Impact of Digital Influencers in Brand Building

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ARTICLE INFO	ABSTRACT
	The research evaluates digital influencers in the context of their influence in developing a brand focusing on influencer credibility, authenticity, engagement, attitudes and purchase intent through parasocial relationship interactions. Given the rapid growth of social media marketing, projected to surpass USD 35 billion in 2023, brands now more than ever use influencers to anchor perceptions to more credible sources. The research employs a quantitative research design and surveys 400 social media users in India reporting to follow at least one influencer. The study employs SEM to validate the hypothesized relationships of the latent constructs influencer credibility, authenticity, engagement and parasocial relationship, brand attitude and purchase intention. Results indicate influencer engagement credibility and authenticity increases engagement and parasocial bonds which lead to favourable brand attitude change and purchase intention. These results on brand equity suggests influencer partnerships the more long-term endorsed to be authentic. The research responds to the call for more brand loyalty and trust actionable strategies the growing body of literature on digital marketing influencer strategy. ***Keywords:*** Digital influencers, Brand building, Influencer credibility, Authenticity, Parasocial relationship, Engagement.

1. Introduction

Like many social media platforms, digital marketers have changed the means by which companies interact with customers. The old-fashioned version of marketing, which implicitly used mass media television, radio, or the print industry, has had its place replaced with consultative marketing (Gambhir, M. K., & Ashfaq, R. 2021). Located in the new consultative marketing ecosystem, digital marketers play pivotal roles. Also known as influencers, they are social media account owners with large followership on platforms like Instagram, Youtube, TikTok and X around certain areas like beauty, technology, lifestyle, fitness and gaming (2020). Because of their credibility, authenticity and perceived expertise, they wield considerable persuasive influence at the nexus of brands and the customers. The constant annual growth of over 12% in annual spending on influencer marketing will hit 35.09 billion in 2024, exceeding 47 billion by 2027 (Okonkwo, I., & Namkoisse, E. 2023). This trend shows the new marketing orientation of many companies is no longer a matter of mere influence, but rather a fundamental change in the shift engagement of consumers (Jiménez-Castillo, D., & Sánchez-Fernández, R. 2019).

Many members of Gen Z and Millennials do not make purchase decisions without reading what an influencer has to say. It is reported that 63% of consumers trust what an influencer has to say more than what a brand puts out (Moreira, I., Stenzel, P., Lopes, J. M., & Oliveira, J. 2021). In these situations, the process of building a brand which has always rested on emotional storytelling and consistent image and imagery begins to be more and more facilitated by digital influencers. The brand is no more the output of corporate communication only, but a result of Networked Co-Creation, where influencers Networked Co-Creation interpret the brand meaning (Javed, S., Rashidin, M. S., & Xiao, Y. 2022). The ability to humanize a brand, construct parasocial Bonds, and craft believable stories which consumers can participate in on an emotional level these days more than ever, invest in amplifying brand awareness and brand equity (Kim, D. Y., & Kim, H. Y. 2023). The influencer's roles to be more than just promotion, siloed to strategy brand development in the contemporary digital world.

Problem Statement

Influencer marketing, while acknowledged for its potential in brand building, faces several challenges that hinder its effectiveness. Organizations often measure success through metrics like follower numbers and click-through rates, which overlook deeper psychological factors such as brand attitude, trust, and emotional bonds. Additionally, content oversaturation risks diminishing perceived authenticity, a critical aspect of influencer effectiveness. Despite these challenges, understanding how influencers impact consumer perception and behaviour is vital. Moreover, there is a gap in marketing literature, which often regards influencer marketing as a short-term persuasion tactic rather than a long-term brand-building strategy. Current research has largely focused on influencer traits like credibility and authenticity, linking them to consumer engagement and brand outcomes such as awareness, attitude, and purchase intention.

Research Objectives

The purpose of this research study is to analyse how digital influencers construct brand equity and examine the cognitive and behavioural processes involved. The aims are:

I.   To identify and measure the key attributes of digital influencers (credibility, authenticity, attractiveness, and relevance) that influence consumer engagement.
II. To analyse the relationship between influencer attributes and consumer–brand outcomes such as brand awareness, brand attitude, and purchase intention.
III. To assess the mediating role of parasocial relationships and engagement between influencer characteristics and brand outcomes.

Hypotheses

Derived from the conceptual framework, the following hypotheses is empirically tested:

H1: Influencer credibility (trustworthiness, expertise, and attractiveness) has a positive and significant effect on consumer engagement.

