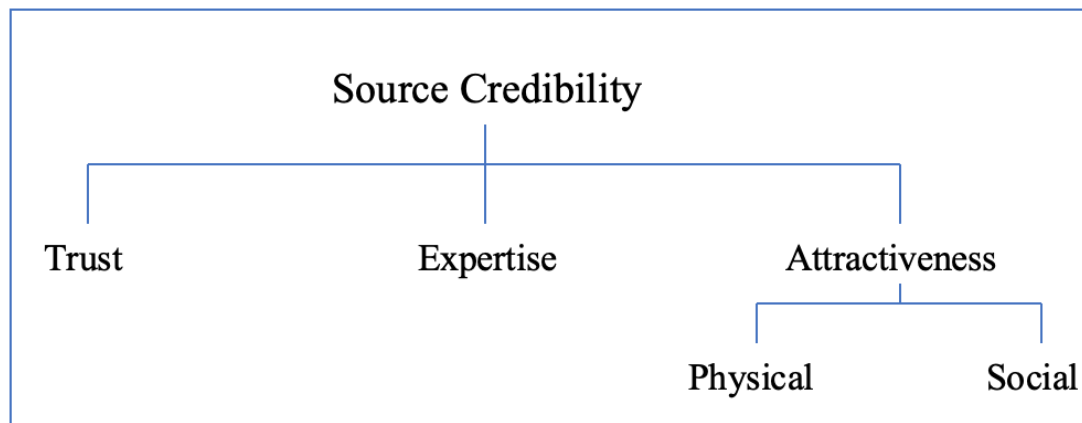
Figure 1 - Source Credibility

2.7.2 The Use of Parasocial Relationship

In the study by Ki, et al. (2020) it was found that a social media influencer needs to have an emotional bond with the followers in order to possess influential power over the consumers' buying decision. Adding to this is the research by Ladhari, et al. (2020) which also found the emotional attachment of the follower to the influencer to have a significant effect on the purchase intention of the follower. Additionally, Hu, et al. (2020) found PSR to have a significant effect on the stickiness of the followers to the social media influencer and their endorsement(s). Further, in the study by Yuan & Lou (2020), it was too found that PSR was positively linked to product interest. Adding to this is the study by Sokolova & Kefi (2020) which highlighted a positive connection between PSI and purchase intention. This was the results of the study by Lee & Watkins (2016) as well, whose study found that PSI has a positive impact on brand perception and purchase intention within a luxury fashion context.

Some of the previous literature suggests that an emotional bond between follower and influencer is to be established for the influencer to be able to affect the purchase intention of the follower. As a parasocial relationship refers to an emotional and lasting relationship between a member of the audience (a follower) and a media persona (a social media influencer) (Dibble, et al., 2016), the emotional bond found to have a significant effect in the previous literature can be seen as the follower needing to have a parasocial relationship with the social media influencer in order for the influencer to affect the purchase decision of the follower. Additionally, some literature found PSR to have a significant effect on purchase intention. Due to this, parasocial relationship (PSR) seems most

applicable for the case of this research and will be used further on, as opposed to parasocial interaction (PSI).

2.7.2.1 *The Effect of Homophily on Parasocial Relationship*

Affecting the parasocial relationship is the factor of homophily, as suggested by previous literature. In the study by Ladhari, et al. (2020) the results showed that homophily has a positive significant effect on the followers emotional attachment to the social media influencer. Adding to this is the research by Sokolova & Kefi (2020) in which they found a positive connection between attitude homophily and PSI. This is supported by Lee & Watkins (2016) whose study found PSI to be determined by attitude homophily. Moreover, Hu, et al. (2020) found in their study that wishful identification, i.e. wanting to be or act like another person, to have a positive significant impact on the stickiness of the followers to the endorsement(s) made by the social media influencer as well as the influencer him-/herself. Besides this, the study also found that identity similarity has a significant effect on the PSI between the follower and influencer. Additionally, Yuan & Lou (2020) found that the similarity between the follower and the influencer positively affect the parasocial relationship (PSR) between the two.

Homophily is "the degree to which people who interact are similar in beliefs, education, social status and the like" (Eyal & Rubin, 2003, p. 80) and therefore the important factor of similarity between follower and influencer suggested in the literature mentioned above is seen as being some kind of homophily as well for this study.

It has been found that consumers who find a social media influencer similar to themselves are more likely to develop a parasocial relationship with the influencer (Lee & Watkins, 2016). This makes sense as people would rather be friends with (or have a relationship with) people with similar traits to themselves (Lazarsfeld & Merton, 1954). Homophily will be used further in this study as a factor with an effect on the parasocial relationship between a follower and a social media influencer.

Figure 2 below illustrates the relationship between parasocial relationship and homophily. As illustrated, homophily is influencing parasocial relationship and will therefore be involved in this research.
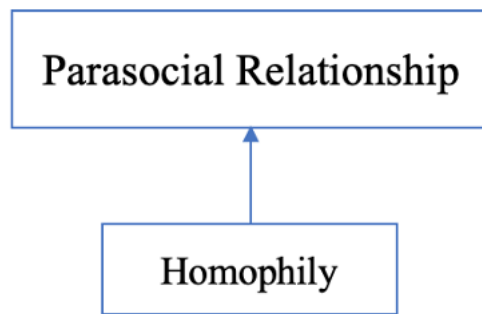
*Figure 2 - Framework of Parasocial Relationship
and Homophily*

2.7.3 Source Credibility and Parasocial Relationship

A connection between source credibility and PSR/PSI has been found in the literature. Sakib, et al. (2020) found that PSI emanates from the consumer's ability to trust the influencer. The study also found that when an influencer is physically attractive followers experienced a PSI with the influencer, in the context of weight loss. PSI was also found to be predicated on physical attractiveness in the study by Lee & Watkins (2016). This is supported by Yuan & Lou (2020) whose study found that the attractiveness of an influencer is positively related to the strength of the PSR between the follower and influencer.

Additionally, the study by Ki, et al. (2020) found competence as being a critical factor for an influencer to create an emotional bond with the follower, i.e. a parasocial relationship.

Lastly, it was found that when an influencer is perceived to be credible followers experience PSI with influencers (Sakib, et al., 2020). In their study credibility contains the factors of trust and expertise, suggesting that the two factors have an effect on PSI.

Summarized this means that, trust (Sakib, et al., 2020), attractiveness (Sakib, et al., 2020; Lee & Watkins, 2016; Yuan & Lou, 2020), and competencies (Sakib, et al., 2020; Ki, et al., 2020) have been found to have a significant effect on PSI and/or PSR, and these factors are the dimensions of source credibility. This suggests that source credibility have a significant impact on PSI and PSR, though only Yuan & Lou (2020) have researched it in regards to PSR. As mentioned prior, PSR builds on PSI, and the two terms overlap in terms of their definition but they are not the same. As a consequence, this study will also investigate the relationship between source credibility and PSR. This will make it possible for this study to investigate if the factors of source credibility found to have an effect on PSI also significantly affect PSR.

2.7.4 The Terms Connected to the Theory

Connecting the concepts above to the theory presented at the start of the literature review, a parasocial relationship is a form of normative influence through the process of identification. This process is when an individual accepted influence from an influencer due to the individual wanting to establish or maintain a relationship with the influencer (Kelman, 1958). A parasocial relationship is a socioemotional bond between a media persona and the audience (Horton & Wohl, 1956) and is a feeling of knowing a person like it is a flesh and blood friend (Perse & Rubin, 1989). In this case, it is a follower who wants to maintain or establish a parasocial relationship with a social media influencer. This can be achieved through having a higher purchase intention towards the products endorsed by the influencer, given the follower a feeling of having the same opinion or attitude as the social media influencer and/or the community build up around the influencer. So, as a means to maintain the parasocial relationship with the social media influencer the individual could purchase something he or she would not necessarily have bought otherwise. This is also in line with the study by Flache et al. (2017), which suggested that if two individuals are connected in an influence relationship, then they will influence each other to the point where the difference in their opinions will be reduced. A parasocial relationship is a one-way relationship (Sokolova & Kefi, 2020), though the follower still feels an emotional bond to the social media influencer as if they were friends (Perse & Rubin, 1989), which should then only reduce the follower's difference in opinion to be somewhat similar to the influencer's opinion. This could make them want to buy the product endorsed as the influencer's opinion about the product is (or should be) positive when endorsing it, making the opinion of the follower positive as well. This way of thinking builds on the notion that the follower follows the social media influencer due to the influencer being someone they want to have a relationship with, even though the follower does not share the same values as the social media influencer. The next section will go into depth with why this might not be the case, as the concept of *homophily* and its effect on PSR will be presented.

Connecting homophily to the theory of Kelman's (1958) three processes of influence, it is connected to the internalisation process, which is normative influence. This is the process where the individual accepts influence because the content being presented is congruent with the individual's own values (Kelman, 1958). Connected to homophily and its effect on PSR, an individual will choose to have a parasocial relationship with a social media influencer with the same values as oneself. If this is the

case, then the follower will accept the influence from the social media influencer, i.e. the endorsement made, because of the shared values between the two.

This means, that a parasocial relationship can cause acceptance of influence, i.e. affect purchase intention, through two of the mentioned processes. This can be through the identification process where the follower wants to establish or maintain a relationship with a social media influencer because the follower likes the relationship, regardless of the influencer's values. On the other hand, PSR can also affect acceptance of influence through the internalisation process, where the follower accepts the influence due to the social media influencer having the same values as the follower.

The three processes presented by Kelman (1958) are all based on the individual facilitating some kind of relationship. Because of this, it makes sense for this study to look into how source credibility affects the relationship between the individual and the influencer. For this reason, how source credibility is affecting parasocial relationship is chosen as the way to describe how source credibility is linked to the theory. In the literature, it was found that if the follower found the social media influencer to be trustworthy then this would strengthen the parasocial relationship (Sakib, et al., 2020). Additionally, attractiveness has been found to be positively related to the strength of the relationship between follower and influencer (Sakib, et al., 2020; Lee & Watkins, 2016; Yuan & Lou, 2020), as consumers are more likely to be positive towards information received by attractive individuals (Pornpitakpan, 2004). Lastly, expertise was found to be a critical factor in regards to a parasocial relationship between a follower and an influencer (Sakib, et al., 2020; Ki, et al., 2020). This suggests, that the follower would want to establish or maintain a relationship with the influencer due to the social media influencer seeming trustworthy, attractive, and as possessing expertise, i.e. the social media influencer being credible.

