

MSM

MAASTRICHT
SCHOOL OF
MANAGEMENT



Academic Research

How influencer marketing shapes the buying habits of consumers in Azerbaijan.

Research question: Does influencer marketing impact purchasing decisions of customers in Azerbaijan?

Course: Final Project (BUSA-6290-20135)

Supervisor: Fuad Karimov

Student: Elnara Nabiyeva 10978

Intake: MBA 2019

December 2021

Acknowledgements

I would like to thank my supervisor Fuad Karimov, who guided me throughout the research process and was very helpful along the way.

At the same time, I want to express my gratitude towards my family members, who were supporting me throughout all my studies and without them I would not be where I am standing now. I am very proud to carry their name, be their daughter, sister, and grandchild and share with them my success.

Table of Contents

EXECUTIVE SUMMARY	5
1. INTRODUCTION.....	6
1.1 BACKGROUND OF THE STUDY AND PROBLEM STATEMENT	6
1.2 RESEARCH QUESTIONS AND ITS OBJECTIVES	7
2. LITERATURE REVIEW.....	8
2.1 THE USE OF SOCIAL MEDIA CHANNELS IN AZERBAIJAN.....	8
2.2 INTRODUCTION TO INFLUENCER MARKETING	10
2.3 THE OPERATION OF INFLUENCER MARKETING.....	11
2.4 DIFFERENCES BETWEEN MACRO AND MICRO INFLUENCERS	11
2.5 INFLUENCER CREDIBILITY	12
2.6 INFLUENCER’S IMPACT ON BRANDS	13
2.6.1 <i>Risk associated with influencer marketing campaigns</i>	15
2.7 INFLUENCER’S EFFECTIVENESS EVALUATION	17
2.8 CONSUMER’S PURCHASING INTENTION	18
2.9 AFFILIATE MARKETING AND ITS EMERGENCE.....	19
2.10 THE EFFECT OF NEW EMERGING DIGITAL SOLUTIONS ON TRADITIONAL MARKETING.....	21
2.10.1 <i>Comparison between traditional forms of marketing and digital solutions</i>	23
2.11 CONCEPTUAL FRAMEWORK	24
3. METHODOLOGY.....	26
3.1 INTRODUCTION	26
3.2 RESEARCH APPROACH.....	26
3.3 RESEARCH STRATEGY	27
3.4 NATURE OF THE DATA	28
3.4.1 <i>Primary Data Collection</i>	28
3.4.2 <i>Data Analysis</i>	29
3.5 ETHICAL CONSIDERATIONS AND RESEARCH LIMITATIONS.....	30
4. FINDINGS AND DISCUSSION.....	31
4.1 INTRODUCTION	31
4.2 MEASURING THE EFFECTIVENESS OF MACRO AND MICRO INFLUENCERS	32
4.3 MEASURING THE SOCIAL MEDIA USERS’ ATTITUDE TOWARDS THE SPONSORED CONTENT.....	35
4.4 QUALITATIVE ANALYSIS AND SEMI STRUCTURED INTERVIEW RESULTS	40
4.4.1 <i>Advantages of influencer marketing campaigns</i>	42
4.4.2 <i>Influencer Marketing Campaigns in Marketing Mix</i>	42
4.4.3 <i>The right fit of advertised product and partnered influencer</i>	43
4.4.4 <i>Bottlenecks of Influencer Marketing Strategy</i>	43
5. DISCUSSION	44
5.1 LIMITATIONS OF THE RESEARCH	45
6. CONCLUSION	45
6.1 FUTURE RECOMMENDATIONS.....	46

6.2 RESEARCH APPLICATION.....	47
REFERENCES.....	47
APPENDIX.....	54
APPENDIX A. INTERVIEW QUESTIONS	54
APPENDIX B. SURVEY QUESTIONS	55

Executive Summary

The purpose of this research is aimed at studying the influencer marketing industry in Azerbaijan, to better understand the behavior of consumers in the local market, to find out what is the perception of users of social networks of sponsored content, as well as to assess the relevance of this area in Azerbaijan. The author used both the primary and secondary data for his research. The secondary data was retrieved from academic resources for a detailed study of the available information, in order to get acquainted with the industry, to make a comparison with foreign practices, and also to emphasize the risks and positive aspects of the influencer marketing. In order to address the research question, the researcher chose a mixed methods approach, meaning that the data was obtained through several approaches, such as survey with a Likert Scale Data measuring people's attitude, two sets of influencers which were considered to be macro and micro opinion leaders, as well as semi structured – interviews, which were online based, due to the circumstances, with marketing professionals. To address the question from different perspectives and to be able to make comparisons, the researcher selected mixed methods approach which gave the opportunity to use the advantages of both qualitative and quantitative research techniques. Since the research includes a human factor, namely human behavior and factors that influence a user's decision making, the inductive approach was chosen to be the most appropriate way to code the data from interview.