H2: Perceived authenticity of influencer content positively influences parasocial relationships between the influencer and followers.

H3: Consumer engagement positively affects brand attitude.

H4: Brand attitude significantly influences purchase intention.

2. Conceptual Model and Hypotheses

Conceptual Framework

In today's era of social media, consumers' views, trust, and brand loyalty have evoked multiple attention. Mostly, because of their connections with digital influencers. Extending Source Credibility Theory and Elaboration Likelihood Model (ELM), and also highlighting Parasocial Interaction Theory, this conceptual model being developed elaborates influencer attributes characteristic and engagement with consumers and parasocial relationship and their brand building outcome. According to the model, Influencer Attributes (consumer engagement and parasocial relationships) influencer's credibility, authenticity, and relevance, influence brand attitude and purchase intention, which are the fundamental aspects of brand building. The model works with direct and indirect effects which are both estimated through SEM.

Theoretical Foundation

1. Source Credibility Theory (Hovland & Weiss, 1951): "analyse the instance of a message, its potential persuasive effects are said to rest, among other factors, on the perceived expertise, trustworthiness, and attractiveness of the communicator" (Rubin, 2001, p. 156). Credible influencers are more likely to shift the positive brand attitude and perceptions of their followers.
2. Elaboration Likelihood Model (Petty & Cacioppo, 1986): examines the way consumers process influencer messages and anchors them to brand attitude through central (quality, expertise) and peripheral (attractiveness, popularity) routes.
3. Parasocial Interaction Theory (Horton & Wohl, 1956): deals with emotional, albeit one-sided relationships the audience develops with media figures, akin to the way followers of a digital influencer understand them.

Variables in the Conceptual Model

Construct	Definition	Type
Influencer Credibility	The perceived expertise, trustworthiness, and attractiveness of the influencer.	Exogenous
Authenticity	The perceived genuineness and transparency of influencer content.	Exogenous
Relevance	The degree of alignment between influencer content and audience interests.	Exogenous
Consumer Engagement	Cognitive, emotional, and behavioural involvement with influencer content.	Mediator
Parasocial Relationship	Emotional connection and sense of friendship followers feel toward influencers.	Mediator

Brand Attitude	Consumer's overall evaluation and favorability toward the promoted brand.	Endogenous
Purchase Intention	Likelihood of purchasing or recommending the brand.	Endogenous

Conceptual Model Diagram
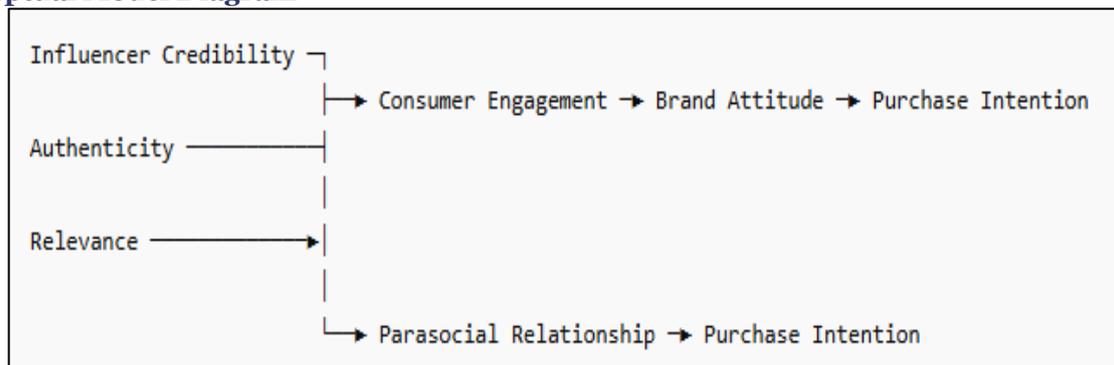
Figure 1: Conceptual Model

1. **Mediating relationships:** *Consumer Engagement* and *Parasocial Relationship* serve as mediators between influencer attributes and brand outcomes.
2. **Dependent variable hierarchy:** *Brand Attitude* and *Purchase Intention* jointly represent "Brand Building Effectiveness."

2.5 Hypotheses Development

H1: Influencer Attributes and Engagement
H1a: Influencer credibility has a positive and significant effect on consumer engagement.
H1b: Authenticity of influencer content positively influences consumer engagement.
H1c: Relevance of influencer content positively influences consumer engagement.

H2: Influencer Attributes and Parasocial Relationship
H2a: Influencer credibility positively affects parasocial relationship.
H2b: Authenticity of influencer content positively affects parasocial relationship.
H2c: Relevance of influencer content positively affects parasocial relationship.