This can be seen as being connected to the identification process as well as the internalisation process, but either way, it is connected to informational influence. It can be connected to the identification process if the follower wants to establish or maintain a relationship with the social media influencer due to the follower finding the influencer credible. In this way, the follower can find the influencer to be credible even though they might not share any values, making the follower accept the influence anyway. Further, it can be connected to internalisation as the follower can find the influencer credible due to them having the same values as oneself, making the follower accept influence as a result. Either way, both processes will be connected to the informational influence, as the follower himself

or herself decides whether or not the content presented by the social media influencer is credible. This is the case, as it is the follower who decides if the influencer is trustworthy, attractive and if they seem like they possess expertise.

2.8 Conceptualization

Now the research will move on to connecting the two concepts of source credibility and parasocial relationship, as well as their effect on purchase intention. Looking at the framework in figure 3 below, a connection has been made between source credibility and purchase intention. This is due to the many studies suggesting that the source credibility of a social media influencer have an effect on purchase intention (Saima & Kahn, 2020; Reinikainen, et al., 2020; Wang, et al., 2017; Chetioui, et al., 2020). This concept emanates from the dimensions of trustworthiness, expertise, and attractiveness, and is built on the framework suggested by Ohanian (1990). Specifying the dimension of attractiveness is the factors of physical and social attractiveness. This leads to the following hypothesis:

H1: Source Credibility has a positive significant effect on Purchase Intention.

Further, a connection has been made between source credibility and parasocial relationship as well. This is due to the studies suggesting a positive relationship between the dimensions of source credibility and PSR or PSI (Sakib, et al., 2020; Lee & Watkins, 2016; Yuan & Lou, 2020; Ki, et al., 2020). As mentioned prior, only Yuan & Lou (2020) have researched the effect of source credibility on PSR, whereas the other studies researched it in regards to PSI. Therefore, this study will also investigate the relationship between source credibility and PSR further. In addition to this, the factor of homophily was found to be an important factor affecting the PSR, hence the connection between the two. This results in the following two hypotheses:

H2: Source Credibility has a positive significant effect on Parasocial Relationship.

H3: Homophily has a positive significant effect on Parasocial Relationship.

As suggested by Yuan & Lou (2020) as future research, and the main contribution that this study brings to the table of new content, is the connection between parasocial relationship and purchase intention. This connection is what this research primarily seeks to investigate. Additionally, as mentioned in the motivational part of the research, no study has yet researched the three concepts of source credibility, PSR, and purchase intention and how they affect each other in the same study, i.e. this study's framework as a whole. This makes it possible for this study to contribute new knowledge by investigating all of the connections made in the framework below. This results in the following hypothesis:

H4: Parasocial Relationship has a positive significant effect on Purchase Intention.

Below, in figure 3, a full representation of a conceptual framework of the study is displayed, indicating the study hypotheses.
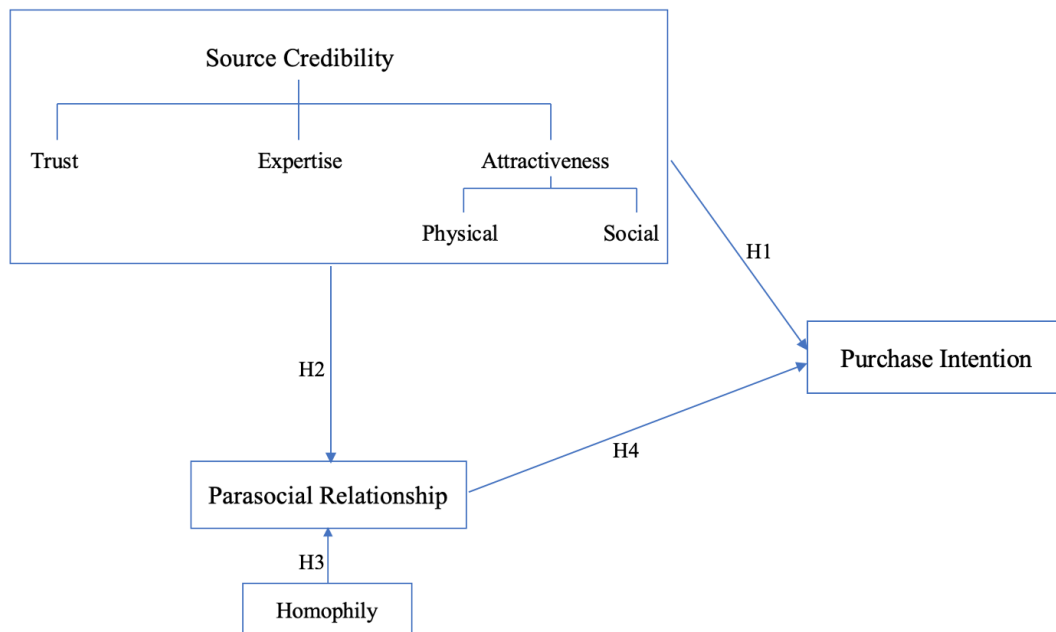
Figure 3 - Conceptual Framework

3 Methodology

In this chapter, the overall research design process will be presented. It will be based upon John Kuada's (2012) four levels of understanding, which is a research strategy and it will be providing an overall framework for the methodology.

Philosophical/Theoretical Viewpoints
Discussing issues of ontology

Epistemological Choice
Views on how knowledge about the research should be understood

Methodological Decisions
Discussion of overall approach to the researh

Choice of Methods and Techniques
Description of data collection tools and reasons for their choice
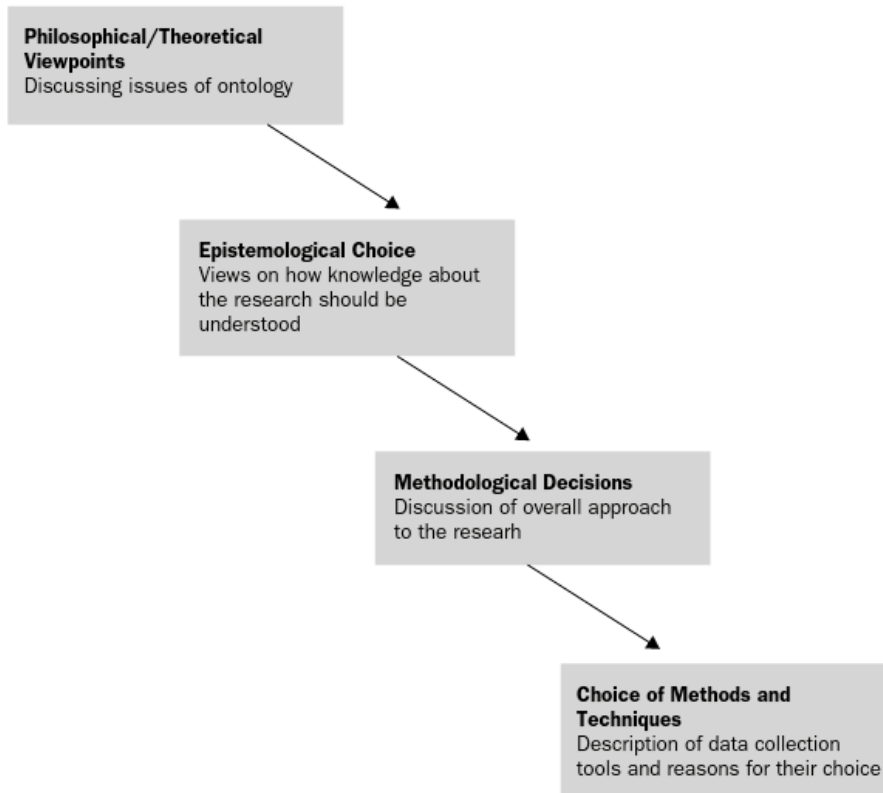
Figure 4 - Four Levels of Understanding

(Kuada, 2012)

The first two levels will be presented under the same main category, Philosophy of Science, where ontology and epistemology will be elaborated. Afterwards, the last two levels will be presented and elaborated.

3.1 Philosophy of Science

Philosophy of Science helps with the understanding and perception of science. Whether or not a researcher is aware of the choices and assumptions they make are all related to ontology,

epistemology and methodology. Therefore, reflection upon these decisions and assumptions will be helpful for further work. Philosophy of Science can be divided into different perspectives: Positivist, the interpretivist and the critical, and these three can then be divided into different sub-categories (Kuada, 2012). Philosophy of science offers a way to create and generate knowledge, furthermore, when reflecting on these assumptions it can help the reader better to understand what has been done. According to John Kuan, paradigms can help as a way to explain and describe the assumptions:

"That every field of research is characterised by a set of common understandings of what kind of phenomenon is being studied, the kinds of questions that are useful to ask about the phenomenon, how researchers should structure their approach to answering their research questions, and how the results should be interpreted. These common characteristics constitute a paradigm"

(Kuada, 2012, p. 72).

3.1.1 Ontology

Ontology is defined as the science of being, moreover, it is described as what the researcher seeks to know. As mentioned above a researcher can work within different paradigms, which also will influence ontology. For some researchers, the social world is real and external, whereas for others it is constructed individually. The relationship between humans and the environment is also a part of the ontology. On one hand, the social world is external, meaning the individuals do not influence it. On the other hand, some researchers believe the social world is a social construction, where humans and the social environment influence each other (Kuada, 2012).

Stating that the social world is real and not possible to influence by individuals is also called realism. Moreover, realism sees the world as hard, tangible and immutable structures (Kuada, 2012). The opposite side is nominalism, where the social world is constructed by individuals, meaning individuals can influence and affect it. This can lead to multiple realities in social science (Kuada, 2012).

In this research, the authors are working within the paradigm of critical realism, given that neither an objectivist nor a constructivism ontology is used. The social world is affected by daily life, individuals can impact the social world, but none the less the social world is still seen objectively. In this research,

this will implicate that the authors will look at the social world objectively, but will respect that the social world can and will be influenced by different opinions.

