Impact of Social Media Influencers on Shaping Brand Loyalty and Consumer Trust

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ABSTRACT

This study aims to examine the function of social media influencers in creating brand loyalty and to examine the factors that influence consumer trust in brands through influencers. This study is necessary because social media has become a major means of interaction between brands and consumers. Through social media, businesses can build trust and confidence with consumers in a personalized and accurate way that is not possible with traditional business methods. In addition, the trust established through social relations plays an important role in increasing brand loyalty, which strengthens the long-term relationship between brands and consumers. strength. Given the high level of competition in the digital world, understanding how social media influencers can influence consumers to shape consumer perceptions and decisions is crucial to ensure a successful marketing process in the digital age. This investigation employs a quantitative methodology utilizing a Structural Equation Modeling framework. There is a strong and significant correlation between social media influencers and brand loyalty and a strong correlation between brand loyalty and customer trust, but in contrast, a weak relationship is seen between social media influencers and customer trust.

Keywords: Social Media Influencers, Brand Loyalty, Consumer Trust

ABSTRAK

Penelitian ini bertujuan untuk menguji fungsi pemberi pengaruh di media sosial dalam menciptakan kesetiaan terhadap merek. Faktor-faktor yang mempengaruhi kepercayaan konsumen terhadap merek melalui pemberi pengaruh. Penelitian ini sangat diperlukan karena media sosial telah menjadi sarana utama dalam interaksi antara merek dan konsumen. Melalui media sosial, perusahaan dapat menciptakan loyalitas dan kepercayaan konsumen dengan cara yang lebih pribadi dan langsung, yang tidak dapat dicapai melalui metode pemasaran tradisional. Selain itu, kepercayaan yang terbangun melalui interaksi di media sosial berperan penting dalam meningkatkan loyalitas merek, yang pada gilirannya memperkuat hubungan jangka panjang antara merek dan konsumen. Mengingat tingginya kompetisi dalam dunia digital, pemahaman tentang bagaimana influencer media sosial membentuk persepsi dan keputusan konsumen sangat penting bagi keberhasilan strategi pemasaran di era digital ini. Investigasi ini menggunakan metodologi kuantitatif dengan menggunakan kerangka kerja structural equation modelling. Terdapat korelasi yang kuat dan signifikan antara influencer media sosial dengan loyalitas merek dan korelasi yang kuat antara loyalitas merek dengan kepercayaan pelanggan, namun sebaliknya, terdapat hubungan yang lemah antara influencer media sosial dengan kepercayaan pelanggan.

Kata Kunci: Influencer Social Media, Kepercayaan Pelanggan, Loyalitas Merek.

INTRODUCTION

In contemporary times, social media has emerged as a formidable platform that significantly impacts how corporations engage with their clientele. The emergence of social media influencers possessing substantial and dedicated followings has introduced an innovative dimension to marketing methodologies (1). Through their content, critiques, and endorsements, influencers can shape consumers' perceptions regarding a particular brand or product (1). This positions them as a crucial component of the digital marketing framework. Customer allegiance represents one of the primary objectives of any

marketing approach. Devoted consumers typically persist in purchasing goods from a specific brand, notwithstanding the plethora of choices available in the marketplace.

In the contemporary digital landscape, establishing brand loyalty relies on the caliber of products, services, and emotional affiliation fostered between consumers and brands, particularly through online engagement (2). In this context, the function of influencers assumes considerable importance, as they possess the capacity to cultivate a more individualized rapport between brands and their target audience. The element of consumer trust emerges as a pivotal determinant that shapes purchasing behaviors. In social media, influencers who are considered authentic and credible by their followers often foster this trust (2,3). Consumers are more confident in evaluations or endorsements from influencers than in conventional advertising methods (4).

As such, influencers can serve as a conduit between brands and consumers to establish robust trust (5). Despite the increasing prominence of influencer marketing, numerous challenges persist, including concerns regarding authenticity and the relevance of content (6,7). Certain influencers may prioritize the quantity of their followers over the quality of their engagement with their audience, which could diminish the efficacy of cultivating loyalty and trust (8). Consequently, it is imperative to gain a deeper comprehension of the authentic function of influencers in fostering brand loyalty and trust, as well as to ascertain

how brands can strategically leverage influencers to attain enduring marketing objectives (8).