Using the primary data and facts from the secondary data, the researcher was able to assess the research question, bring the work to its logical conclusion, and provide some recommendations.

1. Introduction

1.1 Background of the Study and Problem Statement

While the appearance of Influencer Marketing can be traced back to the 20th century, it only started its early development in Azerbaijan in 2014-2015. Industry started its emergence with a few small influencers who decided to open their social media accounts and make it public. Slowly these people were gaining more and more followers which in turn made them celebrity like and turned them into influencers. A few years later when the market was not potentially formulated, their first appearance made digital agencies, who decided to join the market as first comers and consequently they were first who started shaping influencer marketing industry in Azerbaijan.

Thus, one of those agencies was Keepface Influencer Marketing Platform. They quickly took over the market share and started to slowly gain trust of local as well as the global partner-brands. After the successful start, this agency contributed to the future development of the industry in Azerbaijan, in 2018 they were one of the organizers responsible for conducting Global Influencer Day. Event has gained a lot of attention, and the biggest Azerbaijani companies such as Gilan Holding, Azercell and International Bank of Azerbaijan acted as sponsors and provided support for the arrangement. Apart from these companies, event had a huge number of other partners who provided organizational support, among them were Congress Bureau, Marklab, Times Consulting, ADA University, Leo Burnet, Mediamark and many others.

Thus, the event had wide publicity, local and foreign brands had the opportunity to get to know the influencer marketing in Azerbaijan better and think about how to use this form of advertising more intensively.

Over time, more and more influencers appeared on the social network, as the demand for them increased, global firms began to actively use their services, which influencers saw as an easy way of income.

The industry gained even more popularity during the onset of the quarantined pandemic. When all internet users were forced to sit at home, other types of marketing such as banners and billboards could no longer provide additional benefits, brands were forced to look for convenient alternatives and turned their attention to the opinion of leaders.

Some global firms have taken a smarter approach and have combined brand awareness projects with philanthropy, thus portraying the company's name in a good light. During the severe quarantine in Azerbaijan, P&G prepared and distributed special packages with essential products to families in need, and using the online word of mouth correctly, were able to attract the attention of not only the local public, but also news portals. An equally important project was put into practice between Coca Cola and Wolt, with the support of some restaurants for a certain period of time, Wolt shared special menus on their platform, in the purchase of which a person also makes a donation for the needs of poor families. Thus, the companies not only maintained their reputation, but also made their contribution to helping those in need during times of crisis.

Many other brands have taken the initiative and influencer marketing has gained widespread popularity in the local market, and with the dynamic nature of the industry, questions have arisen that need to be analyzed for the industry to develop in the right direction.

Selecting and reaching out to your targeted audience is one of the important goals of a marketing strategy, because it is this part of users who make up potential buyers of a product or service provider. Thanks to influencer marketing, this task is made easier because the audience is targeted and selected in advance by the influencer himself who collects subscribers with certain

interests. This makes the industry even more appealing and attractive to learn. Even though influencer marketing is not a new concept worldwide, it is relatively new to Azerbaijan, it has become a heated topic of discussion for the brand managers as they started to understand the advantages that new concept can give where traditional forms of advertisement which are much more expensive do not.

Despite the fact that the new approach to marketing seemingly enjoys success in the local market, its implication is not well organized, leaving a room for its improvement, perhaps for limited educational resources that marketing, and brand managers can use. For this reason, not all influencer marketing projects are completed successfully and bring the expected results. The risks and troubles associated with influencer marketing should be taken into consideration while brands make their strategic decisions.

Unfortunately, there is very limited resources on how to utilize local influencer marketing resources efficiently as well as customer's perspective on growing industry and its implementation.

Even though it is possible to do a research and use international practices, this may not be enough due to the peculiarities of the region and the Azerbaijani market.

This study aims to close the gaps in the literature regarding influencer marketing in Azerbaijan, as well as to address the behavior of buyers and the factors that influence their purchasing habits. The potential of the industry is assessed through mixed research approach and research's results are presented in discussion and findings.

1.2 Research Questions and Its Objectives

After reviewing brand's performance on social media with regards to influencer marketing as well as taking consideration personal experience in this sphere it was decided to aim the research towards the investigation of question of "Does influencer marketing impact purchasing decisions of customers in Azerbaijan?"

To clarify the purpose of the research question it will be supported by smaller sub-questions which will contribute to answer the research problem.

Sub-Q.1: How different is the effectiveness of the advertised content provided by macro and micro influencers?

As influencers can be classified in different sub-groups, it is essential to investigate which category suits better to the purpose of the advertiser. The better understanding of influencer category will be discussed in literature review.