3.1.2 Epistemology

Epistemology emerges from ontology because epistemology is "how we know what we know". A specific ontological position will need different and specific ways to initiate, generate and gain knowledge (Kuada, 2012). A positivist tries to find relations and consistencies, to understand and forecast the social world. Meanwhile, in antipositivism or social constructivism, a researcher must be a part of the constructed social world to fully understand it (Kuada, 2012).

When working within critical realism, it will affect the way the authors generate, conduct and collect knowledge. At the beginning of this paper, the knowledge was created through the relevant chosen literature to gain bigger insight into source credibility, parasocial relationship, and purchase intention. The authors tried to search for patterns between these constructs, to be able to go further in investigating the relationship between them. Moreover, when working within the paradigm of critical realism, the authors used a retroductive approach, thus blending inductive and deductive approaches. In the beginning, the authors had an idea about the connection between source credibility, parasocial relationship and purchase Intention. However, to test this, it was necessary to look more into what theory has already been conducted, what it says, and then make hypotheses and test these. To test these hypotheses, and the relationship between the constructs, primary data was collected.

3.2 Methodological Decisions

Our different approaches will be presented in this section. Moreover, the different methods and techniques used in this paper will be explained. Furthermore, this section also describes and defines how the study is approached and designed, along with the research process and tolls.

3.2.1 Research Approach

In this research, the chosen research approach is closely related to critical realism. When working within the paradigm of critical realism, the retroductive approach is often the chosen approach. This approach is based upon a combination of inductive and deductive. This approach relies on intuition, experience and expertise, and is also referred to as a pragmatic approach. Moreover, this allows using

a mix between objectivism and subjectivism, when making conclusions on the relevant findings (Saunders, et al., 2009, p. 127).

3.2.2 Research Design and Method

Research design can also be called the purpose of the research. Moreover, it helps the researchers with a framework when collecting and analysing data. In addition, it reflects the researcher's decisions regarding what to prioritize. The research method regards the different technologies used for collecting data.

In the study, the researchers are only using quantitative methods, for gathering the data. Moreover, only one method of quantitative data collection, a mono-method technique, is used in this research (Saunders, et al., 2009). This choice in data collecting is connected with the explanatory research approach. Given that the researchers want to explain the relationship between source credibility, parasocial relationship, and purchase intention the study is an explanatory study (Saunders, et al., 2009). Working within the quantitative method, can generate a bigger sample size, and based on that it is possible to generalize the findings. However, when only using quantitative methods to answer specific questions, it cannot take other factors besides those of the questions into consideration. Given that this study has a time scope, it was not possible to make a longitudinal study. Moreover, given that this specific topic investigates and explains a more recent and new area, it was not possible to use already collected data, therefore this study is undertaken the cross-sectional study approach (Saunders, et al., 2009).

3.2.2.1 *Hypotheses*

Hypotheses in quantitative research are used for shaping and specifying research. Where the research questions focus on the inquire to know about relationships between different variables. The hypotheses are predictions about the excepted relationship between the variables. When using hypotheses there are two different types: Null hypothesis and alternative hypothesis (Creswell, 2009). A null hypothesis is the traditional approach, which predicts within the general population, that there are no relationship or no significant difference between groups on a specific variable. The first alternative hypothesis is the nondirectional one, where a prediction is made, but not specified due to zero knowledge from past literature. The second alternative hypothesis is a directional hypothesis.

This is where the researcher predicts a relationship between variables due to prior literature. This is also how the hypothesis in this research emerged, due to the reviewed literature the four different hypotheses was made, all based upon prior studies (Creswell, 2009).

3.2.2.2 *Literature Review Method*

The reason to do a literature review is to gain knowledge and present already existing research to the reader about the topic of this research. In doing so, this helps the authors learn about how other researchers have investigated the topic at hand. Further, while conducting the literature review the authors get a better understanding of the research area, which provides a foundation for the collection of primary data (Arshed & Danson, 2015).

In this study, the literature was conducted based on the traditional literature review. Moreover, this specific way of conducting a literature review allows the researchers to gain a broad and wide understanding and insight into the research topic. Furthermore, it allows for creativity and exploring the topic through different studies. In addition, when using the traditional way, the researchers can go from one study to another, not following a specific path (Arshed & Danson, 2015). In this research, exploring and jumping from study to study was found necessary, to try and find a connection between the constructs, and subjectively decide on which studies to use. However, the traditional way is not easy to replicate and is lacking transparency. Whereas the other type of literature review, the systematic approach, is a more transparent, documented and comprehensive process through a search for all studies (Arshed & Danson, 2015). Moreover, the systematic approach is narrow in focus and predetermined criteria before searching for literature is important. However, in this case, when the researchers do not have any predetermined criteria and specific search words, it will be challenging to use the same specific path when searching through the literature. Therefore, this research will make use of the traditional way.

3.2.3 Research Process

The research process describes the different stages the research follow to complete it (Saunders, et al., 2009). Furthermore, as stated above, this research is an explanatory research using a mono-method data collection. Additionally, the process of primary data and secondary data will be explained.

3.2.3.1 *Primary Data*

A questionnaire or survey is a research tool for gathering data regarding a specific topic, which the researcher wants to investigate. Moreover, when designing a questionnaire, it is important to think about the layout, which questions to choose, the distribution, and if a questionnaire is the right way to collect data to answer the research topic. These different touchpoints can affect the response rate as well as the validity and reliability of the study (Saunders, et al., 2009). Using a questionnaire can be a quick, inexpensive, and practical way of generating data. Moreover, it allows the respondents to be completely anonymous and thereby give answers freely. However, when only using a questionnaire it can lack a bit of nuance, as well as personality, as opposed to making use of an interview or focus group.

Further, it is important not to push the respondents into a specific way of answering the questionnaire to secure a high validity and reliability for the research. It can be difficult to get people to answer and complete the questionnaire. To try and eliminate these different "traps" the authors have tried not to reveal anything besides the appropriate amount needed to answer the questionnaire. This meant not giving too much information regarding the meaning behind the questions in the questionnaire, as to not accidentally colour the responses. Besides that, the authors also had to be a bit pushy when distributing the questionnaire with the purpose of getting an appropriate amount of answers.

In this study, when using an explanatory process, it was straightforward to use a questionnaire as a way of collecting data. The questionnaire for this study was made using the survey website "SurveyXact". The construction, development, and choices regarding the making and distribution of the questionnaire will be explained further now.

3.2.3.1.1 *Questionnaire*

In this section, the considerations made regarding the questionnaire will be presented. This includes why and how the questions used were chosen, how they were measured, as well as the ways in which the questionnaire was distributed.

3.2.3.1.1.1 *Questions*

Nine demographic questions were chosen for the questionnaire, asking the respondents about their gender, age, where they live, education, job, time spent on social media per day, if they know and follow social media influencers, and if they have bought products under the influence of a social

media influencer. These questions were made by the authors, and were incorporated for it to be possible to see who the respondents are. This made it easier to compare groups within the population. When asking if the respondents knew what a social media influencer is, the ones who answered "no" was taken to a slide explaining how this research defines it, to clarify and make it easier for them to move on with the questionnaire. This was made in the hopes of them realizing what it is and then continuing with the questionnaire, giving more answers to analyze.

After the demographic questions, the questions used to measure the different constructs from the conceptual framework were picked. This resulted in 14 questions measuring source credibility, with 4 measuring trust, 4 measuring expertise, and 6 measuring attractiveness (3 questions for both physical and social attractiveness). Additionally, 4 questions measuring parasocial relationship, 4 questions measuring homophily and 5 questions measuring purchase intention were picked.

All of the questions used for the questionnaire was created based on the literature found in the previously made literature review (Appendix 1). Slight changes were made to fit this research case best possible. This involved changing some of the wording, to make it suitable for the research topic of this study.

All constructs were measured by using a five-point Likert scale for each question, ranging from "strongly disagree" (1) to "strongly agree" (5). One reason for using the five-point Likert scale is that it is often connected to questions about attitude, which in this case is most of the questions in this study. Moreover, it will make the processing of the data simple (Bell, et al., 2019).

3.2.3.1.1.2 Distribution

The questionnaire was distributed via direct e-mail to our fellow students at the university through the study secretary as well as through various activities on Facebook. These activities included sharing the questionnaire on the authors' personal Facebook profiles several times, each time encouraging friends and acquaintances to answer the questionnaire if they had not done it already. The Facebook activities also included sharing the questionnaire on a group called "Surveygroup" where people from all over Denmark share their surveys in the hopes of getting as many respondents as possible. In this group, the questionnaire was also shared twice in the hopes of getting as many respondents as possible. As a result of using mostly Facebook for distributing, this research is reaching mostly danish individuals, and therefore, the data is mostly concerning Danes.

3.2.3.1.2 Structural Equation Modelling for Analysing Primary Data

For measuring out data and for the authors to be able to interpret the data it was decided to make use of Structural Equation Modelling (SEM). SEM is used for analyzing various connections between concepts and is used in instances where a connection is needed to be explained, either for solving a problem or just for expanding general knowledge, as with our case. This means that SEM is a tool for verifying theory (Blunch, 2013). The reviewed literature also showed the use of SEM, as both Yuan and Lou (2020), Lee and Watkins (2016), and Jiménez-Castillo & Sánchez-Fernández (2019) used it, just to mention a few. Based upon similar research, it was decided to use SEM in this research as well. When doing SEM, this entails making a Confirmatory Factor Analysis (CFA) and thereafter a Structural Model (Maruyama, 1998). Both models will be created and examined in IBM SPSS AMOS.

3.2.3.1.2.1 Measures

Before diving into the two parts of SEM, some measures need to be established and explained. The following criteria are the ones used for checking and ensuring a valid and reliable dataset, by checking the fit of the proposed models made in both the confirmatory factor analysis as well the structural model. Similar cutoff values have been used for both parts of the SEM in the analysis.

CMIN/DF

CMIN is the chi-square value, traditionally used for testing a model for the goodness of fit (GFI). However, in this case, it is used for evaluating whether a model diverges significantly from one that fits perfectly to the data (Kline, 2011).

DF is the degrees of freedom, where the p-value shows the significance level. Moreover, traditionally if $p \leq 0.05$ then it is possible to reject the null hypothesis, or in our case not reject the hypothesis. So, CMIN/DF is the minimum discrepancy divided by degrees of freedom and should be < 3 (Kline, 2011 cited in Yuan & Lou, 2020).