The primary aim of this scholarly inquiry is to examine the function of social media influencers in fostering brand loyalty and consumer trust, while simultaneously identifying the determinants that contribute to the efficacy of influencer marketing strategies in enhancing interaction and promoting sustained loyalty. This investigation further seeks to elucidate how consumer interactions with content disseminated by influencers may influence their perceptions and subsequent purchasing decisions. Additionally, this study will look at how different types of influencers (like micro-influencers and macro-influencers) affect how much trust consumers have in brands, as well as how things like being genuine, how often they engage, and how relevant their content is help build a strong connection between consumers and brands. The anticipated outcomes of this research are expected to furnish marketers with actionable insights on optimizing the utilization of influencers as a strategic approach to establishing brand trust and loyalty in a manner that is both effective and sustainable.

The objective of this study is to examine the function of social media influencers in cultivating brand allegiance. Ascertain the determinants that affect consumer confidence in brands via influencer endorsements.

The gap analysis presented in this investigation concentrates on the deficiencies within the current literature concerning the direct correlation between social media influencers, brand loyalty, and consumer trust. Although numerous studies have examined the impact of influencers on purchasing decisions, research that thoroughly investigates the mechanisms through which influencers can cultivate enduring brand loyalty remains scarce. Furthermore, a predominant number of studies prioritize the popularity metrics or follower counts of influencers, while insufficient emphasis is placed on the roles of authenticity and content relevance in shaping consumer trust. Prior scholarly endeavors have also inadequately explored the differential effects exerted by various categories of influencers (such as micro-influencers versus macro-influencers) across diverse demographic populations, thereby leaving the potential disparities in influence among distinct audience segments ambiguous. Finally, the absence of comprehensive investigations into the sustainability of trust established through influencers over extended periods indicates a pressing need to further enhance the understanding of effective strategies for fostering enduring relationships among influencers, brands, and consumers.

Contemporary advancements within this research domain underscore that prior investigations have established the substantial impact of social media influencers on consumer trust and purchasing behaviors. Nonetheless, a considerable number of these investigations remain confined to influencer popularity or follower metrics, neglecting a thorough exploration of how factors such as influencer authenticity, relevance, and personality shape the enduring relationship between brands and consumers. Recent scholarly work has commenced to elucidate the significance of authenticity in fostering consumer loyalty; influencers who are regarded as authentic and possess a robust emotional bond with their audience are observed to be more efficacious in cultivating long-term trust. Furthermore, researchers are paying more attention to different types of influencers, especially micro-influencers, who are seen as more relatable than macro-influencers, to understand how they help build brand loyalty and consumer trust.

The originality of this investigation resides in its holistic methodology aimed at examining the dual role of social media influencers, who affect immediate purchasing and significantly contribute to the cultivation of brand loyalty and enduring consumer trust. In contrast to antecedent research that predominantly concentrates on the popularity of influencers, this study underscores the critical significance of authenticity and the pertinence of content in fostering a more profound emotional bond between brands and their consumers. Furthermore, this inquiry introduces a novel perspective by juxtaposing the effects of various categories of influencers, including micro-influencers and macro-influencers, in their capacity to shape consumer loyalty across

diverse market segments. Consequently, this research not only elucidates the transient impacts of influencer endorsements but also uncovers the mechanisms through which consumer trust, established via influencers, can be maintained over extended periods, thereby enriching the discourse on sustainable marketing strategies.

METHOD

This investigation employs a quantitative methodology utilizing a Structural Equation Modeling (SEM) framework. SEM was chosen because it can explain the complex relationships between different factors, including social media influencers (X), which are measured using various signs of authenticity (X1), relevance (X2), and personality (X3), totaling 18 statements. In addition, several indicators such as attitudinal loyalty (Y1), behavioral loyalty (Y2), cognitive loyalty (Y3), and affective loyalty (Y4), totaling 24 statements, are used to assess brand loyalty (Y), while customer trust (Z) is determined by Trust in Integrity (Z1), Trust in Competence (Z2), Trust in Benevolence (Z3), and Trust in Predictability (Z4), which also consists of 24 statements.

The population of this study is consumers in Bandung City aged 15 years and over who actively use social media and are exposed to content carried out by influencers, totaling 1,969,465 residents (9). To determine a representative sample size, the Slovin formula was used with a total of 400 samples.