Sub-Q.2: What is customer's attitude towards the advertised content on the internet.

Taking into consideration the fact that the purpose of influencer marketing campaigns is to reach the target audience of the potential customers of advertised product it is very important to explore what is the attitude of social media users towards the digital advertisement, as it will help to determine the more effective way of presenting the suitable marketing strategy.

Research question will also focus on relevant objectives to keep the research process in the appropriate direction.

- Consumers' perception of sponsored content on social media – addresses the way social media users react when they face advertisement content on the internet
- Relevance and actuality of social media marketing – deepens into the present state of the industry in Azerbaijan as well as its future development
- Consumer buying habits and behavior in Azerbaijani Market – highlights the factors affecting consumers intention to buy something with regards to influencers suggestion or advice.

2. Literature Review

2.1 The use of Social Media Channels in Azerbaijan.

It is not a secret at all that social media networks now occupy one of the main roles in the everyday life of the population.

Nielsen & Schrøder, 2014 mention that social media gives us the opportunity to exchange and engage in dialogues around public events as well as express our opinions in various forms, including through content.

There is a table provided by the State Statistical Committee of the Republic of Azerbaijan which presents the data of how the internet users of Azerbaijan utilize the network, the results as of 2020 are reflected on Table 2.1

2.19 Purposes of use of Internet network, as % to total, 2020

Economic regions	Search information	Com-munication	Training and education	Downloadig game, image & listening to music	Ordering or selling goods and services	Interaction with public authorities
Total	31,9	28,8	12,1	8,5	4,2	14,5
urban	31,5	26,4	11,3	9,9	5,5	15,4
rural	32,2	31,8	13,1	6,7	2,7	13,5
Baku city	31,2	20,6	12,1	12,7	5,9	17,5
Republic	30,1	29,0	12,6	8,8	4,3	15,2
Absheron-Khizi	29,6	28,3	12,7	9,7	4,9	14,8
Daghlig Shirvan	34,0	30,5	12,2	6,5	3,4	13,4
Ganja-Dashkasan	29,7	30,2	12,7	11,3	3,8	12,3
Karabakh	31,5	35,7	11,4	5,7	2,9	12,8
Gazakh-Tovuz	35,4	33,8	11,2	5,9	2,9	10,8
Guba-Khachmaz	34,3	33,3	11,1	5,6	3,3	12,4
Lankaran-Astara	33,3	32,8	12,7	5,2	2,9	13,1
Central Aran	32,0	29,9	12,5	5,8	4,8	15,0
Mil-Mughan	31,6	31,2	12,0	7,2	3,6	14,4
Sheki-Zagatala	31,6	32,3	11,7	6,8	3,9	13,7
Eastern Zangazur
Shirvan-Salyan	30,7	29,3	12,7	7,3	4,1	15,9

Table 2.1 Purpose of use of Internet, as % to total, 2020
Source : State Statistical Committee of the Republic of Azerbaijan

While searching for information covers the largest part of the proportion, the communication is not far behind on the second place.

Nevertheless, the more detailed data can be extracted from the other public sources, thus according to the Datareal portal in January 2021, population of Azerbaijan reached 10.18 million, out of which 8.26 million people use internet and 4.30 million use social media network. ("Digital in Azerbaijan: All the Statistics You Need in 2021 — DataReportal – Global Digital Insights", 2021)

According to the statistical data provided by napoleoncat, in January 2021 they were 4 226 000 people who used Facebook. The detailed information is presented in Bar Chart, Table 2.2.

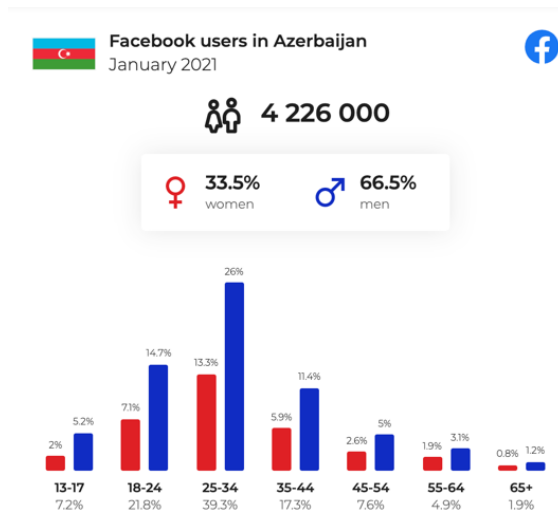


Table 2.2 Facebook Users in Azerbaijan, January 2021
Source: Azerbaijan, 2021

The second most frequently used social media channel as of January 2021, was Instagram, data is presented on bar chart below.