Tucker-Lewis Index (TLI) and Comparative Fit Index (CFI)

These are both comparative fit indices or incremental indices. Both should be > 0.9 and TLI preferably > 0.95 (Bentler, 1992; Hu & Bendtler, 1999). When reaching values above the desired level it can be used as an indicator of an acceptable fitting model.

Root Mean-square Error of Approximation (RMSEA)

This measure is considered an 'absolute fit index' where 0 is the best fit and values above 0 suggest otherwise. According to Hu and Bendtler (1999), values below 0.05 is an indicator of a close-fitting model, meaning that this measure should be below 0.05 to be acceptable.

These are all the measures used further on in the study as a way to examine the model fit for the Confirmatory Factor Analysis as well as the Structural Model in the analysis part.

3.2.3.1.2.2 Confirmatory Factor Analysis

Before testing the structural model, a factor analysis must be made. This can be done in the form of Exploratory Factor Analysis (EFA) or a Confirmatory Factor Analysis (CFA). In EFA every variable (question) is connected to every latent construct, to figure out what latent construct best explain the variable. In CFA the variables are connected to some latent constructs which have been pre-determined, so every variable is only connected to one latent construct. These connections need to have some theory behind them, and this the main advantage of a CFA. CFA is a multivariate procedure used to test if and how well the variables are representing the chosen latent constructs (Blunch, 2013). A latent construct or variable, cannot be directly measured and therefore the use of observed variables, which can be measured, is needed. In the case of this study, these observed variables are the questions from the questionnaire (Blunch, 2013).

A confirmatory factor model can either be reflexive or formative, and this indicates which way the arrows within the model go. In this research the authors use reflexive, meaning the arrows point from the latent construct to the observed variable (Blunch, 2013).

This study seeks to investigate pre-specified relationships between the constructs which were found during the literature review. Because of this reason, confirmatory factor analysis was chosen for the SEM. This made it possible for the authors to evaluate the data, using traditional tools, and test the pre-specified relationships between the constructs.

3.2.3.1.2.2.1 Construct Validity

After a valid model fit has been established it is necessary to also establish construct validity, before testing for significant relationships. This is done by determining if there are convergent validity and discriminant validity (Fornell & Larker, 1981).

Convergent Validity

Convergent validity can be established by looking at the average variance extracted (AVE). These values are calculated by AMOS for this research. If the AVE is below 0.5 the variance due to the measurement error within a given construct is higher than the variance which is captured by the same construct. This indicates that the validity of the construct is questionable (Fornell & Larker, 1981). Even though the AVE for a construct may be below 0.5 convergent validity can still be established. This is the case if the Composite Reliability for the construct is above 0.6, then convergent validity is still established (Fornell & Larker, 1981). Composite reliability is an indicator of the shared variance between the variables observed which is used to explain a latent construct (Fornell & Larker, 1981).

Discriminant Validity

After establishing convergent validity, it is also necessary to establish discriminant validity (Fornell & Larker, 1981). One way this can be done is by taking the shared (average) AVE between two constructs and then comparing this to the correlation between the same constructs. If the shared AVE of two constructs is higher than the squared correlation between the same constructs, then discriminant validity can be established (Bove, et al., 2009).

Another way this can be done is by using the heterotrait-monotrait (HTMT) ratio. Firstly, a multitrait-multimethod (MMTM) matrix should be made containing correlations between the items of the constructs (figure 5). Here the heterotrait-heteromethod correlations are the correlations between all of the items within the different constructs. The monotrait-heteromethod correlations, on the other hand, is the correlations between the items within the same construct.

"Trait"	"Trait"	ξ_1			ξ_2		
"Trait"	"Method"	x_1	x_2	x_3	x_4	x_5	x_6
ξ_1	x_1	1		monotrait-heteromethod correlations		heterotrait-heteromethod correlations	
ξ_1	x_2	$r_{1,2}$	1				
ξ_1	x_3	$r_{1,3}$	$r_{2,3}$	1		monotrait-heteromethod correlations	
ξ_2	x_4	$r_{1,4}$	$r_{2,4}$	$r_{3,4}$	1		
ξ_2	x_5	$r_{1,5}$	$r_{2,5}$	$r_{3,5}$	$r_{4,5}$	1	
ξ_2	x_6	$r_{1,6}$	$r_{2,6}$	$r_{3,6}$	$r_{4,6}$	$r_{5,6}$	1

Figure 5 - Multitrait-multimethod matrix for Heterotrait-monotrait ratio
Source: Henseler, et al., (2015)

To then calculate the HTMT value the average of the heterotrait-heteromethod correlations (HHC) is to be divided by the averages of the monotrait-heteromethod correlations (MHC$_1$ & MHC$_2$) multiplied which is then squared by ½ (Henseler, et al., 2015). A visual example can be seen below:

$$\frac{HHC}{(MHC_1 \cdot MHC_2)^{0,5}}$$

Equation 1 - Equation for calculating HTMT value

Source: Henseler, et al., (2015)

In essence, the HTMT approach is an estimate of the correlation between two given constructs. For the HTMT ratio to establish discriminant validity the values need to be < 0.85 or at least < 0.9 (Henseler et al., 2015).

3.2.3.1.2.3 Structural Model

The second part of the SEM is the structural model or path analysis (Maruyama, 1998). This is the part, where the connections between the latent constructs are estimated. This makes it possible to examine if the constructs have a significant impact on each other (Maruyama, 1998), as suggested by the previous literature. So, this is the part where the framework created in the conceptualization is tested. The hypotheses of the research will be rejected if the constructs are not found to be having significant impacts.

Further, bootstrapping was used in IBM SPSS AMOS to investigate the significance of the indirect effect between source credibility and purchase intention via parasocial relationship. Additionally, the mediation effect of different variables was examined to compare different groups within the population.

3.2.3.2 *Secondary Data*

Secondary data was used in the discussions for supporting and comparing the analysis of the findings. The secondary data is both documentary data and survey-based data. This is both the use of books, journals and prior findings in questionnaires. Moreover, statistics were used for getting an insight into social media usage, and general usage of the internet. The main use for secondary data is for comparing, supporting and analysing the data in the discussion.

3.3 The Credibility of the Research Findings

This section will explain the author's considerations and choices regarding the credibility of the research, this is divided into reliability and validity of the research (Saunders, et al., 2009). Working with quantitative research it is paramount that the measurement is valid and reliable. The two are connected, meaning validity presumes reliability, and if the measure is not reliable it cannot be valid (Bell, et al., 2019, p. 175).

3.3.1 Reliability

Reliability within research refers to the extent to which the data collection techniques and the process while analysing is generating homogenous findings. To establish a high degree of reliability, the following three questions can be useful (Saunders, et al., 2009):

1) Will the measures yield the same results on other occasions?
2) Will similar observations be reached by other observers?
3) Is there transparency in how sense was made from the raw data? (Saunders, et al., 2009).

Using a quantitative research process reliability can be divided into three terms: Stability, internal reliability, and inter-rater reliability. Testing for stability the most common way used is the test-retest method, meaning doing the same test on one occasion and then do it again on another occasion. Furthermore, if the measure is stable, there will be a high correlation between the two tests. However, this is not always the case as different factors may influence and affect the second test. Internal reliability refers to the possibility of a respondent's score on any of the latent constructs being related to their score on another latent construct associated with the same construct. Often Cronbach's Alpha is used for testing internal reliability. Inter-rater reliability is more complex and refers to the lack of transparency when dealing with subjective judgement when translating the data (Bell, et al., 2019).

In this paper, the authors chose to use composite reliability, which is much like Cronbach's Alpha. The reason for using composite reliability and not Cronbach's Alpha is that composite reliability is preferred when using confirmatory factor analysis (Brunner & Süß, 2005). It was not possible for the authors to make test-retest due to the time-limited scope of this paper. Moreover, inter-rater reliability was found to be of no relevance when the authors only used five-range scales as possible answers for the questions in the questionnaire, meaning no subjective judgement was necessary for translating the observations (Bell, et al., 2019).

3.3.2 Validity

Validity refers to whether or not the measurements of a construct really measure the construct. Moreover, validity refers to the accuracy and correctness of the results. For testing validity, a number of different ways can be used. Just to mention some is convergent validity and discriminant validity.

Convergent validity is testing to see if two measures of constructs that should be related are in fact related. Discriminant validity should ensure that the question used for one construct is different from a question used with another construct. Meaning that when testing for discriminant validity the authors test to see that unrelated latent constructs are actually unrelated. In this study, the authors are testing for both convergent validity and discriminant validity, to ensure a high degree of validity in the research findings (Bell, et al., 2019).

3.4 Ethical Considerations

Ethical considerations during research refer to the researcher's ability to behave appropriately in relation to those who are subject to the research (Saunders, et al., 2009). Therefore, this relates to how the research is formulated, data are collected, and how it is analyzed all in a reliable and responsible way. General ethical issues that may occur can be privacy concerns, the capability to obtain confidential data, permission from participants and objectivity of the researcher (Saunders, et al., 2009). To maintain good ethics during this research, the participants in the questionnaire were informed beforehand regarding the questionnaire being anonymous, and that no data would be saved regarding their privacy. Moreover, during the data analyzing process, the researchers' tried to be as objective as possible, in order to analyze and present the data.

4 Results

In this chapter, the results of the questionnaire will be presented and analysed. Firstly, the chapter will go through the demographics of the respondents. After this, the study will go into structural equation modelling, which takes the data collected through a confirmatory factor analysis as well as a structural model. In these, the data will be tested in several ways, and the chapter will end with the structural model looking like the conceptual framework created in the literature review. This will be used to test the previously created hypotheses, to examine if the statements made should be rejected or not.

4.1 Demographics

In the questionnaire, it was decided to use nine demographic questions. Table 1 shows that the biggest representation of who is following influencers is people in the ages of 18-35, 26-30 and 31-40. It also shows an (almost) steady decrease in people following influencers as the age increases.