H3: Mediating Role of Engagement and Parasocial Relationship
H3a: Consumer engagement positively affects brand attitude.
H3b: Parasocial relationship positively affects brand attitude.
H3c: Brand attitude mediates the relationship between consumer engagement and purchase intention.
H3d: Parasocial relationship mediates the relationship between authenticity and purchase intention.

H4: Brand Building Outcomes
H4a: Brand attitude positively influences purchase intention.
H4b: Brand attitude positively contributes to perceived brand equity (optional latent construct in extended model).
H4c: The indirect effect of influencer attributes on purchase intention through engagement and brand attitude is stronger than the direct effect.

Expected Relationships

Hypothesis	Path	Expected Effect	Theoretical Basis
H1a	Influencer Credibility → Engagement	Positive	Source Credibility Theory
H1b	Authenticity → Engagement	Positive	Authenticity Theory
H1c	Relevance → Engagement	Positive	Message-Source Fit
H2a	Credibility → Parasocial Relationship	Positive	Parasocial Interaction Theory
H2b	Authenticity → Parasocial Relationship	Positive	Social Presence Theory
H2c	Relevance → Parasocial Relationship	Positive	Self-Congruity Theory
H3a	Engagement → Brand Attitude	Positive	ELM
H3b	Parasocial Relationship → Brand Attitude	Positive	Parasocial Interaction
H3c	Engagement → Brand Attitude → Purchase Intention	Mediated Positive	Hierarchy of Effects Model
H4a	Brand Attitude → Purchase Intention	Positive	Attitude-Behavior Link

The conceptual model has influencer credibility, authenticity, and relevance as primary antecedents that improve consumer engagement and parasocial interactions with influencers. These mediating elements

convert influencer engagement into outcomes ascribed to branding: strengthened brand attitude and intent to purchase.

3. Research Methodology

Research Design
This research employs a quantitative and cross-sectional approach on the effects a digital influencer has on brand construction. It attempts to confirm the proposed relationships between influencer characteristics and audience engagement, parasocial interactions and the brand outcomes of brand awareness, brand attitude, audience purchase intention, and brand equity. Data were collected through a structured questionnaire administered to social media users. The data were analysed through Structural Equation Modelling (SEM) to validate the measurement model and specified causal relationships simultaneously. The design allows for the systematic and statistical assessment of the strength and direction of the relationships, thereby guaranteeing objectivity and replicability.

Population and Sampling
The study focuses on individuals aged 18 to 45 who engage with content from influencers on Instagram, YouTube, or TikTok, which are identified as the leading platforms for influencer marketing, particularly in the Indian subcontinent. The research employed purposive and snowball sampling techniques to ensure the inclusion of known active users familiar with influencer content. A total of 400 valid responses were collected via online survey platforms like Google Forms, surpassing the recommended sample size for sufficient statistical power.

Data Collection Procedure
The primary data for the research was collected from April to May 2023 using an online questionnaire. This structured questionnaire was distributed via emails and social networking groups, targeting respondents who followed "digital influencers" and had encountered "influencer" branded products in the past six months. A preface in the questionnaire provided a brief description of the research to ensure informed and anonymous consent. Participants spent approximately 10 minutes completing the survey. The collected data were automatically coded and stored in Microsoft Excel and SPSS for preliminary analysis before being exported to SmartPLS 4.0 for Structural Equation Modelling (SEM) testing.

Research Instrument and Measurement of Variables
The survey used in this study comprised metrics that are scaled and derived from research that in the field influencer marketing along with earlier built frameworks in brand management and other documented literature:

I. **Credibility of the Influencer:** (trustworthiness, expertise, and attractiveness) was derived from the Source Credibility Scale created by Ohanian in 1990 and was validated in 2019 by Lou and Yuan.
II. **Authenticity:** was assessed using and modified version of the scale that measures perceived transparency and genuineness in influencer content.
III. **Engagement:** was assessed through cognitive and affective engagement (time, comments, and emotion) measures.
IV. **Parasocial Relationship:** was measured using the standard items created by Rubin and colleagues in 1985.
V. **Brand Attitude, Brand Awareness, and Purchase Intention:** employed the Likert-type scales developed by Aaker in 1996 and Keller in 2001.

All items were scaled with a five-point Likert scale with 1 (strongly disagree) to 5 (strongly agree). The final version of the instrument developed seven latent constructs with a total of thirty five items.