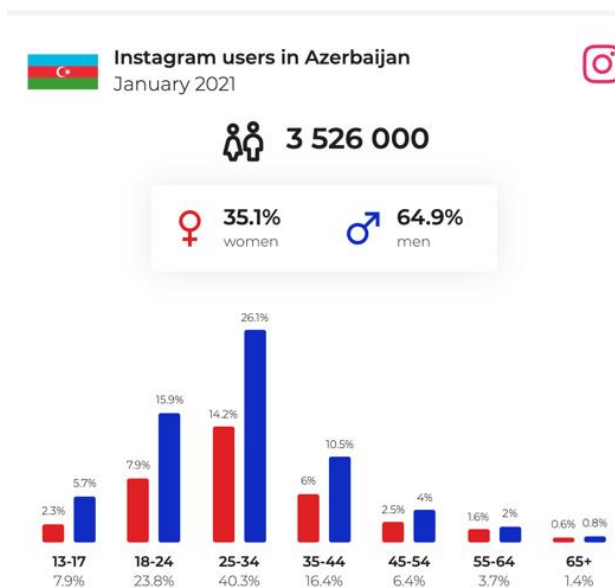


Table 2.3 Instagram Users in Azerbaijan, January 2021
Source: Azerbaijan, 2021

For both social networks majority of the users are men, as well as the largest age group are users between 25-35 years.

2.2 Introduction to Influencer Marketing

Carr and Hayes state that “Word of mouth (WOM) has long been recognized as a powerful and influential force in advertising, promotion, and public relations”. In the era of digitalization word of mouth moved to digital platforms and transformed into the electronic World of Mouth. Later, with the development of industry and the market, it became a tool used by companies to brand and sell their goods or services. (Carr and Hayes, 2014)

Influencer marketing is an extremely fast-growing industry, but since it is difficult to identify measurable quantities in this type of marketing, brands find it difficult to decide whether to get into it. This term evolved with the development of social media and now is commonly used by various brands around the world. Companies that want to be able to keep up with their competitors adapt their strategy by resorting to influencer marketing. (Kemp, Randon McDougal and Syrdal, 2018). The more this industry develops, the more budget is allocated by brands for this type of marketing, and more and more attention is predicted for this industry in the future. It is argued that influencer marketing began to gain in popularity when traditional marketing failed to produce the desired results and people started changing their perception of information. (Brown and Hayes, 2008). Fewer consumers trust TV ads in between their favorite movies, and more consumers are more likely to turn their attention to the key opinion leaders, or another term, influencers. (Quan, Mai and Tran, 2020)

Influencer marketing is used not only by large corporations that can afford contracts with celebrities or athletes who have more than 100 thousand followers on their social media accounts, but also small and medium-sized companies that do not have such a high marketing budget, however they can conduct an influencer marketing campaign with micro influencers, whose audience varies from a thousand to 10 thousand followers, and thanks to micro influencers, you can reach the niche market that is usually inaccessible through traditional forms of advertising. (Kemp, Randon McDougal and Syrdal, 2018)

Unlike celebrities, influencers are much closer to ordinary people and interact much more closely with their audience. Influencer marketing is an opportunity for companies to control the message they want to convey to their target audience. But in order for an influencer campaign to be successful, you need to choose an opinion leader who matches the brand in style and category. Choosing the right KOL can be challenging given the huge flow of information in the digital world. You can decide on a category and then determine the most popular influencer in the desired dialogue. This could be the person with the most popular posts or the most active discussion. Depending on what effect the brand seeks, it will be able to identify the required influencer format (Quan, Mai and Tran, 2020).

2.3 The Operation of Influencer Marketing

Influencers are defined in various ways, many scholars compare them to celebrities, but unlike celebrities influencers gained their popularity through the content creation, experience or knowledge in some particular aspect, for their knowledge in a particular field or creative video – tutorials regarding the beauty industry, etc. “Influencers are content creators who accumulated a solid base of followers”- De Veirman, Cauberghe and Hudders (2017)

Brands trust influencers with their brand image motivating them with cash fees, barter for the advertised product and various events.

Influencers, being different from celebrities, usually share their personal lives and various tips on their social networks, which makes them more accessible for their subscribers and this relationship can be equated with face to face communication as if these people were really familiar. (De Veirman, Cauberghe and Hudders, 2017)

As Brown and Hayes (2008) mention, the influence and power of influencers was not immediately noticed and there were reasons for this, as marketers did not consider them to be the driving force of progress, as well as economic situation and insufficient research played a role in the development of this process.

Despite this, not every influencer leaves a positive mark on the reputation of the brands they work with. Research shows that influencers who generate positive emotions and attitudes from their audience are more likely to raise brand awareness and deliver the desired impact to the brand they partner with.