All respondents (n=250)	Following influencers	
Age	Yes % (n)	No % (n)
1-17	0 (0)	100 (2)
18-25	74.8 (86)	25.2 (29)
26-30	70.6 (24)	29.4 (10)
31-40	52.9 (9)	47.1 (8)
41-50	36.7 (11)	63.3 (19)
51-60	11.4 (4)	88.6 (31)
60+	17.6 (3)	82.4 (14)

Table 1 - Respondents following influencers

Moreover, to be able to show the relation between influencers, source credibility, parasocial relationship, and purchase intention, it was decided to only use the answers to the questionnaire where the respondents had answered "yes" to following a social media influencer. The reason for this is, that the questionnaire asks the respondents about what they "value in a social media influencer" as well as several questions regarding their "feelings towards the influencers which they follow". These questions could not be answered if the respondent did not follow any social media influencers. The demographics of the 137 remaining respondents are showcased in table 2 underneath.

Measure	Item	(N)	Percentage (%)	Measure	Item	(N)	Percentage (%)
Gender	Male	46	33.6	Occupation	Student	86	62.8
	Female	91	66.4		Full-time	39	28.5
					Unemployed	3	2.2
Age	1-17	0	0		Self-employed	6	4.4
	18-25	86	62.8		Retired	3	2.2
	26-30	24	17.5				
	31-40	9	6.6	How often do you use social media	Daily	137	100
	41-50	11	8.0		Weekly	0	0
	51-60	4	2.9		Once a month	0	0
	60+	3	2.2		Rarely	0	0
Education	Primary School or less	2	1.5	I have bought products under the influence of an influencer	Yes	62	45.3
	Higher education	34	24.8		No	75	54.7
	Bachelor's degree	61	44.5				
	Vocational education	15	10.9				
	Master's degree	25	18.2				
	Ph.D. or higher	0	0				

Table 2 - Demographics of the respondents

Of the 250 initial respondents, only 137 of them follow social media influencers. Out of these 137 respondents, around 34 % are male with the remaining 66 % being female, and also only 46.0 % of the male respondents follow influencers with that number being 61.1 % for the females (this is not in the figure). Further, about 63 % are of the ages 18-25; 17 % of the ages 26-30, and the last 19 % being distributed over the last five age categories.
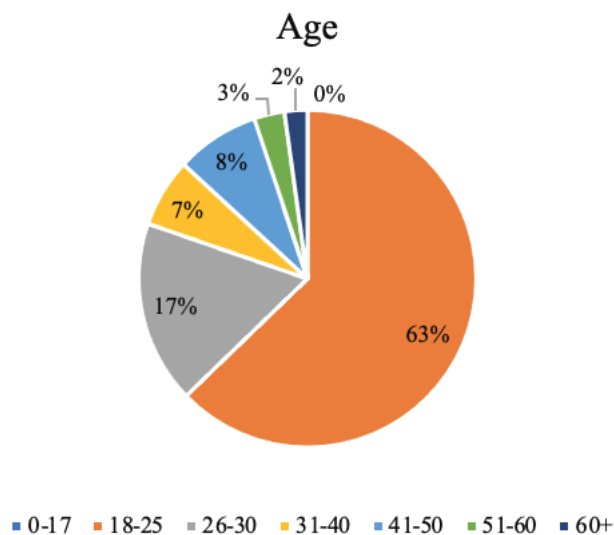
Figure 6 - Age

When asking the respondents about their highest education level, the majority of the respondents answered a "Bachelor's degree" with about 45 % answering this. This was followed by "higher education" with 25 %. Additionally, 11 % have a "vocational education", while 18 % have a "Masters' degree" as their highest education. Lastly, only about 2 % have "primary school or less", and 0 % have a "PhD or higher" as their highest education.

Education

- Primary school or less
- Higher education
- Bachelor's degree
- Vocational education
- Master's degree
- Ph.D. Or higher

0% 1%
18%
25%
11%
45%
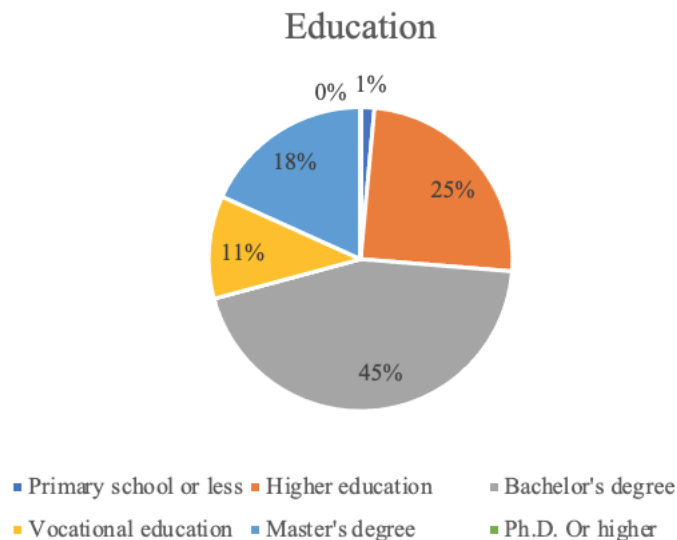
Figure 7 - Education

The respondents were also asked about their current occupation, and the vast majority are "students", with 63 % choosing this option. This was followed by a "full-time job", which 29 % answered.

Occupation

- Student
- Full-time
- Unemployed
- Self-employed
- Retired

2% 2%
4%
29%
63%
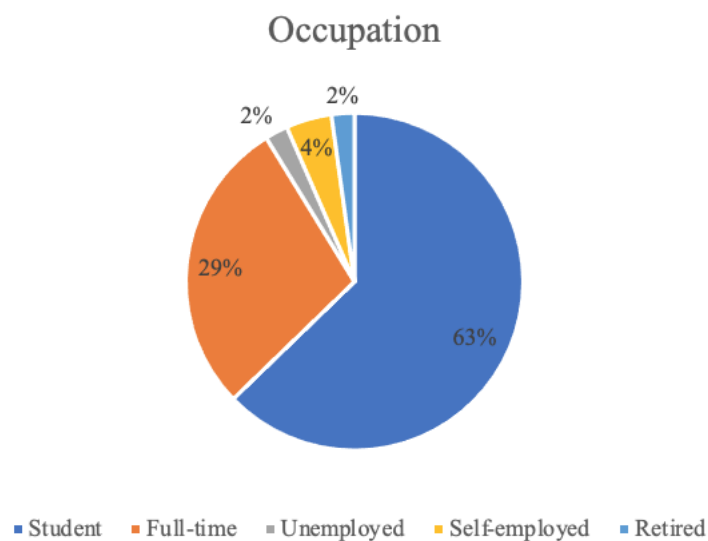
Figure 8 - Occupation

Further, all 137 respondents (i.e. 100 %) uses social media on a daily basis, suggesting that they are subjected to influencer marketing on a daily basis as well. Furthermore, around 45 % of the respondents know that they have bought products under the influence of a social media influencer at least one time in the past.
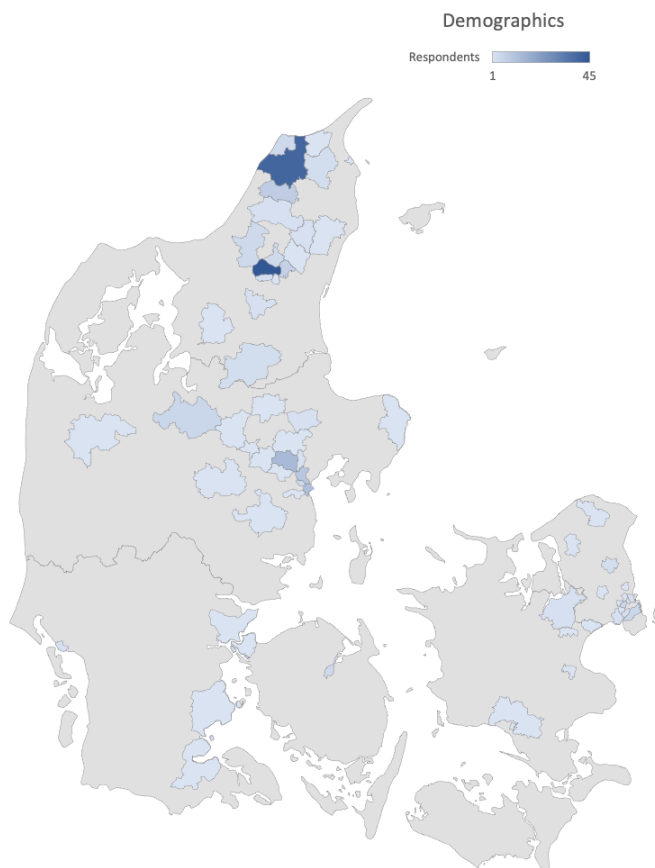
Figure 9 - Map overview of the respondents' zip codes

In addition to the demographics, it was decided to try and make an overview of the geographical placement of the respondents. This map shows the respondents who answered and completed the questionnaire. As the map shows the respondents are spread throughout Denmark, however, the biggest concentration is around the biggest cities Aalborg and Aarhus, and a little around Copenhagen. This could be due to the authors having friends and family mostly in and around Aalborg and Aarhus. Further, a Facebook group called "surveygroup" was used as one of the ways of

distributing the questionnaire. This group, however, consisted of many students spread out through Denmark, which could have given the wider spread of zip codes.

4.2 Confirmatory Factor Analysis

When putting the data from the questionnaire into IBM SPSS AMOS and creating a confirmatory factor analysis the initial model was found to be invalid with measures: CMIN/DF = 2.691; CFI = 0.583; TLI = 0.540; and RMSEA = 0.112 (see table 3). For a model to be deemed valid the measures must be: CMIN/DF < 3 (Kline, 2011 cited in Yuan & Lou, 2020); CFI > 0.9 (Bentler, 1992); TLI > 0.95, or at least > 0.9 (Hu & Bendtler, 1999); and RMSEA < 0.05 (Hu & Bendtler, 1999). Making use of these cutoff-points, meant that only the measure of CMIN/DF from the model fit was acceptable.

