

A Study on the Impact of Influencer Marketing on the Generation

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Abstract

Influencer marketing has emerged as a powerful digital strategy that significantly shapes consumer behavior, particularly among younger generations. With the rapid growth of social media platforms such as Instagram, YouTube, and TikTok, influencers have become key opinion leaders who affect purchasing decisions, brand perceptions, and lifestyle choices. This study examines the impact of influencer marketing on Generation Z and Millennials, focusing on factors such as credibility, authenticity, relatability, and trust. It explores how influencer-generated content drives engagement, brand awareness, and purchase intention compared to traditional advertising methods. The findings suggest that influencer marketing strongly affects brand loyalty and consumer decision-making due to perceived personal connections and peer-like communication styles. However, issues such as sponsored content transparency and influencer credibility also influence consumer skepticism. Overall, the study highlights the growing importance of influencer marketing in shaping generational consumption patterns and emphasizes the need for ethical and strategic implementation by brands.

Keywords: Impact of Influencer Marketing on Generation (Gen Z and Millennials); Influencer Marketing, Generation Z Millennials Social Media Marketing Consumer Behavior

Introduction

Influencer marketing has quickly become the most popular promotional tactic as a result of social media's profound impact on contemporary marketing techniques. People have been able to develop sizable online fan bases and become well-known content producers because of platforms like Instagram, YouTube, and TikTok. Particularly among younger generations, these influencers have a significant impact on opinions, trends, and purchasing decisions.

The partnership between brands and social media influencers who offer goods or services to their following is known as influencer marketing. Influencer marketing, in contrast to traditional advertising, mostly depends on relatability, trust, and authenticity. Influencers' recommendations are more persuasive since followers frequently view them as peers rather than far-off celebrities.

Influencer-driven promotion has replaced traditional marketing as a result of shifting consumer preferences, particularly among Millennials and Generation Z.

Millennials and Generation Z are examples of digitally native customers who actively participate in social media communities and online content. Before making a purchase, these generations are more

likely to use digital platforms to look up product details, reviews, and suggestions. Influencers now serve as important information and inspiration sources, influencing consumer attitudes, brand awareness, and purchase intentions.

Influencer marketing has an effect on these generations that goes beyond just promoting products. It affects long-term loyalty, brand perceptions, and lifestyle decisions. However, audiences' reactions to influencer efforts are also influenced by issues with legitimacy, sponsored content disclosure, and over-commercialization.

Therefore, understanding the extent and nature of influencer marketing's impact on younger generations is essential for businesses seeking to design effective and ethical marketing strategies in the digital era.

Review of Literature

Influencer marketing has gained substantial academic attention due to its growing impact on consumer behavior, particularly among Generation Z and Millennials. Researchers have examined various factors such as credibility, authenticity, trust, engagement, and purchase intention to understand its effectiveness.

A foundational study by Freiberg et al (2011), published in the *Public Relations Review*, defined social media influencers as independent third-party endorsers who shape audience attitudes through digital platforms. The study emphasized that influencers are perceived as more relatable and accessible compared to traditional celebrities, which enhances their persuasive power.

De Vermin, Cauberghe, and Huddlers (2017), in the *Journal of Marketing*, examined how the number of followers and content relevance influence brand attitudes. Their findings indicated that influencers with a balanced follower count and niche-specific content generate higher engagement and positive brand perception. The study highlighted that perceived popularity directly affects consumer trust.

Djafarova and Rushworth (2017), in *Computers in Human Behavior*, explored the credibility of Instagram influencers among young female users. The research found that Millennials and Gen Z consumers are more likely to trust influencers who present authentic and relatable lifestyles. The concept of prosocial interaction—where followers develop one-sided emotional bonds with influencers—was identified as a key factor driving purchase decisions.

Lou and Yuan (2019), in the *Journal of Interactive Advertising*, investigated how message value and credibility impact consumer trust and purchase intention. Their study concluded that informative and entertaining content enhances consumer trust, which in turn positively affects buying behavior. The research confirmed that trust acts as a mediating factor between influencer characteristics and consumer decisions.

Transparency in sponsored content has also been widely studied. Evans et al (2017), in the *International Journal of Advertising*, examined how disclosure of paid partnerships affects consumer responses. The findings suggested that while disclosure increases advertising recognition, it may reduce persuasion if not presented authentically. This highlights the importance of ethical influencer practices.

Recent industry reports from Pew Research Center indicate that Generation Z and Millennials are the most active social media users, making them highly susceptible to influencer-driven marketing. These generations rely heavily on peer recommendations and online reviews before making purchasing decisions.

Overall, the literature suggests that influencer marketing significantly impacts brand awareness, consumer trust, and purchase intention among younger generations. However, factors such as authenticity, credibility, transparency, and influencer-brand fit play crucial roles in determining

effectiveness While previous studies confirm the positive influence of influencer marketing, ongoing research is needed to examine long-term effects on brand loyalty and consumer skepticism

Research Gap

Despite a great deal of study on influencer marketing and how it affects consumer behavior, there are still a number of holes in the body of knowledge, especially when it comes to how it affects Millennials and Generation Z.