Despite the fact that brands strive for transparent and “natural” advertising of their product or service, with the development of this industry, countries and legal entities began to introduce laws obliging influencers to indicate the “sponsorship” of content in their advertising publications in order to avoid misleading spread or false communication of information. Thus, the Federal Trade Commission obliges influencers to inform their subscribers that content is funded by a brand partner. (Federal Trade Commission, 2021)

Stubb, Nyström and Colliander, (2019) in their research highlight that a lot of influencers use their social media profiles as the main source of income, which creates a challenge given that people get tired of seeing a lot of branded and sponsored content online.

2.4 Differences between Macro and Micro Influencers

When we dive into the differences between Macro and Micro influencers, here is what can be concluded: If business is seeking for a higher engagement, the Micro Influencer will be the better option, however if the higher reach is the target, then it definitely should be partnership with Macro Influencer (Ahmad, 2018). Macro influencers generally have over 100,000 followers on their social media, they can be either a celebrity, or just an ordinary person who got famous through the social media. These people have the highest reach to potential consumers throughout their posts. If you compare the Micro and Macro influencer, one Macro influencer with the followers over the 1 million audience, is worth the reach of 100 Micro influencers while their audience number varies from 2,000 to 15,000 people. (FinanceOne,2019)

On the other hand, although Macro influencers can reach more people, they lose to Micro influencers on quality over quantity. Often Macro influencers have these so-called “dead” followers, who are not active at the social page, and don’t support the post with any engagement. At the same time, although Micro influencers have a smaller pool of followers, they certainly have built a great trust with their audience, which makes them a better solution when a brand seeks for

a more intimate or close relationship between the influencer and the audience. Another essential factor is Cost per Engagement. Micro influencers can be more cost efficient because their CPE is much lower than those of Macro opinion leaders. (FinanceOne,2019)

Global companies are experiencing difficulties while trying to understand how social media affects their brands. What they face today, is that now the great part of influence over the brand is held by ordinary people-their consumers, argues Booth and Matic (2011). Corporate marketing often fails the mission to control the reputation of their brand, because they get into an atmosphere where they are not able to control it. (Booth and Matic,2011)

It is not surprising that word of mouth is accepted as one of the common and effective ways of spreading information. It is impossible to stop what is being transferred from one consumer to another, but with the right strategy, this flow can be used for the brand's benefit. Erich Joachimsthaler, CEO of Vivaldi Partners Group consulting company, also confirms this by calling influencer marketing “3.0 version of what we used to call word of mouth” in his interview for Marketing Dive.

A good example can be derived from the bar chart (Figure 2.4) provided by Tomoson in 2016, which clearly states that Influencer Marketing was the fastest growing advertisement method at that time.

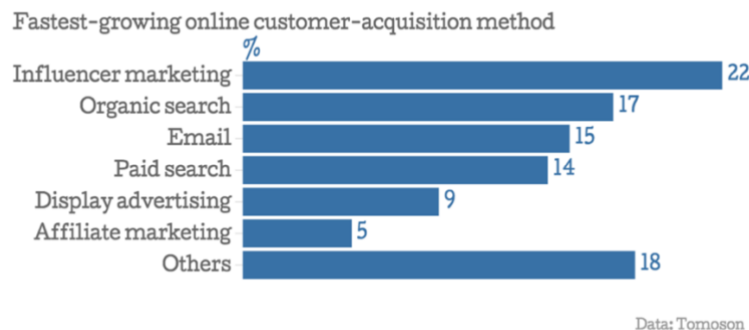


Figure 2.4 Fastest growing online customer-acquisition method
Source : Retrived from Influencer Marketing - Tomoson, (2016)

Brown and Hayes (2011) in their book provide a link to another author who explains how one in 10 people influences the opinions of the other 9. According to Keller and Berry (2003), influencers do not fit the standards of those who govern the state, and they have common demographic features. Many of them graduated, but are not among the most educated, nor are they among the richest (with the exception of celebrities). Influencer marketing is rapidly gaining momentum, but what made the industry grow so fast? The answer was simple, traditional methods of corporate marketing are outdated, ceased to be effective and something had to change (Brown and Hayes, 2011).

2.5 Influencer Credibility

After the category of opinion leader, his credibility, trustworthiness, and reputation play a crucial role. After all, as in any business relationship, trust in this industry is important both between the influencer and his audience, as well as between the brand - partner and the influencer.

The reason this trust is so important is that it will directly affect the brand's relationship with its customers. A lot of research has been done based on which elements and variables play a role in the credibility of influencer marketing model, such an author as McGuire (1985) presents trust based on the attractiveness and appearance of the information source, on the other hand, trust can also be based on knowledge and the skills of the representative of the information source who makes this or that statement. (McCroskey, 1966).

