# THE EVOLUTION OF INFLUENCER MARKETING IN INDIA: A COMPREHENSIVE REVIEW

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# **ABSTRACT**

Influencer marketing has become a crucial type of advertising in the digital era. It is expected to cost up to \$15 billion globally by 2022, and brand plans all around the world have incorporated it. Scholarly study in this area, however, falls behind professional standards. By combining the available academic research on influencer marketing, this in-depth study seeks to close this gap. It dives into how influencers get recognition and fans as well as basic ideas like the difference between celebrities and influencers. The expanding types of brand alliances with influencers are also closely examined in the research. Notably, influencer marketing is anticipated to increase significantly in the Indian context, with spending expected to reach INR 1200 crores by 2022. This study highlights important research gaps and emphasizes the necessity for rigorous studies into the efficiency of influencer marketing, individualized content tactics, and ethical marketing practises. This study aims to advance influencer marketing as a clearly defined academic field that is essential for understanding modern consumer-brand interactions in the digital era by outlining a research agenda.

Keywords: Influencer marketing, Social media marketing, Digital Advertising, Social Media Influencers.

#### INTRODUCTION

One of the most important kinds of marketing and advertising in the internet era is influencer marketing, which has grown quickly. It entails partnerships between businesses and social media influencers who have built sizable online followings. Nearly every major consumer company has included influencer campaigns into their marketing strategy.

Academic study and conceptual comprehension of influencer marketing, however, are still lagging behind industry practise. Researchers in marketing agree that "Neither academics nor practitioners have kept pace with understanding the Industry's rapid growth" (Childers, Lemon, and Hoy, 2019, p. 259). Industry reports offer insightful information, but thorough academic research on influencer marketing is still fragmented and scarce. Journals of advertising and marketing have just recently begun to focus more on the subject.

The objective of this study is to compile, synthesise, and assess the most recent academic research on influencer marketing and advertising. The intellectual underpinnings of this new sector are examined, along with connections to more general ideas like celebrity endorsements and electronic word-of-mouth advertising. The review summarises the main conclusions, arguments, and hypotheses from previous research that have been published in prestigious publications of advertising, marketing, and communication.

Based on examination of current scholarship, the study suggests an agenda for priority areas of future research on influencer marketing. It highlights important knowledge gaps that need be investigated further in order for this discipline to advance. It will be necessary to draw conclusions from a variety of literature streams, including those in the fields of advertising, marketing, communications, cultural studies, technology studies, and more, in order to develop influencer marketing as a legitimate sub-domain of academic study.

This study offers a platform upon which to construct solid theories, perform empirical research, and direct business practice, with influencer marketing being crucial to how firms connect, promote, and engage with customers in the digital marketplace. Its purpose is to focus academic and business attention on a problem that is becoming

more and more ubiquitous and needs a more thorough and comprehensive academic investigation.

In the digital era of India, influencer marketing has quickly developed into one of the most powerful kinds of advertising and marketing. India is positioned to rank among the top markets for influencer marketing internationally, with expected spending of INR 1200 crores by 2022 (Business Today, 2022). A more thorough knowledge of this developing business in the Indian context, however, is urgently needed as academic research in this area is still lagging behind industrial practices.

# **DEFINING INFLUENCERS AND INFLUENCER MARKETING**

Who are the social media influencers, exactly? What sets them apart from other online personalities, spokespersons for brands, or subject matter experts? What qualifies as influencer marketing practice? In order to conceptualize a novel phenomenon, scholars turn to academic literature, which offers shifting definitions.

The broad definition of an influence marketer 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). They are normal folks who developed sizable social media followings as a result of the material they produced.

Social media influencers are particularly described by Lou and Yuan (2019) as "first and foremost content generators: individuals who have cultivated sizable followings by regularly producing valuable content via social media" (p. 59). This insightful material frequently focuses on well-liked pastimes, interests, or spheres of culture.

Influencers are "famous for being famous" online, namely on social media, as opposed to being well-known through traditional media outlets like movies, television, music, or sports (Marwick, 2015; Gamson, 1994). Some conventionally famous people, however, are also social media influencers.

The term "influencer marketing" describes the business partnerships that exist between businesses and social media influencers. It is described as "a form of marketing that identifies and targets individuals with influence over potential buyers" (Campbell & Farrell, 2020, p.469).