This study uses the Structural Equation Modeling (SEM) method to explain how hidden factors are related, particularly looking at how Social Media Influencers affect Brand Loyalty and Consumer Trust. The steps are as follows:

1. Theoretical model development

The process involves theoretically identifying research problems. The research topic is examined in depth, and the relationship between the variables to be hypothesized must be supported by strong theoretical justification. This is because the purpose of SEM is to verify whether the observation data aligns with the theory or not, therefore, one cannot use SEM to test imaginary causality hypotheses.

2. Constructing path diagrams for causal relationships

Depict the research framework in a flowchart. Some of the provisions in the depiction of the flowchart are as follows:

a) One-way arrows are used to symbolize the causal relationship, which is usually the research problem and is also hypothesized.

b) Two-way arrows are used to symbolise the correlation between two exogenous variables and possibly also the correlation between two indicators.

c) Ellipse shape, used to symbolize a construct that is not measured directly but is measured using one or more indicators.

d) Box shape, symbolizes a variable that is measured directly (observed).

e) The letter e, used to symbolize the error in each observation.

f) The letter z, used to symbolize the estimation error. This value is given to all endogenous variables.

g) Exogenous variables are variables that influence, commonly called independent variables in regression analysis.

h) Endogenous variables are variables that are affected, commonly called dependent variables in regression analysis (10).

Exemplified as follows: The correlation between social media influencers and brand loyalty can be represented mathematically as:

$$Y = Y_1 X + \varsigma_1 \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots[1]$$

The association linking brand loyalty to consumer trust is articulated through the equation:

$$Z = \beta_1 Y + \varsigma_2 \ldots\ldots\ldots\ldots\ldots\ldots\ldots[2]$$

Furthermore, the connection between social media influencers and consumer trust is delineated as:

$$Z = Y_2 X + \varsigma_2 \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots[3]$$

Hypothesis

H1: Social media influencers significantly affect brand loyalty.

H2: Brand loyalty significantly affects consumer trust

H3: Social media influencers significantly affect consumer trust.

RESULTS AND DISCUSSION

The examination of validity was conducted on sixty-six items, yielding results that indicated all items were valid since the calculated r-count values exceeded the corresponding r-table values. Additionally, the reliability assessment of the three variables demonstrated that all were reliable, as the computed values of Cronbach Alpha surpassed the established critical threshold.

The SEM test results are shown in table 1 below:

Table 1: Regression Coefficients

Outcome	Predictor	Estimate	Std. Error	z-value	p
Y	X	0,776	0,071	10,881	< .001
Z	X	0,250	0,104	2,400	0.016
	Y	0,686	0,125	5,480	< .001

Source: SEM Analysis Results, 2024

The regression coefficient is a quantitative measure that elucidates the extent to which one variable influences another variable. The estimate serves as a numerical representation of the regression coefficient. It delineates the magnitude of change in the outcome variable

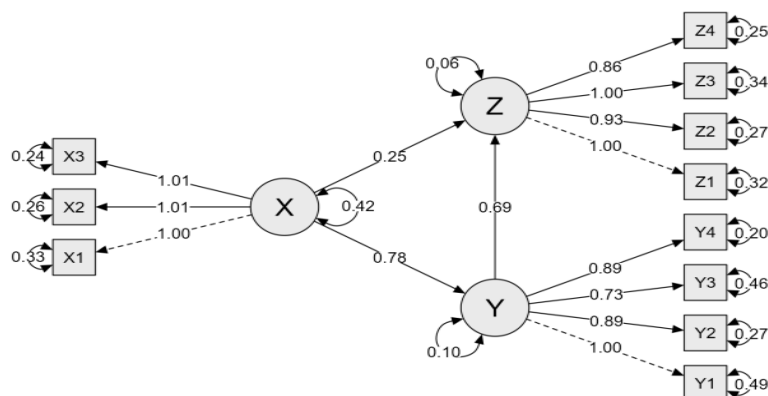corresponding to a one-unit variation in the predictor variable.