An interesting point of view is presented by Keller and Berry (2003), who mention that if a brand wants to gain trust and actions from its own consumers, then, first, they should earn the trust of influencers, who are their channels of communication with potential consumers. Of course, an influencer can advertise a product that he himself does not use for a certain price, but this is not at all in favor of the supplier. This type of cooperation should be based on mutual trust because an influencer who does not care about the quality or purpose of the product will not care about the communication that he produces after the advertising post goes to social networks. One of these unsuccessful examples is described by Jean-Guy Faubert. Cosmetic brand Yardley Cosmetics made a deal with influencer Helena Bonham Carter on the terms of the brand's face. At the same time, in one of her interviews, Helena indicated that she doesn't like to use cosmetics, and does not understand other people who are fond of this. This did not cause significant damage to the brand but affected consumer loyalty to the brand itself. (Chiefmarketer,2020)

The effectiveness of influencer marketing is discussed by many experts, many studies have come to the conclusion that brands can achieve the desired result through this type of digital advertising, therefore a recent academic study conducted by Lou and Yuan, (2019) found that users consider the sponsored posts of influencers on which they follow sincere recommendations and trust their choice even if they know that the publication is of an advertising nature.

Not surprisingly, users began to perceive advice and advertised products from their idols as if they received it from close friends.

There are several theories about whether the number of followers of an influencer is related to the chance that a casual user will like it. It is also often taken into account the number of followers of this influencer and the ratio of these variations. There are also various softwares created and aimed to calculate this ratio and explain what it means. (De Veirman, Cauberghe and Hudders, 2017). One of the problems with influencer marketing is that in this industry it is difficult to find measurable quantities, despite this, this type of advertising has its own variables.

The power of social media influencers to boost sales and raise the brand awareness is undeniable, however it is very important for brand to identify and differentiate the type of influencers. (FinanceOne,2019) One of the corporate video production companies, One Production, concluded some research and derived insights on what to expect when working with these or that type of influencers, and what are the key differences between Macro and Micro influencers. Here is what they suggest. Generally, 90% of consumers trust recommendations from their peers, and only 33% of them trust traditional advertising sources. At the same time 88% of people tend to believe online reviews by strangers rather than TV ads or other advertisement channels (Ahmad,2018).

2.6 Influencer's impact on brands

At the present time, global organizations are trying to understand how social media networks operate and are suffering in the way of studying what effect the digital world has on their brand.

Nowadays the image of brands depends not on themselves, but on the people who tell about them, the so-called storytellers, convey their stories through digital channels, forming a brand image that the corporations cannot directly control or affect. (Booth and Matic, 2011)

Booth and Matic (2011) argue that corporations are trying to keep the flow of information under their control, being present on social media pages and holding on to the illusion of marketing strategies that have not worked for a long time. Brown and Hayes (2008), in turn, writes that traditional advertising methods do not give firms the desired results, and that “marketing is broken” or simply does not do its performance in a way that it should. The author also quotes several authors which are worth mentioning, such as the citation of Seth Godin, in Purple Cow: “The traditional approaches to marketing are now obsolete. One hundred years of marketing thought are gone. Alternative approaches are not a novelty - they are all we’ve got left”

The name of the brand and its image are very important criteria for defining a company and play a crucial role in the formatting of a firm's image. A name and reputation can guarantee and provide a brand with success and prognose striking sales, however, on the contrary, turn away even regular customers from buying their product. Nurhandayani, Syarief and Najib, (2019) mention that “brand” is what people look for when making their purchasing decisions, “brand” guarantees them quality and service, and serves as an unwritten promise. With all this in mind, global enterprises should pay close attention to the message they broadcast to their consumers. Despite the fact that many corporations may assume that the more information they send out to the masses via digital channels, the better they will be heard, however this is a wrong assumption to make. (Brown and Hayes, 2008). It is also not uncommon for companies to allocate high budgets for marketing and advertising activities, but at the same time the correlation between marketing variables and sales outputs is not traced in the dynamics that companies need.

An interesting remark is highlighted by Nurhandayani, Syarief and Najib (2019), in their writing they mention about a study conducted by Lesmana (2012), the educational research explains how important a social- marketing is for a company. First of all, through the social media channels, the brand has the great opportunity to communicate with its consumers and enter into dialogue, even if not directly. Kent (2015) indirectly supports this idea by suggesting in his written work that, the social media network is: “any interactive communication channel that allows for two-way interaction and feedback”, later supplementing his idea that social networks are perfectly harmonized for communication and exchange of information in real time, and modern Internet sites reduce the amount of anonymity by allowing information to be more transparent.