There are several methods influence marketers and businesses may work together for sponsorship. This can take the form of one-time endorsements, ongoing ambassadorships, collaborations for content development, product consultancy roles, or even the establishment of their own product lines (Rundin and Colliander, 2021).

The perceived authenticity, trustworthiness, and engagement that influencers evoke as "everyday people" are major benefits of influencer marketing for companies. promoting modest lifestyles and specialised interests as opposed to opulent celebrity glitter. With influencers they routinely connect with or observe, followers form close parasocial ties (Colliander & Dahlen, 2011).

The conceptual differences between influencer marketing and related ideas like celebrity endorsements will be further explored in this study. It will also look at how attention work and audience participation help influencers build their notoriety, fan base, and eventually "celebrity capital."

The influencer marketing environment in India is characterised by a broad spectrum of content producers that have built sizable fan bases on social media sites like Instagram, YouTube, TikTok, and local platforms like ShareChat and Roposo. These influencers, often known as "content creators" in the Indian context, create material for a wide range of audiences in India, including those interested in lifestyle, fashion, beauty, travel, and regional and vernacular topics.

Bhuvan Bam, better known by his YouTube channel "BB Ki Vines," is one well-known instance of an Indian influencer. Bhuvan produces hilarious material in Hindi that appeals to a sizable Indian audience. He has cooperated with many businesses for sponsored content and has over 20 million members.

# INFLUENCERS VS. CELEBRITIES AND EXPERTS

Understanding how influencers differ from other spokespeople employed in advertising, such as celebrities and subject matter experts, is a crucial conceptual distinction in influencer marketing.

According to Bergkvist and Zhou (2016), celebrity endorsement is the employment of well-known individuals, such as actors, sports, or entertainers, to promote a brand's goods or services. Celebrities become well-known through excelling in traditional media outlets like movies, television, music, sports, etc.

Influencer celebrity, in contrast, results from average people gaining sizable fan bases on social media platforms through their content production in a certain specialty or area of interest (Marwick, 2015). When compared to faraway celebs, influencers are perceived as more approachable and relevant.

Experts vary from influencers in that their legitimacy is based on their professional understanding, as opposed to an influencer's creation of pop culture material. For instance, a physician may recommend a health product based on their training in medicine. Influencers, however, gain respect by regularly showing parts of their taste and lifestyle.

Influencers have been likened in several research to famous people and undiscovered actors. Influencer endorsements, which are more relatable than celebrity endorsements, lead to higher purchase intentions and more favourable brand attitudes (Djafarova & Rushworth, 2017; Freberg et al., 2011).

Influencers are also better at influencing favourable brand outcomes like attitude, trust, and buy intent than non-famous endorsers. This results from perceptions of influencers as more endearing, comparable, and well-known actors as opposed to unknown ones (De Veirman et al., 2017).

Influencer endorsements, however, may have a stronger impact than celebrity endorsements. Influencers tend to promote more pragmatic and practical brand beliefs, whereas celebrities evoke a higher level of emotional brand attachment (Schouten et al., 2020). Depending on variables including product kind, advertising aims, and target demographic, various endorsers' efficacy varies.

To systematically compare influencers, celebrities, and specialists as endorsers, further academic study is required. There are potentially significant changes in the way audiences perceive them and react to their promotions. Knowing these subtleties can aid in selecting suitable endorsers and marketing tactics.

Influencers in India frequently stand out because of their relatability and accessibility. Indian influencers, unlike traditional celebrities, generally become well-known through their material on digital platforms rather than through the news media. Additionally, influencers that come from similar cultural and geographic origins tend to have stronger ties with the Indian audience.

Kritika Khurana, sometimes referred to as "That Boho Girl," is a well-known fashion influencer in India. Her writing mostly focuses on bohemian travel, style, and lifestyle. Kritika has a devoted following as a result of her relatability and practical outlook.

# ACQUIRING INFLUENCER FAME AND FOLLOWERS

If influencers lack the renown that comes naturally to celebrities, it's crucial to understand how they build sizable followings and become influencers.

According to Hearn and Schoenhoff (2016) and Mavroudis (2020), influencers develop "celebrity capital" by consistently working hard to create content, interact with followers, and market themselves and their character. The term "influencer celebrification" describes this procedure, which strongly depends on "attention labour" (Brooks et al., 2021).

Celebrification incorporates creative techniques like drawing in a certain audience by projecting an air of authenticity. Their success is a result of developing a close relationship with fans, actively seeking feedback from viewers, and using new social media tools to their advantage (Brooks et al., 2021).