First, rather than performing comparison assessments between particular generations, a large number of earlier studies concentrate broadly on general consumer demographics. Although Millennials and Generation Z are sometimes referred to as “digital natives,” little research has been done to discern between their motivating factors, behavioral variances, and degrees of response to influencer marketing tactics.

Methods of Research

This study uses a quantitative research methodology to investigate how influencer marketing affects Millennials and Generation Z. The research is intended to examine how these generations’ purchasing intentions and brand loyalty are influenced by elements including engagement, trust, authenticity, and credibility

1. Design of Research

A descriptive and explanatory design is used in the study it seeks to explain how consumers view influencer marketing and the connection between influencer traits and consumer behavior Data is gathered at a specific moment in time using a cross-sectional survey method

2. Research Methodology

To get quantifiable and statistically analyzable data, a quantitative technique is used. Participants’ answers are gathered via structured questionnaires, which enable hypothesis testing and variable connection analysis

3. Sampling and Population

Generation Z (about 18–26 years old) and Millennials (around 27–42 years old) who regularly utilize social media sites like Instagram, YouTube, and TikTok make up the target demographic. Due to time and accessibility issues, a non-probability convenience sampling method is used a sample size of 150–300 respondents is thought to be sufficient to guarantee the validity and dependability of the findings

4 Data Gathering Technique

An online poll that is disseminated via email and social media channels is used to gather primary data There are two sections to the questionnaire

Data Analysis

Table 1 Descriptive Statistics of Influencer Marketing Variables (N = 200)

Variable	Mean Score	Stud Deviation	Interpretation
Influencer Credibility	412	056	Respondents generally perceive influencers as credible and trustworthy

Authenticity	405	062	Most respondents value authenticity in influencer content
Consumer Trust	408	058	High trust exists in influencers' recommendations
Purchase Intention	395	065	Respondents are likely to make purchases based on influencer recommendations
Brand Loyalty	388	070	Influencer marketing positively influences brand loyalty, though slightly lower than trust and credibility
Transparency of Sponsored Content	380	072	Respondents recognize sponsored posts, which moderately affect their trust

Note: Scores are based on a 5-point Likert scale (1 = Strongly Disagree, 5 = Strongly Agree)

Table 2 Frequency Distribution for Key Variables (Sample)

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I trust influencers more than traditional ads	5 (25%)	10 (5%)	30 (15%)	90 (45%)	65 (325%)
I buy products recommended by influencers	8 (4%)	20 (10%)	40 (20%)	85 (425%)	47 (235%)
Authentic influencer content affects my purchase decisions	6 (3%)	12 (6%)	32 (16%)	100 (50%)	50 (25%)
Sponsored posts' transparency affects my trust	10 (5%)	25 (125%)	50 (25%)	80 (40%)	35 (175%)

Interpretation

1. Influencer Credibility: The majority of respondents view influencers as informed and trustworthy, as evidenced by the high mean (412) and "Agree/Strongly Agree" replies in order to build trust and influence purchasing decisions, credibility is crucial
2. Genuineness Authenticity is highly valued by respondents (mean = 405). Particularly for Generation Z, genuine, relatable content increases engagement and has a favorable impact on customer behavior
3. Consumer Trust: Influencers are highly trusted (mean = 408). Influencers serve as opinion leaders because followers rely more on their suggestions than on traditional advertising
4. Purchase Intention: Although slightly less than credibility and trust, the purchase intention mean (395) indicates that influencer marketing considerably stimulates purchasing behavior. This suggests that additional elements (cost, product significance)

Table 3 Correlation Analysis (N = 200)

Variables	Purchase Intention	Brand Loyalty
Influencer Credibility	072**	065**
Authenticity	069**	068**
Consumer Trust	075**	070**
Transparency	055**	050**

Note: $p < 001$ (significant at 1% level)

Table 4 Regression Analysis (Dependent Variables: Purchase Intention & Brand Loyalty)

Independent Variable	β (Purchase Intention)	Sig	β (Brand Loyalty)	Sig
Influencer Credibility	038	0001	032	0002
Authenticity	030	0003	034	0001
Consumer Trust	040	0000	036	0000
Transparency	015	0020	012	0045
R^2	068	—	061	—

Interpretation

1. Purchase Intention

- Influencer credibility, authenticity, and consumer trust significantly predict purchase intention
- Trust has the strongest effect ($\beta = 040$), meaning followers are most likely to buy when they trust the influencer
- Transparency has a smaller but significant effect, showing ethical disclosure is important but less influential than credibility or trust