In order to move towards a valid model, alterations to the model were made. Firstly, the estimations were gazed upon, and it was decided to remove items (questions) with an estimation lower than the cut-off point of 0.6 (Kline, 2011 cited in Yuan & Lou, 2020). One by one the items with an estimation lower than 0.6 was removed, starting with the lowest. After removing an item, the model was re-analysed, to make sure the remaining estimates of the items were still below 0.6. This resulted in 7 items being dropped, whereof 6 were the factors regarding attractiveness – both physical and social. This means that the items regarding attractiveness were found to be statistically insignificant in regards to explaining the construct of source credibility. This is contradictory to what was found in the literature review, where both factors of the dimension of attractiveness were found to have a significant effect on source credibility. It is also not in line with the "Source Credibility Model" by Ohanian (1990), on which the concept of source credibility within this research was built. In the discussion, possible reasons for this outcome will be presented.

The last item removed was one from the construct of arasocial relationship which asked the respondents: "The influencers I follow I would follow and interact with on other social networking sites".

With each dropped item the model fit improved and got closer to the acceptable values. After the 7 dropped items the measures were as follows: CMIN/DF = 1.767; CFI = 0.853; TLI = 0.83; and RMSEA = 0.075 (see table 3). So, again, only the value of CMIN/DF was acceptable, though the remaining measures had now moved closer to their acceptable values. To further improve the model

fit modification indices were evaluated. The modification indices given by IBM SPSS AMOS is empirical suggestions for improving the model fit. When doing the suggested modifications, the authors made sure that the modifications made theoretical sense. This meant only connecting error items that were connected to the same latent construct. Indices greater than 4 were investigated. If possible, a path was made between two error items within the same construct. The modification indices with the highest value above 4 were connected in the model to start with. This was, as with the items, done one by one with the model being re-analysed between each connection made. This ended with 7 paths created and gave a valid model fit with the measures of: CMIN/DF = 1.138; CFI = 0.975; TLI = 0.969, and RMSEA = 0.032 (see table 3). Now all of the measures have acceptable values, and the model is valid.

Confirmatory Factor Analysis - Results			
	Nothing removed	7 items removed	7 items removed + 7 connections
CMIN/DF	2.691	1.767	1.138
CFI	0.583	0.853	0.975
TLI	0.540	0.83	0.969
RMSEA	0.112	0.075	0.032

Table 3 - Results of confirmatory factor analysis

4.2.1 Construct Validity

4.2.1.1 *Convergent Validity*

Convergent validity was established for the model. First Average Variance Extracted (AVE) was tested and when doing so only the construct of purchase intention was found to have an acceptable AVE with a value of 0.539 (See table 4 for all the values). Even though this might suggest that the convergent validity is non-existent, this is not the case. The reason for stating this is, that when the composite reliability (CR) is above 0.6 the convergent validity is still reasonable (Fornell & Larker, 1981), despite the AVE being below the acceptable value of 0.5. As shown in table 4, CR is above 0.6 for all the constructs which means that convergent validity has been established.

Convergent Validity		
	AVE	CR
Source Credibility	0.319	0.783
Parasocial Relationship	0.449	0.703
Homophily	0.356	0.685
Purchase Intention	0.539	0.851

Table 4 – Convergent validity calculations

4.2.1.2 *Discriminant Validity*

Testing and ensuring discriminant validity can be done in several ways. One of the ways in which it can be done is by taking the shared (average) AVE between two constructs, and seeing how this number compares to the squared correlation estimate between the same two constructs. If the shared AVE is higher than the squared correlation then discriminant validity can be established (Bove, et al., 2009). For this model, all shared AVE was higher than the squared correlation as seen in table 5 below.

Discriminant validity			Squared Correlation	Shared AVE
SC	↔	**PI**	0.4290	0.4296
PSR	↔	**PI**	0.3588	0.4940
SC	↔	**PSR**	0.2830	0.3842
SC	↔	**HOM**	0.2652	0.3380
HOM	↔	**PI**	0.1971	0.4478
PSR	↔	**HOM**	0.1459	0.4024

Table 5 – Discriminant validity calculations

Another way to test for discriminant validity is by the Heterotrait-monotrait (HTMT) ratio. Firstly, a multitrait-multimethod (MMTM) matrix should be made containing correlations between the items of the constructs, and for this research, IBM SPSS was utilized to do so. Table 6 shows an example of a matrix between Purchase Intention and Parasocial Relationship.

Correlations		PI1	PI2	PI3	PI4	PI5	PSR1	PSR2	PSR3	PSR4
PI1	Pearson Correlation	--	--	--	--	--	--	--	--	--
PI2	Pearson Correlation	0.503	--	--	--	--	--	--	--	--
PI3	Pearson Correlation	0.552	0.644	--	--	--	--	--	--	--
PI4	Pearson Correlation	0.530	0.685	0.568	--	--	--	--	--	--
PI5	Pearson Correlation	0.412	0.443	0.361	0.167	--	--	--	--	--
PSR1	Pearson Correlation	0.231	0.338	0.176	0.280	0.215	--	--	--	--
PSR2	Pearson Correlation	0.264	0.336	0.337	0.244	0.348	0.285	--	--	--
PSR3	Pearson Correlation	0.330	0.405	0.330	0.313	0.404	0.500	0.468	--	--
PSR4	Pearson Correlation	0.119	0.277	0.173	0.263	-0.035	0.288	0.259	0.190	--

Table 6 – Example of an MMTM matrix

In the table above, the green cells are the heterotrait-heteromethod correlations, i.e. correlations between the items within the two different constructs. The blue cells are monotrait-heteromethod correlations, i.e. the correlations between items within the same construct. To calculate the HTMT value the average of the heterotrait-heteromethod correlations is divided by the average of both of the monotrait-heteromethod correlations multiplied with each other which are then squared by ½ (Henseler, et al., 2015). In this example, firstly the average of the heterotrait-heteromethod (green cells) correlations are calculated as 0.267. Then both of the monotrait-heteromethod (blue cells) correlations are calculated as PSR = 0.487, and PI = 0.332. Now it is possible to calculate the HTMT value as such:

$$\frac{0{,}267}{(0{,}487 * 0{,}332)^{0{,}5}} = 0{,}664$$

Equation 2 – Example of calculation of HTMT value

This means that the HTMT value for the correlations between parasocial relationship and purchase intention is acceptable, as it is below 0.85 (Henseler, et al., 2015). To be able to establish discriminant validity all of the HTMT values between all constructs must be below this value.

HTMT values between all of the constructs can be found in table 7 below.

HTMT VALUES				
	SC	**PSR**	**HOM**	**PI**
SC	--	--	--	--
PSR	0.569	--	--	--
HOM	0.502	0.501	--	--
PI	0.569	0.664	0.493	--

Table 7 – HTMT values

Discriminant validity is acceptable for all of the latent constructs in this model, as all the HTMT values are below 0.85 (Henseler, et al., 2015).

Now congruent validity, as well as discriminant validity, has been established, and the study will move on to the structural modelling part of the SEM.

4.3 Structural Model

Testing the structural model, which was based on the literature review, the model showed the values of CMIN/DF = 1.891; CFI = 0.827; TFI = 0.802; and RMSEA = 0.081 (see table 8). Using the same model fit criteria as with the CFA only CMIN/DF has an acceptable value. By using the modification indices suggested by AMOS, paths were created between error items with indices above 4. As with the CFA, the paths were created one by one, and only between items within the same construct, with the model being re-analyzed in between every path created. After all possible paths were created the model fit got valid with the values CMIN/DF = 1.271; CFI = 0.95; TLI = 0.94; and RMSEA = 0.045 (see table 8). After ensuring a valid model, it is now possible to look at the relationships between the constructs.

Structural Model - Results	No errors connected	7 errors connected
CMIN/DF	1.891	1.271
CFI	0.827	0.95
TLI	0.802	0.94
RMSEA	0.081	0.045

Table 8 - Results of the structural model

Looking at the structural model, the results tell if the suggested positive relationships suggested in the literature review through the hypotheses are existing and if so if they are significant.

Looking at the results regarding source credibility, the research made a hypothesis postulating that "Source Credibility has a positive significant effect on Purchase Intention" (H1). The model shows that source credibility in fact does have a positive significant effect on purchase intention ($\beta = 0.64$, $p < 0.001$), meaning that we cannot reject the hypothesis. The estimate given means, that when the construct of source credibility rises by 1, then the construct of purchase intention rises by 0.64. This is in line with the reviewed literature (Saima & Khan, 2020; Reinikainen, et al., 2020; Sokolova & Kefi, 2020; Wang, et al., 2017) which also found source credibility to have a positive significant effect on purchase intention.

Furthermore, source credibility was found to have an indirect positive significant effect on Purchase Intention when going through parasocial relationship ($\beta = 0.246$, $p = 0.001$). This was calculated by multiplying the estimate of the effect of source credibility on PSR with the estimate of the effect of PSR on purchase intention.

The second hypothesis stated that "Source Credibility has a positive significant effect on Parasocial Relationship" (H2). Testing this, it was found that source credibility has a positive significant effect on parasocial relationship ($\beta = 0.561$, $p = 0.001$), meaning we cannot reject the hypothesis. This is correlating with previous findings in the study by Yuan & Lou (2020), which also found source credibility to have a positive significant effect on parasocial relationship.

Additionally, the model also tells us about the impact that homophily has on parasocial relationship. The hypothesis regarding this stated that "Homophily has a positive significant effect on Parasocial Relationship" (H3). When testing the construct of homophily it was not found to be significant in affecting parasocial relationship ($\beta = 0.229$, $p = 0.061$), even though previous literature suggested the opposite. This means that we can in fact reject the hypothesis. This is contradictory to former studies (Sokolova & Kefi, 2020; Lee & Watkins, 2016), in which results showed that homophily does have a significant positive effect on parasocial relationship.

Lastly, the model tells us something about the effect of parasocial relationship on purchase intention. The hypothesis made to test this said that "Parasocial Relationship has a positive significant effect on Purchase Intention" (H4). In testing this relationship, it was found that parasocial relationship does have a positive significant effect on purchase intention ($\beta = 0.438$, $p = 0.001$). This means that we cannot reject the hypothesis. In the literature review, it was mentioned that most of the studies investigated the effect of parasocial interactions (PSI) on purchase intention and only Yuan & Lou (2020) had PSR as the interaction in focus. Therefore, this study would also investigate if the findings regarding PSI's effect on purchase intention were true for PSR as well. Looking at the findings above, it is shown that the results suggest a similar relationship to the one found in the literature regarding PSI's effect on purchase intention. This result is supported by the theory of social influence, as it suggests that an individual will modify his or her attitude to be similar to the attitude of those they interact with (Flache, et al., 2017). As the parasocial relationship grows, the differences in attitude diminish, so when an influencer likes a product the follower will as well.