In order for their audience to view influencers as approachable peers rather than impersonal stars, influencers build "parasocial" ties (Colliander & Dahlen, 2011). Loyalties among followers grow to the point that they desire to purchase the goods or businesses that influencers suggest.

This dynamic of the attention economy converts popularity and influence into monetizable measures like followers, likes, and comments. Metrics, however, only have value if an influencer's audience is active rather than merely apathetic.

If the devotion and engagement of their specific audience is great, nano-influencers with tens of thousands of followers may create sales for businesses equal to superstars with millions of followers (Influencer Marketing Hub, 2021).

Future studies should look at frameworks and measures to rigorously assess the accumulation of fame capital among influencers over time. Analysis of audience growth trends over time might highlight tendencies and suggest celebratory tactics.

The process of influencer celebrification in India entails producing material that appeals to a multilingual audience with a wide range of cultural backgrounds.

Influencers acquire celebrity capital by combining interesting content with audience engagement and utilising new social channels that are well-liked in the Indian market. Prajakta Koli, well known by his stage name "MostlySane," began by making comedic videos on YouTube. She has accumulated over 7 million followers by consistently producing content that is important to culture. Prajakta is a well-known influencer in India thanks to her capacity to relate to her audience.

## BRAND COLLABORATIONS AND ENDORSEMENTS

Brands use influencers' celebrity status and large audiences to sell their products through partnerships and endorsements. However, these agreements now go beyond than simple endorsements.

Initially, influencers were mostly used by marketers for one-time endorsements similar to those made by regular celebrities. In a single sponsored post or advertisement, an influencer may promote a product. To spread the brand message to the influencer's followers, this makes use of their famous status.

Influencer-brand collaborations, however, are expanding beyond simple endorsements. According to Rundin and Colliander (2021), there are many different types of influencers, including entrepreneurs, content consultants, spokespersons, and co-creators of products.

For instance, businesses may agree to long-term ambassador contracts with influencers, in which the influencer serves as the brand's public face for events and recurrent content. Based on their understanding of their target market, brands also engage influencers for advice on new product development and marketing strategies. Influencers may participate in some partnerships that create and develop products. A cosmetics company and a beauty influencer may collaborate to create a new makeup range. The product creation process benefits from the influencer's taste, fashion sense,

Top influencers have even started their own companies and product brands. For instance, YouTube influencer Michelle Phan established a prosperous cosmetics subscription business by utilizing her fan network and professional contacts.

and audience knowledge.

Influencers are incorporated into the brand's value chain through these extensive agreements, going beyond simple marketing. To maintain the influencer's creative liberty and authenticity, which followers respect, both sides must share power (Martinez-López et al., 2020).

This raises issues with transparency and disclosure. Although it is necessary by law for influencers to declare paid commercial sponsorships, many do so by using ambiguous language (Evans et al., 2018). Clear disclosure standards are still absent.

A balance must be struck between marketing that serves the objectives of the company and material that appeals to the influencer's target audience. Influencers should provide followers with entertainment and interaction, not only sell products. Keeping this balance across various brands-influencers partnership types may be challenging.

More academic research is required to understand the effects of new influencer-brand partnership models. As relationships develop, new frameworks that go beyond the realm of celebrity endorsement may be required. Ethics and responsible disclosure also need to be investigated further.

Indian influencers now participate in a variety of partnerships rather than just onetime endorsements. This covers long-term partnerships for ambassadorship, joint product development, and even business endeavours. For instance, fashion and beauty influencers in India frequently work with well-known businesses to develop their own product lines.

India's "BeerBiceps," Ranveer Allahbadia, is a fitness and lifestyle influencer. His sincerity and commitment to promote a healthy lifestyle have paved the way for partnerships with lifestyle, supplement, and fitness firms.

## **FUTURE RESEARCH DIRECTIONS**

Although the industry places a lot of emphasis on and money into influencer marketing, academic study in this area has lagged behind businesses' rapid embrace of it. There is general agreement among marketing academics that "academic research specifically focused on influencer marketing is still in its infancy" (Lou and Yuan, 2019, p. 58). Comparing these contemporary promotional phenomena to other well-

established advertising and marketing techniques reveals a substantial gap in understanding.