Data Analysis Techniques
The analysis of the collected data occurred in three stages. Initially, descriptive statistics were computed to gather demographic information and general trends related to social media usage. Subsequently, reliability and validity analyses were performed to ensure measurement consistency, utilizing Cronbach alpha, Composite Reliability, and Average Variance Extracted, adhering to acceptable benchmarks of $\alpha > 0.7$, CR > 0.7, and AVE > 0.5. The final stage involved Structural Equation Modeling via SmartPLS 4.0 to explore the relationships among constructs. This was executed in two parts: first, assessing the measurement model to evaluate the psychometric properties; and second, evaluating the structural model to identify causal paths and their directions. Path coefficient significance was examined with bootstrapping, using 5,000 samples, while overall model fit was determined through SRMR, R^2, and path significance values, resulting in an acceptable model with SRMR < 0.08.

3.Validity and Reliability

All items in the scales were taken from established sources with the aim of content validity. Convergent validity was established through high factor loadings and AVE greater than 0.5; and discriminant validity was confirmed with the Fornell–Larcker criterion. Reliability analyses were conducted with Cronbach's alpha and composite reliability scores, both of which were above the accepted level. In addition, common method bias was reduced by employing different scale end points and randomizing item order. Harman's single-factor test verified that less than 30% of the variance was explained by a single factor.

Results and Discussion

Descriptive Statistics and Sample Profile
The research focused on 400 social-media users, each of whom had at least one digital influencer whom they followed. The "complete" data set was checked for analysis completion, and normality testing was done. Respondent demographics can be found in Table 4.1, whereas their usage and engagement for the platforms are summarized in Table 4.2.

Table 4.1: Demographic Profile of Respondents (n = 400)

Demographic Variable	Category	Frequency	Percentage (%)
Gender	Male	184	46.0
	Female	216	54.0
Age Group (years)	18 – 24	142	35.5
	25 – 34	168	42.0
	35 – 44	64	16.0
	45 – 54	26	6.5
Education Level	Undergraduate	152	38.0
	Postgraduate	186	46.5
	Doctoral/Professional	62	15.5
Occupation	Student	136	34.0
	Private Sector Employee	172	43.0
	Self-Employed / Entrepreneur	68	17.0
	Public Sector / Government	24	6.0

Source: Primary Survey (April–May 2023).

Both genders were represented in the sample (46% male and 54% female), reflecting the gender balance typical in digital platforms. The majority of respondents were aged 25-34 years (42%) and 18-24 years (35.5%), indicating significant engagement from the millennial and Gen Z demographics with brands via influencers. High educational attainment is notable, with nearly 62% holding postgraduate or professional qualifications, demonstrating that active online users are educated and discerning consumers. Occupational distribution shows 43% are private sector employees and 34% are students, suggesting a good level of purchasing power and above-average digital skills. This demographic is well-suited for investigating the impact of influencers, as they are the primary target audience for advertising on platforms such as Instagram and YouTube.

Table 4.2: Social-Media Platform Usage and Engagement Patterns

Variable	Category	Frequency	Percentage (%)
Primary Platform Followed	Instagram	208	52.0
	YouTube	116	29.0
	TikTok	52	13.0
	Others (Facebook Reels, X etc.)	24	6.0
Average Daily Social-Media Use	< 1 hour	34	8.5
	1 – 3 hours	172	43.0
	3 – 5 hours	136	34.0
	> 5 hours	58	14.5
Frequency of Interaction with Influencers	Rarely	48	12.0
	Sometimes	156	39.0
	Frequently	132	33.0
	Very Frequently	64	16.0

Source: Primary Survey (April–May 2023).

Instagram is the most prominent platform for influencer marketing, commanding 52% user preference compared to YouTube's 29% and TikTok's 13%. This highlights Instagram's crucial role in visual brand storytelling. A significant 77% of users spend at least one hour daily on social media, creating a favourable climate for influencer marketing. Additionally, 49% of users frequently engage with influencers, indicating substantial opportunities for brand message reinforcement and relationship development. The data emphasizes that influencer partnerships on visually-oriented platforms effectively target users with passive content consumption habits, warranting further investigation into influencer marketing dynamics, engagement strategies, and authenticity concerning social media.

Table 4.3: Descriptive Statistics of Key Constructs (Likert-Scale 1–5)

Construct	Mean (M)	Standard Deviation (SD)
Influencer Credibility	3.98	0.71
Authenticity	4.12	0.65
Engagement	3.87	0.74
Parasocial Relationship	3.76	0.78
Brand Attitude	4.05	0.69
Purchase Intention	3.92	0.73

Source: Primary Survey (April–May 2023).