Secondly, social networks are a pool in which not only users who are already familiar with the product or service of a corporation fall, but also new potential consumers who see the product for the first time and might potentially be interested in making a purchase. Taking into consideration those statements, it is worth mentioning that it is crucial for the company to have some kind of personality and individuality, so people at the initial familiarization stage would be drawn to get to know the brand better. (Lisichkova and Othman, 2017). Now that we can clearly observe and understand the importance of social media for brand perception in the market, it is worth discussing more closely how influencers participate in this cycle. Going to social networks such as Instagram or Facebook, you will most likely come across someone who claims that Big Mac is their favorite lunch or your friend who posted a photo of coffee from the popular Coffee Shop. Both cases are examples of influencer marketing, with the only difference being that the

first content is paid for by the sponsoring brand. (Stewen Woods, 2016). In a world where there is already a lot of advertising in its various forms, it is sometimes very difficult to determine an honest review or reliable information. On the other hand, brands can take advantage of the prevailing social media environment by promoting their product through transparent and truthful information, while gaining their own benefit called “Return on Investment” and raising brand awareness. (Lou and Yuan, 2019).

The influencer broadcasts information where the brand is not able to do it on its own, the relationship of trust built between the influencer and his audience gives the brand the opportunity to build the same trust with its users.

Many studies show that there is a positive trend between the information transmitted by the brand and the purchasing habits of online users who absorb the information received through advertising channels. This interaction is very sensitive and requires unique strategy and close attention (Lou and Yuan, 2019).

2.6.1 Risk associated with influencer marketing campaigns

Despite the fact that influencer marketing is an effective and easy way to promote a brand's product or services, it is also important to bear in mind risk associated with this type of digital marketing strategy. StewenWoods (2016), notes that the key aspect when partnering with an influencer, is that the message which they are transmitting to their audience should align with what your brand promotes, and in what your company believes. It is also crucial for a brand to find if not perfect but the best possible fit for their advertised product. Partnering with an influencer is a deliberate risk, especially if the brand gets to know the influencer for the first time. Brown and Hayes (2008), highlight an important aspect including the difficulty of searching for influencers. There is no defined free influencer's database, as well as at the same time bloggers do not always include the term “influencer” to their social media profiles.

Another risk that a firm seeking for additional promotional channels may face, is a delusion of their audience by sending too many messages which could not be clearly interpreted by the audience. Campbell and Farrell (2020) in their work explain it, presenting this risk as a consequence of partnering with too many influencers at the same time. Clear guidelines and rules should be followed in order for a brand to be able to present the clear message and transmit brand vision to their potential customers. Authors later state an example described by Knittel and Stango, of a bad experience of shareholders of Tiger Woods Company. Their investors dealt with A-ranked celebrity influencer, which was involved in a public scandal when he or she was caught driving under the influence of alcohol and narcotic material. This unsuccessful agreement cost the firm a huge amount of 5 to 12 million dollars of loss. (Campbell and Farrell, 2020)

The risks associated with the new form of digital marketing are also discussed in Bakker's, (2018) study. The author mentions that it is often the responsibility of marketing managers to endorse and track content posted by influencers collaborating with their brand.

“Influencer marketing relies on this very spontaneity of its protagonists” - Diederich Bakker (2018).

In this case, the contracts may specify the conditions under which the visual content, as well as any written content that the influencer communicates, must be confirmed by the marketing manager or any other responsible person. But what does this mean for an influencer?

As long as a corporation is risking its name and brand image, the influencer is also at risk. If all their content is controlled by a partner brand, they risk losing the authenticity of their content, as well as the trust of subscribers and relationships built with their audience over time may be under pressure. (Stewen Wood, 2016)

Apart from that, influencers should be careful with choosing the right partner for the collaboration. Just like the influencers themselves, global corporations can have an unpleasant reputation or a bad record of corporate social responsibility neglect. “Influencers have to obey the measurability of accessible digital marketing metrics, but at the same time, they also have to choose the right brands and companies to not sell out, risking their own credibility and trustworthiness” - Diederich Bakker (2018).

On the other hand, researchers Singh, Crisafulli, Quamina and Xue, (2020) dive deeper into the risk associated with influencer marketing during the crisis communication. Writers suggest brand to use the “circumspect” approach while planning to have the presence of opinion leaders in their crisis communications. This strategy could be very useful while considering which opinion leader would be the best authentic match for the promoted product. It is important to note that it is common for influencers to “buy” followers, which in the end leads to fake numbers, and brands are left with questions at the end when the influencer marketing campaign is finalized. This fact brings discussion to one more risk related to adulterated metrics of blogger’s success.