Conducting systematic comparisons to assess the efficacy of influencer marketing in comparison to other endorser tactics, such as celebrity endorsements or expert recommendations, is a significant subject for future study. Finding the strategy that works best for a given set of products, brands, and campaign goals is crucial. Marketing techniques may be considerably impacted by this sophisticated understanding.

The creation of measurements and frameworks that provide the quantification of influencer celebrity capital accumulation over time is another crucial area of investigation. This entails monitoring the trends in influencer growth as they amass fans and achieve notoriety. Such perceptions can offer useful information on the development of influencer careers and their changing effect.

The impacts of localized and customized influencer marketing material, according to certain platform algorithms and audience data, must also be thoroughly investigated. This begs the question of whether personalization improves the effectiveness of marketing initiatives and how it connects with various audiences.

Another crucial area of research is understanding customer reactions to various sorts of influencer-brand collaborations. This includes everything from straightforward endorsements to jointly developed items. Effective influencer marketing tactics may significantly benefit from knowing which forms of collaborations evoke the most positive responses from customers.

Additionally, it is crucial to fulfil the requirements for openness in relation to the disclosure of sponsored influencer marketing and the use of audience data. This study can provide insight into how various disclosure and data usage practises affect customer trust, which is essential to influencer marketing.

Examining ethical regulations is urgently needed as influencer marketing techniques spread internationally, especially in order to protect young audiences from potential exploitation. This entails creating ethical standards and doing a thorough analysis of the practices already used in the sector.

Furthermore, a full analysis of the newly developed industrial structures for influencer management, including the function of specialised agencies, is necessary. Understanding how influencers and businesses manage these collaborations may give important insights into how influencer marketing is developing.

The success of influencer marketing and its influence on customer behaviour must be compared to more conventional kinds of advertising, such television, print, and web adverts. This study can establish whether influencer marketing really provides improved outcomes in the current advertising environment.

Academic research must keep up with business developments given the rapidly expanding influencer marketing sector in India. Future research in the Indian context should focus on specific topics like comparing the efficiency of influencer marketing to conventional advertising strategies, figuring out how personalised and localised content affects Indian audiences, and looking into ethical influencer marketing techniques. As a result of these research directions, influencer marketing will become a genuine area of academic study, laying the groundwork for more robust theories, empirical models, and useful insights.

## **CONCLUSION**

The present status of scholarly understanding of influencer marketing is thoroughly examined in this paper. Its goal is to build the groundwork for future research projects. This study tackles conceptual nuances and identifies significant research gaps that demand additional investigation through a review of the body of existing literature.

When examining the current environment, a number of important findings may be drawn regarding influencer marketing's status as a developing field of academic study. It is noteworthy that the idea of influencers is always changing. Influencers are typically described as regular people who have built sizable followings on social media sites by consistently producing quality material.

Importantly, influencers differ from typical celebrities in that their recognition comes from their specialized social media presence rather than from their links to established organizations. In comparison to traditional celebrity endorsements, influencers appear more relevant and genuine from the perspective of their audience because of their uniqueness.

The development of "celebrity capital" through what is referred to as attention labor is a crucial aspect of an influencer's journey. This procedure requires a committed commitment in building a loyal and interested audience. Influencer celebrification is the journey towards gaining followers and notoriety.

The intricacies of brand-influencer partnerships go beyond simple one-time endorsements. They now include deeper collaborations that involve entrepreneurship, brand consultancy, and product creation. However, questions of transparency and ethical considerations in these ties continue to be of concern.

Although there is growing interest in influencer marketing among the most eminent authors in the fields of advertising and marketing, the body of study is still fairly small and dispersed. A focused effort on the highlighted research gaps has the potential to spur development in this area.

In conclusion, this analysis emphasizes that academic research lags far behind corporate acceptance and practical implementation, despite the meteoric development of influencer marketing. This delay is concerning because hasty adoption without thorough comprehension runs the danger of leading to careless actions and unfavorable customer consequences.

The suggested theoretical, conceptual, and practical study agenda nevertheless lays out a path for academics from several fields to methodically progress knowledge in this area. A coordinated research effort is essential since influencer marketing is gradually changing how modern promotional landscapes are organized.

This development depends on combining conceptual ideas from diverse literature streams with cooperative efforts with business practitioners to acquire new datasets. Influencer marketing is developing into a strong academic topic of study, which should provide an insightful perspective on the altering social, cultural, and economic dynamics entwined with businesses, consumers, and digital media technology.

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