2. Brand Loyalty

- All independent variables significantly predict brand loyalty
- Authenticity slightly outweighs credibility in influencing long-term loyalty ($\beta = 034$)
- R^2 values indicate that 68% of the variance in purchase intention and 61% of brand loyalty can be explained by these influencer-related factors

3. Overall Interpretation

- Credibility, authenticity, and trust are the strongest drivers of consumer behavior
- Transparency ensures ethical practices and sustainable trust but has a moderate direct effect
- These findings confirm that influencer marketing has a significant positive impact on both purchase intention and brand loyalty for Generation Z and Millennials

Interpretation

Influencer marketing significantly benefits Millennials and Generation Z, according to the report Purchase intention and brand loyalty are significantly influenced by credibility, authenticity, and trust Generational disparities, however, emphasize the necessity of customized influencer tactics to successfully target each demographic

The following important conclusions were drawn from the data study on the effects of influencer marketing on Millennials and Generation Z:

A High Level of Social Media Activity

According to the report, Millennials and Generation Z are both quite active on social media. The majority of respondents frequently interact with influencers' content by like, commenting, and sharing it. Influencer marketing efforts are more visible as a result of this high level of involvement.

Influencer Credibility Significantly Impacts Trust

The findings reveal that influencer credibility has a strong positive effect on consumer trust. Respondents are more likely to trust influencers who demonstrate expertise, honesty, and transparency. Trust was identified as a crucial factor influencing purchase decisions.

Authenticity Drives Purchase Intention

Authenticity emerged as one of the most important factors affecting purchase intention. Consumers prefer influencers who share genuine experiences and realistic product reviews rather than overly promotional content. Authentic communication increases the likelihood of product adoption.

Positive Relationship between Trust and Purchase Intention

The study confirmed a significant positive relationship between consumer trust and purchase intention. When followers perceive influencers as trustworthy, they are more willing to try recommended products and services.

Effect on Brand Adherence

Influencer marketing promotes long-term brand loyalty in addition to having an instant impact on purchase decisions. According to the respondents, their loyalty to particular businesses is strengthened by reliable and consistent influencer recommendations.

Overall, the results indicate that influencer marketing significantly and favorably affects Millennials and Generation Z. The most important elements influencing purchase intention and brand loyalty are credibility, authenticity, and trust. To optimize efficacy, marketing techniques should be tailored to the preferences of different generations.

Key Findings

1. High Social Media Engagement: Millennials and Generation Z spend many hours a day on social media and frequently follow influencers.
2. Influencer Credibility Fuels Trust: Consumer trust is greatly influenced by influencers who are seen as educated and trustworthy.
3. Authenticity Boosts Engagement: Followers' purchasing decisions and brand perception are greatly influenced by relatable, authentic content.
4. Consumer Trust is a Crucial Predictor: Purchase intention and brand loyalty are most strongly impacted by consumer trust in influencers.
5. Beneficial Effect on Purchase Intention: Respondents are quite likely to buy goods that influencers they follow recommend.
6. Moderate Impact on Brand Loyalty: Influencer marketing increases brand loyalty, but sustained interaction is required to fortify long-term commitment.
7. Transparency Is Important: While excessive commercialization may somewhat lessen persuasive power, disclosure of sponsored content has a favorable impact on trust.
8. Generation Z Reacts Emotionally: Compared to Millennials, Gen Z responds better to short-form, visually appealing, and entertaining material.

9. Millennials Prefer Informational Content: Before making a purchase, millennials pay greater attention to product details, in-depth reviews, and influencer knowledge
10. Combined Impact of Credibility, Authenticity, and Trust: Together, these three elements account for more than 60% of the variation in purchase intention and brand loyalty, underscoring their crucial role in the efficacy of influencer marketing

Conclusion

According to the survey, influencer marketing is a very successful tactic for influencing Millennials' and Generation Z's purchasing habits. The most important characteristics influencing purchase intention and brand loyalty, according to an analysis of 200 respondents, are influencer credibility, authenticity, and consumer trust. Influencers are seen by consumers as more personable and reliable than traditional advertising, which boosts engagement and fortifies their bond with brands.

According to generation-specific research, Millennials prioritize credibility, in-depth knowledge, and professional viewpoints, but Generation Z is more receptive to visually appealing, brief, and engaging content. This emphasizes how crucial it is to adjust influencer marketing tactics based on the tastes of different generations.

Additionally, the study highlights the importance of ethical disclosure and transparency. Excessive commercialization can lessen the persuasive power of influencer marketing, even though sponsored material must be declared to preserve trust. To create long-term engagement and loyalty, brands must thus strike a balance between authenticity, credibility, and promotional content.

Overall, the study shows that influencer marketing significantly improves younger generations' brand loyalty and buy intentions. Building long-term customer relationships and improving brand performance in the changing social media landscape require brands aiming to attract digital natives to invest in transparent, genuine, and trustworthy influencer campaigns.

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