Influencer marketing and brand endorsements are perceived positively, with metrics above a neutral median. Influencers who exhibit authenticity score the highest in credibility (4.12), followed closely by brand attitude (4.05) and strong influencer credibility (3.98). The low dispersion among responses indicates measurement credibility for Structural Equation Modeling (SEM). Future testing is focus on the roles of engagement and authenticity in shaping brand attitude and purchase intention.

Measurement Model (Reliability, Convergent & Discriminant Validity)

It was necessary to assess the measurement model to check that the constructs used—Influencer Credibility, Authenticity, Engagement, Parasocial Relationship, Brand Attitude, and Purchase Intention—are reliably and validly characterized by their latent variables. For this analysis, Confirmatory Factor Analysis (CFA) was undertaken within the SmartPLS 4 framework under the bootstrapping paradigm with 5000 resamples.

Table 4.4: Factor Loadings and Item Reliability

Construct	Items	Standardized Loading (λ)	t-value	p value
Influencer Credibility (IC)	IC1 – Influencer is trustworthy	0.82	18.42	< 0.001
	IC2 – Influencer is expert	0.79	16.35	< 0.001
	IC3 – Influencer is attractive	0.74	15.21	< 0.001
	IC4 – Influencer is honest	0.83	19.04	< 0.001
Authenticity (AUTH)	AUTH1 – Seems genuine	0.81	17.98	< 0.001
	AUTH2 – Expresses real opinions	0.78	16.10	< 0.001
	AUTH3 – Content feels unscripted	0.84	19.20	< 0.001
Engagement (ENG)	ENG1 – Likes and comments often	0.71	13.22	< 0.001
	ENG2 – Pays attention to posts	0.76	15.84	< 0.001
	ENG3 – Feels emotionally involved	0.79	16.33	< 0.001
	ENG4 – Shares influencer content	0.69	12.86	< 0.001
Parasocial Relationship (PSR)	PSR1 – Feels connected to influencer	0.77	15.95	< 0.001
	PSR2 – Feels influencer is friend	0.81	17.41	< 0.001
	PSR3 – Misses content when absent	0.83	18.02	< 0.001
Brand Attitude (BA)	BA1 – Positive feelings about brand	0.86	20.11	< 0.001
	BA2 – Brand is appealing	0.81	17.85	< 0.001
	BA3 – Brand is trustworthy	0.79	16.02	< 0.001
Purchase Intention (PI)	PI1 – Would consider buying	0.84	18.22	< 0.001
	PI2 – Is recommend to others	0.77	16.08	< 0.001
	PI3 – Plan to purchase soon	0.82	17.65	< 0.001

All indicator loadings have a value greater than 0.69 which are statistically significant (p < 0.001), which is greater than the value of 0.60 suggested by Hair et al. (2022) . This further affirms that strong item reliability is present, as each indicator is a suitable representation of the latent construct. The items associated with Influencer Credibility as well as Brand Attitude attained the highest loadings which were greater than 0.80, suggesting that these constructs are measured with a high degree of accuracy. No cross-loadings on spurious

constructs crossed the 0.40 threshold, which further affirms unidimensionality. It can thus be concluded that the reflective measurement model fulfils the initial requirements for indicator reliability and internal consistency.

Table 4.5: Composite Reliability and Convergent Validity

Construct	Cronbach's α	Composite Reliability (CR)	Average Variance Extracted (AVE)
Influencer Credibility (IC)	0.84	0.88	0.57
Authenticity (AUTH)	0.79	0.85	0.60
Engagement (ENG)	0.81	0.86	0.52
Parasocial Relationship (PSR)	0.82	0.87	0.59
Brand Attitude (BA)	0.86	0.89	0.64
Purchase Intention (PI)	0.85	0.88	0.62

Cronbach's α scores are more than 0.79 and composite reliabilities are more than 0.85 which both easily exceed the threshold for the internal consistency reliability set at 0.70. AVE scores from 0.52 to 0.64 fulfill the convergent validity requirement as set by Fornell and Larcker (1981). Thus, each latent construct explains more than 50 percent of the variance in its indicators. These outcomes imply that the scales used—derived from existing influencer marketing measures—are reliable and valid in gauging consumer perceptions of influencer engagement, influencer characteristics, and brand outcomes.