Estimates of structural model			β	P
Direct				
SC	→	PI	0.640	<0.001
SC	→	PSR	0.561	0.001
HOM	→	PSR	0.229	0.061
PSR	→	PI	0.438	0.001
Indirect via PSR				
SC	→	PI	0.246	0.001

Table 9 - Estimates of the structural model

This means, that the model specified in the conceptualization, which was based on the literature review, was not quite right in showing the correct paths between constructs, as homophily was not found to be significant in affecting the parasocial relationship, as otherwise suggested. The remaining constructs were found to have significant paths between them, as the conceptual framework suggested previously. To sum up, H1, H2, and H4 were not rejected, while H3 was.

4.3.1 Mediation

By using IBM SPSS AMOS it is made possible for the authors to investigate the mediating effect of different variables deemed relevant to assess. Firstly, the variable of gender will be investigated to observe if there are any distinct differences between males and females.

Mediation - Gender			Male	Female
SC	↔	PSR	0.071	0.006
HOM	↔	PSR	0.260	0.101
SC	↔	PI	0.307	<0.001
PSR	↔	PI	0.058	0.015

Table 10 - Mediation of gender (p-values)

Looking at the mediated results above (table 10) it can be seen that none of the relationships between the constructs are significant for the male respondents. On the other hand, the results for the female respondents are similar to the ones found for the overall questionnaire, showing the same three significant relationships ($p < 0.05$) and the one non-significant ($p > 0.05$). This suggests, that the factors of source credibility and parasocial relationship within influencer marketing could only be relevant for female consumers in affecting purchase intention.

Further, the mediation of the respondents in the age group between 18-25 years old will be investigated. In the motivational part of the introduction, it was mentioned that generation Z was the generation with the lowest usage of television while being the ones with the highest social media usage. For this reason, it is interesting to assess if there are any distinct differences between the answers of all the respondents compared to the ones within this specific age group.

Mediation – Age			18-25	Overall
SC	↔	PSR	0.007	0.001
HOM	↔	PSR	0.044	0.061
SC	↔	PI	0.007	<0.001
PSR	↔	PI	0.002	0.001

Table 11 - Mediation of age (p-values)

Looking at the mediated p-values above, all of the relationships suggested by the literature are significant for the respondents within the age group of 18-25 years old (at a 95 % significance level). This is different from the overall results, which found homophily to be non-significant in affecting the parasocial relationship between follower and social media influencer. This means, that the proposed framework, i.e. all of the hypotheses made in the conceptualization, cannot be rejected for Generation Z.

5 Discussion

In this chapter, a discussion of the results found in the previous chapter will take place.

What is a social media influencer? In the literature review, this study defined one as a creator of content who has a lot of followers on social media, whom they have gotten by creating viral content. The influencer then uses the social media platforms to share his or her opinions and everyday life, to try and influence the followers' view on a specific brand or product, through videos, pictures and written posts. Even though this is the definition used for this study, it is not certain that everyone else has the same definition in mind, when thinking about social media influencers. Everyone has their own definition, and this could have created a problem for this research. The potential problem could be that the respondents have answered the questionnaire on the grounds of different definitions. In the questionnaire, the respondents were asked if they knew about what a social media influencer is. If they answered "no" then they were taken to another slide where the formerly mentioned definition was presented. This slide, though, was hidden for those who answered "yes" to knowing what an influencer is. It could at this point have been a good idea to present the slide with the definition to all the respondents, so they would have had the same definition in mind when answering the remaining questions.

Further, in the study, all influencers were treated as the same, no matter what platform they are on or what their "speciality trait" is, i.e. what kind of social media influencer they are. A lot of influencers are present on different media (YouTube, TikTok, Instagram etc.), meaning that differentiating between the media might not have given a different result. On the other hand, this could have given a picture of who the respondents choose to follow on a given social media platform. Further, using the different platforms as mediators in the results could have given an indication of where influencer marketing is most useful. Doing this would have resulted in the questionnaire being a lot longer, which the authors did not want.

Choosing to investigate a specific "trait" could be another story though. The respondents having different definitions in mind, as well as all influencers being treated the same, could have caused some inconsistencies in the minds of the respondents. Some could have thought of the influencer as being a technology influencer, another a fashion influencer, and a third a food influencer. In this

study, attractiveness was found to be statistically insignificant in regards to explaining the construct of source credibility. This could be due to the formerly mentioned reasons of the respondents having different definitions of social media influencers in mind, as well as the study treating all influencers the same. If the research had focused on fashion influencers only, the results could have differed, as attractive people in marketing have been found to be especially useful within the fashion industry (Djafarova & Trofimenko, 2018). So, even though attractiveness was not found to be statistically significant in regards to explaining the construct of source credibility in this study, this could be due to some inconsistencies in the minds of the respondents.

In the results, it was found that homophily does not have a significant effect on the parasocial relationship between a follower and the social media influencer. This indicates that the process of influence via internalization does not affect the acceptance of the influence given by the social media influencer. This means that the follower does not accept the influence of the endorsement made due to having similar values to the influencer. Additionally, this suggests that the influence process of identification is more relevant in regards to influencer marketing, as PSR was found to have a positive significant effect on purchase intention. This means that the follower accepts the influence, i.e. the endorsement, due to them wanting to establish or maintain a relationship with the social media influencer, despite their values.

During the analysis of the data collected through the questionnaire, it was revealed that most of the respondents who answered "yes" to following influencers are from Generation Z. More specifically, 62.8 % of them is from Generation Z. The rest of the respondents are Millennials, Generation X, and some Babyboomers. However, when looking more into statistics regarding social media usage in Denmark, it has been found that people between the ages of 16-19 and 20-39 are the main users of social media. Both age groups have a usage percentage of 96 % who uses social media in 2020 (Statista, 2020). Moreover, statistics show that the older people get the less they are using social media (Statista, 2020). Comparing this to the results of this research, the results show that 74.8% of the respondents from Generation Z follow influencers. Further, the next age group of respondents between the ages of 26-30 (Millennials) are close with 70.6 % following influencers.

Generation Z is one of the biggest users of social media, where Facebook, Instagram and YouTube are the top three platforms used (Statista, 2020). Moreover, according to a study by Mehlsen (2020),

Instagram is the number one platform and most of the generation cannot live without it. Moreover, Instagram is also especially used by influencers. As mentioned above, there can be a different definition of what a social media influencer is. This is also the case for Generation Z. To mention some of the main definitions of a social media influencer seen from the perspective of Generation Z here is some examples: Somebody who has influence; somebody who has a personal brand; someone who makes sponsored/endorsed posts; and somebody who is known for their social media accounts or it is a central part of their work-life (Mehlsen, 2020). If comparing this to the usage definition of this study, there are some minor differences. Where Generation Z defines a social media influencer as somebody who is known for their social media appearance or has it as a central part of their work-life, which is not mentioned in the definition used for this study.

If it would have changed anything is difficult to say without investigating it and seeing how it would have changed the outcomes of this research. However, in this case, when the research is not only investigating Generation Z, it would also not have made sense to only use their definition of an influencer.

The results found to Generation Z's behaviour, thoughts of, and sight on influencers can be compared to the findings of this research. For this, the results from the mediation are used, which shows that source credibility affects purchase intention significantly and positively, meaning that trust and expertise in this research is an important part of an influencer for them to be able to affect peoples purchase intentions. Comparing this to Generation Z shows that the influencers must have experience with the product they are promoting as a way to gain trust from followers and through that, influence them which also is highlighted in the research by Mehlsen (2020). Moreover, for Generation Z trustworthiness, personality, and honesty are important features for a social media influencer. This can be linked with the results stating that source credibility affects the parasocial relationship, as trustworthiness, honesty and personality are words connected with both source credibility and parasocial relationship. Moreover, this can be connected to the overall social influence theory and especially informational influence. According to Lord et al. (2001), credible and trustworthy influencers could quality proof products. This is in accordance with Generation Z, where honesty, personality, and expertise is important in order to be affected by a social media influencer.

The results show that in this research, when only looking at age 18-25, homophily is positively significant in affecting the parasocial relationship, meaning that homophily is affecting and

influencing the parasocial relationship between follower and influencer. However, in the report from Mehlsen (2020), there was no evidence to prove this, meaning that she did not mention anything related to homophily in her research. Furthermore, this could be interesting to investigate further and see if homophily only plays a role for younger people.

6 Conclusion

In this chapter, the conclusion of the research will be presented. This includes what the results showed the authors, as well as the main points of the discussion. Further, the impact of the results of this research on real-life will be presented in this chapter in the form of practical implications as well. Additionally, the limitation of the study will be provided. Suggestions for future research will be presented as well.

This study contributes to the literature on how the source credibility of a social media influencer, as well as the parasocial relationship between a follower and an influencer, affect the purchase intention of a consumer. The reason for researching this was due to prior studies recommending further research regarding the effect of parasocial relationships on purchase intention in combination with other constructs. This combined with an increase in usage of social media platforms made this subject both relevant as well as interesting to investigate. As a result of this, the problem formulation of this study was formulated as: "*How do Source Credibility and Parasocial Relationships affect the purchase intention of consumers within influencer marketing?*"

When reviewing and conceptualizing previous literature, four hypotheses emerged with the intent of being tested further on in the research, as a means to answer the problem formulation. These were regarding the relationships between the constructs found in the review and were displayed in the form of a conceptual framework. To test the hypotheses as well as answer the problem formulation a quantitative mono-method was selected as the approach. This was in the form of an online questionnaire, with questions subtracted from other studies investigating similar areas. The questionnaire was distributed through various posts on Facebook as well as through the school secretary at Aalborg University.

The data were tested by using structural equation modelling including a confirmatory factor analysis as well as by making a structural model. This was conducted by making use of IBM SPSS AMOS. The results showed 250 respondents whereof 137 could be used for the study, due to the remaining 113 not following any social media influencers.