Figure 1: Structural Equation Method

Where:

X = Social Media Influencers

X1= Authenticity

X2= Relevance

X3=Personality

Y = Brand Loyalty

Y1= Attitudinal Loyalty

Y2= Behavioural Loyalty

Y3= Cognitive Loyalty

Y4= Affective Loyalty

Z =Customer Trust

Z1= Trust in Integrity

Z2= Trust in Competence

Z3= Trust in Benevolence

Z4= Trust in Predictability

The figure above yields a structural equation, which describes the relationship between latent variables:

a. The relationship between social media influencers and brand loyalty:

$$Y = 0{,}78.X + \varsigma 1 \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots [1]$$

b. The relationship between brand loyalty and consumer trust:

$$Z = 0{,}69.Y + \varsigma 2 \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots [2]$$

c. The relationship between social media influences and consumer trust:

$$Z = 0{,}25.X + \varsigma 2 \ldots \ldots \ldots \ldots \ldots \ldots \ldots ..[3]$$

From table 1 and figure 1 SEM results above, we can explain the hypothesis test as follows:

Hypothesis Test 1: Social Media Influencers Affect Brand Loyalty

Brand Loyalty is an outcome, and Social Media Influencers are a predictor with a result of 0,776, indicating that every 1 unit increase in Social Media Influencers increases Brand Loyalty by 0,776 units. z-value of 10,881, indicating that the effect of social media influencers on brand loyalty is significant. P-value <0.001, which means that the effect of social media influencers on brand loyalty is statistically significant. This is in line with the opinion that explains that social media activities, including emotional

engagement, have a positive effect on loyalty through customer engagement and trust in the brand (11). Branding, trends, and word of mouth through social media increase loyalty. Furthermore, social media influencers increase loyalty by increasing customer satisfaction, which mediates the relationship between engagement and loyalty in things (12). Social media influencers can influence generation Z brand loyalty (13).

Hypothesis Test 2: Brand Loyalty Affects Consumer Trust

Consumer Trust is the outcome, Brand Loyalty is the predictor: Consumer Trust is the outcome, Brand Loyalty is the predictor Estimate of 0,686, meaning that every 1 unit increase in brand loyalty increases consumer trust by 0,686 units. z-value of 5,480, indicating the relationship between brand loyalty and consumer trust is highly significant. p-value <0,001, meaning this relationship is statistically significant. This is consistent with the opinion of those who explain that strong brand loyalty affects customer trust (14). Loyalty leads to repeat purchases, which builds trust over time as customers develop trust in the brand's consistency and quality. Similarly, trust built through customer satisfaction is critical in promoting brand loyalty (15). Satisfied customers who trust the brand are more likely to remain loyal and recommend the service to others. The significance of maintaining brand consistency, fostering consumer trust, and prioritizing customer satisfaction to cultivating and sustain brand loyalty in a competitive market. Furthermore,

that trust in a brand is positively related to brand loyalty (16).

Hypothesis Test 3: Social media influencers affect consumer trust

Consumer trust is an outcome, and Social Media Influencers is a predictor with a result of 0,250, indicating that every 1 unit increase in Social Media Influences increases Consumer Trust by 0,250 units. z-value of 2,400, indicating the effect of social media influences on consumer trust is significant. The p-value of 0,016, means that the effect of social media influencers on consumer trust is significant (p < 0.05). This is in line with research that states that for businesses, building lasting trust through social actors and interacting with followers is necessary to maintain customer trust and satisfaction (17). Furthermore, explained that the media's credibility, including their expertise, reliability, and attractiveness, has a positive effect on consumer confidence (18). Influencer credibility significantly affects consumer brand trust (19). Trust in stakeholders leads to higher purchase intentions, as it indirectly affects brand value through other factors.

CONCLUSIONS

This study highlights the importance of understanding social media influencers in establishing a strong online presence for businesses, particularly in fostering brand loyalty and customer trust. The results show that when influencers are seen as genuine, relevant, and unique, they greatly affect brand

loyalty in different ways, including how people feel, think, and act towards the brand. However, their influence on customer trust which includes trust in integrity, competence, benevolence, and predictability is relatively low. In contrast, brand loyalty itself has a strong impact on building customer trust. Given the limited influence of social media influencers on trust, the study suggests that future research should explore influencers from broader perspectives such as social marketing, consumer engagement on social media, and the role of interaction and marketing within these platforms. This limitation presents an opportunity for further investigation. The research offers practical value for influencers aiming to establish long-term brand relationships, maintain audience engagement, and build trust. Customers also benefit through access to reliable information, business-community cooperation, and increased trust in brands.

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