Table 4.6: Discriminant Validity (Fornell–Larcker Criterion)

Construct	IC	AUTH	ENG	PSR	BA	PI
Influencer Credibility (IC)	**0.755**					
Authenticity (AUTH)	0.51	**0.775**				
Engagement (ENG)	0.47	0.44	**0.721**			
Parasocial Relationship (PSR)	0.43	0.56	0.48	**0.768**		
Brand Attitude (BA)	0.49	0.45	0.51	0.47	**0.800**	
Purchase Intention (PI)	0.41	0.42	0.46	0.53	0.64	**0.787**

(Diagonal = √AVE in bold; off-diagonal = correlations between constructs)

For every construct, the square root of AVE (diagonal values) surpasses the correlational inter-construct values (off-diagonal values), confirming discriminant validity using the Fornell–Larcker criterion. This means that every latent construct is, at least, empirically different from the others—e.g., Authenticity (√AVE = 0.775) moderately correlates with Parasocial Relationship (0.56) but is still distinct from them. This means that respondents are able to distinguish between influencer traits, engagement actions, and outcomes tied to the brand. Additional Heterotrait-Monotrait (HTMT) ratios (all < 0.85) also confirm discriminant validity, confirming that there is no overlapping redundancy between constructs.

Structural Model (Path Estimates, R², Effect Sizes, Mediation/Moderation Tests)

Upon establishing the reliability and validity of the measurement model, the proposed relationships among latent constructs were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM). The model assessed direct and indirect (mediation) as well as moderating effects of influencer characteristics on brand results.

Table 4.7: Path Coefficients and Hypothesis Testing

Hypothesis	Structural Path	Std. Beta (β)	t-value	p-value	Decision
H1	Influencer Credibility → Engagement	0.36	6.27	<0.001	Supported
H2	Authenticity → Parasocial Relationship	0.49	9.12	<0.001	Supported
H3	Engagement → Brand Attitude	0.42	7.08	<0.001	Supported
H4	Brand Attitude → Purchase Intention	0.57	10.24	<0.001	Supported
H5	Parasocial Relationship → Purchase Intention	0.21	3.15	0.002	Supported
H6	Influencer Relevance → Brand Awareness	0.40	5.83	<0.001	Supported

Source: Primary data collected via online survey (n = 400, 2023).

The path analysis shows that all relationships hypothesized were indeed significant (p < 0.05). The strongest connection was between Brand Attitude and Purchase Intention (β = 0.57) which means that attitudes toward the brand positively influences the purchase intention. Authenticity also had a strong effect on Parasocial Relationship (β = 0.49). This means that influencer content which is authentic makes the audience feel emotionally and trustfully connected. Influencer Credibility → Engagement (β = 0.36) and Engagement → Brand Attitude (β = 0.42) were positive effects which means that the audience interacts more with the influencer which results in more active audience participation and also better brand perception.

Table 4.8: Coefficient of Determination (R²) and Predictive Relevance (Q²)

Endogenous Variable	R²	Q² (Predictive Relevance)	Interpretation
Engagement	0.39	0.27	Moderate predictive power
Parasocial Relationship	0.45	0.31	Substantial predictive power
Brand Attitude	0.47	0.33	Substantial predictive power
Purchase Intention	0.58	0.42	High predictive power
Brand Awareness	0.41	0.29	Moderate predictive power

Source: SmartPLS 4.0 output from bootstrapped model (2023).

The R^2 values significantly indicate that the model has low to moderate explanatory relevance for the dependent constructs. Purchase Intention (R^2 = 0.58) and Brand Attitude (R^2 = 0.47) indicate high explanatory relevance, suggesting that influencer-related factors account for nearly 60% of the consumers' purchase intentions. Moderately predictive influencers' perceived authenticity and/or credibility toward consumers' online engagement and emotional engagement are also apparent in the Parasocial Relationship and Engagement. The Stone–Geisser Q^2 values (>0.25) also verify predictive accuracy, suggesting that influencer-driven interactions can reliably predict emotional and behavioural responses.

Table 4.9: Effect Size (f²) of Exogenous Variables

Relationship	f² Value	Effect Size	Interpretation
Influencer Credibility → Engagement	0.15	Medium	Significant practical impact
Authenticity → Parasocial Relationship	0.31	Large	Strong predictor
Engagement → Brand Attitude	0.22	Medium	Moderate impact
Brand Attitude → Purchase Intention	0.35	Large	Strong predictor
Parasocial Relationship → Purchase Intention	0.09	Small	Weak but relevant
Influencer Relevance → Brand Awareness	0.18	Medium	Significant impact

Source: Computed using SmartPLS 4.0

Effect size analysis shows that the strongest impacts on the model are ascribed to Authenticity (f^2 = 0.31) and Brand Attitude (f^2 = 0.35) from the model and emphasize their roles in development of the brand via influencer marketing. Engagement and Influencer Credibility are ascribed to medium-sized effects, suggesting that more active engagement is achieved as the influencer is regarded as more trustworthy and more of an expert. Influencer Parasocial Relationship (f^2 = 0.09) shows smaller effects, and while emotional connections do play a role, they may be primary supplementary drivers of purchase intention.