By making use of structural equation modelling it was possible to test the hypotheses from the literature review. In the results it was found that source credibility has a positive significant effect on

![Aalborg University Denmark logo]

purchase intention, meaning that H1 could not be rejected. This result was similar to the results of previous studies (Saima & Khan, 2020; Reinikainen, et al., 2020; Sokolova & Kefi, 2020; Wang, et al., 2017), which also found source credibility to have a positive significant effect on purchase intention. Further, it was found that source credibility has a positive significant effect on parasocial relationship, meaning that H2 could not be rejected, in line with previous studies as well (Yuan & Lou, 2020). However, homophily was not found to have a significant effect on parasocial relationship, meaning that H3 could be rejected, even though previous studies suggested otherwise (Sokolova & Kefi, 2020; Lee & Watkins, 2016). Lastly, parasocial relationship was found to have a significant positive effect on purchase intention, meaning that H4 could not be rejected.

Hypotheses		
H1:	Source Credibility has a positive significant effect on Purchase Intention.	√
H2:	Source Credibility has a positive significant effect on Parasocial Relationship.	√
H3:	Homophily has a positive significant effect on Parasocial Relationship.	÷
H4:	Parasocial Relationship has a positive significant effect on Purchase Intention.	√

Table 12 – Results

Meanwhile, when using gender as a mediating factor it was found that all of the hypotheses could be rejected for the male respondents, while the results stayed the same for the female respondents. When using the age group of 18-25 (Generation Z) as a mediating factor none of the hypotheses could be rejected. This means that homophily is significant in affecting parasocial relationships for the respondents between the ages of 18-25.

The main contribution of this study is the research and result of hypothesis 4. The effect of parasocial relationship on the purchase intention of consumers within influencer marketing has, to the best of our knowledge, not been researched prior to this study. Therefore, finding that parasocial relationship has a positive significant effect on purchase intention is new knowledge and contributes to the understanding of the effect that influencer marketing has on purchase intention.

6.1 Practical Implications

One of the considerations that managers, and people working with influencers on social media, should have is who the company are working with. Looking at the results of this research a company should collaborate with a social media influencer who has high credibility. This should be in the form of seeming trustworthy, as well as having expertise within the field of the product which the company wants the influencer to endorse. Choosing an influencer who does not have expertise within the field of the product could decrease the source credibility and thereby decrease the effect on the purchase intention of the consumer. Likewise, choosing a social media influencer with low trustworthiness should decrease the credibility of the influencer and through that the effect of the endorsement on purchase intention. This could be if the social media influencer formerly has been connected with controversies of sorts, which could be with a former endorsement or something that has happened in their own private life, causing their trustworthiness to decrease.

Another practical implication found in the results of this research is, that it is important to look at who the potential customers are. When looking into data collected from the male respondents only, it was found that neither source credibility nor parasocial relationship have a significant effect on purchase intention. This suggests that no or some other parts of influencer marketing could have an effect on the male purchase intention.

Connected to the importance of looking more into who the potential customers are, and if social media is the best fit, is looking at the age of the potential customers. The results of the analysis showed a pattern in people who are not following influencers. Through the data, it was found that the number of people who are following influencers decreases when the age increases. Especially in the age groups post the age group of 26-30-year-olds, the number of people following social media influencers decreases rather rapidly.

Do you follow any social media influencers?							
Age	1-17	18-25	26-30	31-40	41-50	51-60	60+
Yes (%)	0.0	74.8	70.8	52.9	36.7	11.4	17.6
No (%)	100.0	25.2	29.2	47.1	63.3	88.6	82.4

Table 13 – Respondents following influencers by age

This could be connected to the decrease in the usage of social media as the age rises, which could cause fewer to follow influencers. This could also be due to social media influencers not being a phenomenon that the people within that age group know a lot about, whereas members of Generation Z have known about them most of their lives. What this means is that if a company wants to have its products promoted to an audience above the age of 30 (or at most 40), doing so via social media influencers might not be the most satisfactory way of doing so, as most of them do not follow any.

6.2 Limitations of the Study

As with any study, this study has its limitations. First of all, as it is a master thesis, there will be some limitations, one of which is the time scope. Only a limited amount of time was available during this research, and therefore, it was not possible to do a longitudinal study. Moreover, the collection of data had to be done in a quick tempo in order to receive it, analyse it, and then prepare the final thesis within the timeframe.

Coronavirus also played a role in this research, as Denmark was in lockdown at the beginning of this research. As a result of this, the authors decided not to have any data collection where physical interaction between people was needed. However, when conducting an explanatory research, and this particular research, the author did not find it the best fit to do qualitative data collection. Therefore, the quantitative data was collected through the questionnaire.

6.3 Future Research

The discussion enables some future research topics regarding the effect of source credibility and parasocial relationship on consumer purchase intention, within the subject of influencer marketing. As discussed, this study treats all social media influencers the same, as if they all work within one field. This makes it so the respondents could have different perceptions of who and what a social media influencer is. Some could think of a technology influencer, some others of a fashion influencer, and some of a food influencer. To minimize this factor of thinking differently, it could be interesting to research the effect of source credibility and parasocial relationship on purchase intention within one specific field, it being technology, fashion, food or a whole different field from these more common ones. This could be done separately as well as simultaneously, so it would be possible to compare two or more fields and the effect the two concepts has within those fields. This could be done by testing the proposed framework of this study on different fields of expertise.

By doing so, it will be possible to see which social media influencers the different age groups follow, making it possible to see which social media influencers Generation Z follows the most. Further, this could help the understanding of in which field the effect of source credibility and parasocial relationship on purchase intention is more impactful, and where it makes the most sense to make use of influencer marketing.

The same idea for future research can be used in regards to social media platforms. In this study, no specific social media platform was used. In future research, this can be integrated into a similar study. By doing so, it will be possible to examine a different array of things. It will be possible to examine on which platforms Generation Z follow social media influencers the most, as well as on which platforms they find the influencers to be the most – and the least – credible. This will make it easier for companies to choose an influencer and a social media platform for their endorsements.

In the results it was found that when using the male gender as a mediator all of the proposed hypotheses were rejected, meaning that neither source credibility nor parasocial relationship have a significant effect on purchase intention. This makes for an interesting future research topic, as it would be interesting to investigate which, if any, attributes of a social media influencer have the most effect on the male purchase intention. Further, had this research been more specific about a social media influencer field and/or social media platform the results regarding the males could have been different.

Moreover, as mentioned in the discussion, the data analysis revealed that homophily is affecting purchase intention when looking at the age group of 18-26-year-olds. In other words, Generation Z is more concerned or affected by homophily. However, it was not possible to find evidence to support this, which could indicate a necessity to explore and further investigate this particular issue. How Generation Z specifically is influenced, and the role homophily plays when influencing and affecting this generation.

In this study, only quantitative data collection was used to answer the hypotheses. Moreover, it was the best fit when conducting an explanatory research, to seek out the relationship between the three constructs of source credibility, parasocial relationship, and purchase intention. However, for a future study, the use of qualitative data collection including interviews, focus groups, and more could be

interesting because this would allow for other things to be taken into consideration when looking at how the three constructs influence each other. Moreover, this study takes a cross-sectional approach due to the time scope of making the master thesis. Nevertheless, a longitudinal approach could help observe the long-term impact instead of just a snapshot.

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8 Appendices

Questions of the questionnaire

Variables	Items	Questions	Source
Source Credibility			
Trust	TRU1	I believe that influencers I follow are trustworthy	Chetioui et al. 2019
	TRU2	I believe that influencers I follow are honest	Chetioui et al. 2019
	TRU3	I think a product that is being endorsed by a trustworthy influencer is more respectable and desirable	Wang et al. 2016
	TRU4	I feel that an endorsement with a trustworthy influencer push me to remember the product that is being endorsed	Wang et al. 2016
Expertise	EXP1	The influencers I follow have expertise within their field	Chetioui et al. 2019
	EXP2	I think a product that is being endorsed by an influencer with expertise is more trustable	Wang et al. 2016
	EXP3	I will buy a product if the influencer endorsing it have expertise within the field	Wang et al. 2016
	EXP4	I think endorsements with an influencer who has expertise (skilled, qualified, knowledgeable, experienced) is more respectable	Wang et al. 2016
Attractiveness	ATT1	I think that physical attractiveness is an important characteristic for an influencer endorsing a product	Wang et al. 2016
	ATT2	I think that social attractiveness is an important characteristic for an influencer endorsing a product	Wang et al. 2016
	ATT3	I feel that a physically attractive influencer affects my purchase intention towards the product being endorsed	Wang et al. 2016
	ATT4	I feel that a socially attractive influencer affects my purchase intention towards the product being endorsed	Wang et al. 2016
	ATT5	I remember a product that is being endorsed by a physically attractive influencer more	Wang et al. 2016
	ATT6	I remember a product that is being endorsed by a socially attractive influencer more	Wang et al. 2016
Parasocial Relationship	PSR1	I value the opinion of the influencers that I follow as if they were someone close whom I trust	Jiménez-Castillo & Sánchez-Fernández 2019
	PSR2	Following the influencers' posts/updates/videos on social media is a significant part of my life	Lou & Yuan 2019
	PSR3	Following the influencers' posts/updates/videos on social media is a significant part of my life	Lee & Watkins 2016
	PSR4	The influencers I follow I would follow and interact with on other social networking sites	Sokolova et al. 2019
Homophily	HOM1	I value influencers who shares my values	Ladhari 2020
	HOM2	I value influencers who looks similar to me	Ladhari 2020
	HOM3	I value influencers who thinks like me	Ladhari 2020
	HOM4	I value influencers who behave like me	Ladhari 2020
Purchase Intention	PI1	I will buy the product if an influencer I like started endorsing it	Wang et al. 2016
	PI2	In the future, I will purchase products recommended by the influencers that I follow.	Jiménez-Castillo & Sánchez-Fernández 2019
	PI3	In the future, I will purchase products recommended by the influencers that I follow.	Chetioui et al. 2019
	PI4	I would purchase a product based on the advice I am given by the influencers that I follow.	Jiménez-Castillo & Sánchez-Fernández 2019
	PI5	I often have intentions to purchase products advertised by the influencers I follow	Chetioui et al. 2019