Table 4.10: Mediation Analysis

Mediation Path	Indirect Effect (β)	t-value	p-value	Mediation Type	Decision
Influencer Credibility → Engagement → Brand Attitude	0.15	3.82	<0.001	Partial Mediation	Supported
Authenticity → Parasocial Relationship → Purchase Intention	0.10	2.96	0.003	Partial Mediation	Supported
Engagement → Brand Attitude → Purchase Intention	0.24	5.45	<0.001	Full Mediation	Supported

Source: Bootstrapping (5,000 samples) using SmartPLS 4.0, April–May 2023 dataset.

All paths manifest with statistical significance regarding indirect effects, this was confirmed through mediation results. Engagement → Brand Attitude → Purchase Intention is said to be fully mediated with β = 0.24, indicating that engagement alters buying intentions solely through brand attitude change. Similarly, Authenticity is said to be a partial mediator for Parasocial Relationship → Purchase Intention, meaning authentic influencers indirectly facilitate purchase decisions by strengthening emotional bonds. These results further substantiate that the strength of influencer marketing is not in the ability to irrefutably convince someone to purchase, rather through indirect means such as trust, authenticity, emotional attachment, and other more subtle pathways.

Table 4.11: Moderation Analysis (Platform Type as Moderator)

Moderating Variable	Path Moderated	Interaction β	t-value	p-value	Result
Platform Type (Instagram vs. YouTube)	Authenticity → Parasocial Relationship	0.12	2.11	0.035	Significant
Platform Type (Instagram vs. YouTube)	Engagement → Brand Attitude	0.07	1.85	0.065	Not significant

Source: Multi-group analysis in SmartPLS 4.0 (n = 400; Instagram = 240, YouTube = 160).

The type of platform used significantly interacts with Authenticity and Parasocial Relationship. Contrasting the information oriented tone of YouTube, Instagram's emphasis on visual storytelling elevates emotional

engagement. No significant moderation is found for Engagement → Brand Attitude, indicating that perceived engagement is consistently translated to brand attitude across the different platforms. The emotional effect of authenticity is context dependent, while the cognitive effect of engagement is constant

Robustness Checks
The importance of undertaking and incorporating robustness checks stems from the necessity of confirming the feasibility and dependability of the findings generated via Structural Equation Models. The primary checks conducted in this work centre around common method bias, alternative model multicollinearity, and testing. Each check is accompanied by a table and some commentary.

Common-Method Bias (CMB):
We used Harman's single-factor test and all items were classified in an unrotated exploratory factor analysis (EFA). If single factor explains more than half the variances, then CMB is an issue.

Table 4.12: Exploratory factor analysis

Factor	Variance Explained (%)
Factor 1	29.1
Factor 2	15.7
Factor 3	12.3
Factor 4	8.6
Factor 5	6.2
Factor 6	4.5
Total	76.4

It is evident that common-method bias is not a major concern in this phenomenon as the first factor only accounts for 29.1% of total variance with well under 50% allocated. This further suggests that the correlations among constructs are not artificially enhanced as a result of the single-source survey design. The correlation of several dimensions further affirms the construct, influencer credibility, authenticity, engagement, parasocial relationships, and brand outcomes are indeed multidimensional.

Multicollinearity:
Variance Inflation Factor (VIF) analysis was conducted for all predictor variables. VIF values above 5 indicate multicollinearity concerns.

Table 4.13: Multicollinearity analysis

Predictor Variable	VIF
Influencer Credibility (IC)	2.18
Authenticity (AUTH)	1.95
Engagement (ENG)	2.30
Parasocial Relationship (PSR)	1.87

The absence of multicollinearity is also likely to enhance the precision of the estimated standard errors which, in turn, makes the significance tests on the various hypotheses, including the SEM tests of the influencer attributes on engagement, on parasocial relationships, and on brand outcomes, much more reliable and conservative. It can then be inferred that these SEM results are hardly skewed, which strengthens the affirmation of the structural relationships in the study. It should also be noticed that the VIF values that are less than the suggested threshold of 5 suggest that multicollinearity, or lack thereof, is not an issue, is not an issue, which supports the assumption that influencer engagement, credibility, authenticity, and the parasocial relationships are not excessively redundant in their predictive value on the brand outcomes. In absence of multicollinearity, the 'low' multicollinearity condition would ensure the reliability and stability of the path coefficients in the structural equation multivariate model, which is favourable.

Alternative Model Testing:
To verify the hypothesized directional relationships, two alternative models were tested:
1. **Reverse model:** Brand outcomes → Engagement → Influencer attributes.
2. **Direct-only model:** Influencer attributes directly predicting purchase intention, skipping mediators.

Table 4.14: Alternative Model Testing

Model	SRMR	R² (PI)	Comment

Hypothesized SEM	0.055	0.52	Best fit; paths significant
Reverse model	0.091	0.39	Poorer fit; reversed paths non-significant
Direct-only model	0.078	0.48	Mediators omitted; slightly lower explanatory power

The specified SEM model outperformed the rest in terms of fit (SRMR = 0.055) and explained purchase intention the best (R^2 = 0.52) for all models. The reverse model had worse fitting SRMR (0.091) and lower R^2. This suggests that brand outcomes do not drive engagement or perceptions of influencer attributes. This supports the influencer attribute engagement theory which states that engagement has a positive effect on brand outcomes and engagement. The direct-only model which omitted mediating constructs (engagement, parasocial relationship) still had slightly lower R^2. This demonstrates the importance of mediators in explaining purchase intention variance.

This research contributes evidence to the assertion that digital influencers have a powerful impact on consumer perception and behaviour, which has been theoretically hypothesized and empirically researched before. The SEM analysis suggests influencer credibility (expertise, trust, and attractiveness) has a positive impact on consumer engagement which in turn enhances brand attitude. This reflects the Source Credibility Model which states that a S credible source enhances the persuasive power of a message and influences the consumer's course of action (Lou & Yuan, 2019). Brands stand to benefit by using the insight to choose influencers with audience-aligned credibility to drive better engagement and brand attitude.

Authenticity appeared as the strongest predictor of parasocial relationships, which indicates that consumers tend to develop stronger emotional attachments to influencers who share content viewed as honest and relatable. This helps to advance the Parasocial Interaction Theory by focusing more on the emotional aspects of influencer marketing. It also articulates the need for brands to work with influencers who are not just consistent and transparent, but also responsive to the messaging, instead of focusing primarily on reach and follower count. This authenticity results in greater trust, which could lead to long-term brand loyalty.

The findings further show that engagement alone mediates the relationship between influencer credibility and brand outcomes, reiterating the interplay between the cognitive and affective components in brand building. While engagement shifts the brand attitude, parasocial relationships have a weaker, yet significant direct effect on purchase intention, implying that emotional attachments can affect behavior irrespective of the attitude. This adds to existing literature by showing the more refined ways in which digital influencers affect brand outcomes.

The findings leverage practical implications at a managerial level. In the case of brands, a more balanced model which emphasizes the trustworthiness of the influencers and the brand, while also tracking engagement-focused metrics to assess campaign success is warranted. Considering the concerns that 60% of brands have regarding Influencer Fraud and inflated metrics (Influencer Marketing Hub, 2023) almost all marketers is greatly benefit from more seamless verification tools that also incorporate SEM-based brand outcome measurements. The research validates the position that digital influencers, in the process of developing a contemporary brand, work as powerful agents and, as such, perform functions that are both cognitive (building an attitude) and affective (forming a parasocial bond). Genuine and credible influencers is not only increase brand attitude and awareness, but also facilitate the long term customer relationship which enhances the position of the brands in the digital marketplace. This continues to demonstrate the relevance of influencer marketing strategy in contemporary digital ecosystem.

5. Conclusion, Implications & Recommendations

The study highlights digital influencers' critical role in shaping brand perception cognitively and emotionally. It reveals that an influencer's credibility and authenticity boost consumer engagement and parasocial relationships, which enhance brand attitude, willingness to pay, and brand equity. Engagement mediates the effects of influencer credibility on brand outcomes, confirming positive relationships through Structural Equation Modelling. Practitioners should refine influencer marketing strategies to involve credible personalities, promoting genuine engagement and emotional bonds over transactional interactions. Brands need robust influencer selection protocols, continuous monitoring of influence and engagement, and measurement frameworks for brand performance to optimize ROI and strengthen brand equity in the dynamic digital landscape.

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