As the industry is evolving, and corporations are getting smarter in their way of persuading the right judgement towards influencer’s credibility, as marketing managers started to analyze deeper all the important metrics which are the main variables and identifications in social media marketing, the fair amount of engagement and followers increase path is tracked and studied, there are still influencers which obtain engagement and followers bots to appear more competitive in the market. (Campbell and Farrell, 2020). To avoid or at least minimize the undertaking risks, it is advisable for the brands to have a clear vision and the strategy before they want to start the influencer marketing campaign as well as state the clear objectives of their project.

To help companies-beginners to be better prepared and organized to create their successful digital advertising proposition, Lin, Bruning & Swarna (2018) in their paperwork proposed a 5-step planning strategy which should guide marketers throughout the process. Setting up the main goals and objectives of the whole marketing campaign would be an initial step of any online advertising effort. These objectives and KPIs will be later adjusted to the firm's online marketing network and brand’s vision. The main reason to be clear about the campaign's objectives and goals is related to which key opinion leaders will be involved in the strategic planning and what brief message ought to be given to the online assessment pioneers. Authors also identified 5 main questions which marketers should consider for their marketing activity planning stages. Those questions included: “What are the specific markets being targeted through the partnership with one or more opinion leaders?”, “What resources (e.g., money, time, personnel, technology) can be invested in the partnership? - Lin, Bruning & Swarna (2018). As the second step, named recognition, scholars touch such discussion as, while deciding regarding which social media influencer would be a right fit, organizations ought to consider both the assets they need to draw in and support the assessment chiefs just as the jobs and capacities that they mean for the online assessment pioneers to serve the company’s needs. It is understandable that the more developed and big organizations are more flexible in allocating the budget as they have greater assets to offer to the opinion leaders, while smaller, younger organizations will have more limited options.

As the third step, it is time to think about the alignment of advertised products in relation to the chosen opinion leader.

Lin, Bruning & Swarna (2018) consider influencers and products to fall in 2 categories, bloggers which provide utilitarian value, would be a great match if advertised product should be described on the base of its functionality, accessibility, usefulness or the modest pricing.

On the other hand, social media influencers which could offer the hedonic approach towards its audience, will benefit from a product which requires in description of his qualities such as prestige, general enjoyment, or positive experience (Lin, Bruning & Swarna, 2018). According to the written work the next phase would be centered around motivation. As influencers will continue the dealership with the definite company, the monetary compensation could not be enough to keep them interested. It is also noted that some agreements benefit more both advertiser and opinion leader if their agreement is a one-time opportunity. In any other scenario, brands should be actively involved in keeping influencer's motivation and interest up, so that they both have pleasant experiences while collaborating, which in turn should have a positive effect on the campaign. Last, but not least step of the planning strategy is described to be coordination and constant follow up. After completing the 4 stages, considering that all the necessary measures were taken, it is crucial to follow up the left process as well as give and receive the feedback from the partnering influencers. This phase is very important as it will help advertisers to track the effectiveness and success of the marketing campaign while at the same time it will give a closure about whether the brand should keep cooperating with that particular influencer or not (Lin, Bruning & Swarna, 2018).

2.7 Influencer's effectiveness evaluation

Influencer marketing, like any activity aimed at the human factor and their decisions, is hard to expose in numbers and exact values. However, there are several main parameters that brands, and marketing agencies rely on when they plan to lead an influencer marketing campaign.

Influencer profiles, in addition to the general category and style, can also differ in their activity on the platforms.

On a platform such as Facebook and Instagram, we can see likes, comments and the number of subscribers. The way subscribers leave comments and rate "like" is called engagement in the digital world. Modern technologies collect the metrics necessary for calculating the engagement rating and give a quick result. In the same way, you can use a formula and calculate the engagement rate manually. For example, to calculate the total engagement, you need to find the sum of all likes and all comments (Kemp, Randon McDougal & Syrdal, 2018). Different sources can find different ways of influencer's evaluation. Quan, Mai and Tran (2020) suggest that Influencers can and should be measured by several criteria. One of such measurements can be considered the reach of the publications. Generally, this is a metric that attracts a brand to cooperate with this or that influencer, because the more its reach, the more people this publication could affect.

With the blast of writing for a blog as of late, distinguishing influencers with applicable impact can be an overwhelming process. With an end goal to smooth out the examination and assist professionals with making a rundown of key important bloggers, a valuation calculation has been made. The basics in the improvement of corporate interchanges missions and plans continue as before in web-based media as they do in advertising. After the underlying dynamic cycle, professionals should then characterize correspondences goals to start delineating influencers in which to take part in an advanced discussion. (Booth & Matic, 2011) The written paper presents a list of variables that will help to collect criteria for measuring the effectiveness of an influencer. The algorithm distributes the results of influencers depending on the average value of their

variables, which is their "index score". Index score later provides an opportunity to categorize and prioritize influencers based on the results. The key advantage of brands that use or plan to allocate their budgets for influencer marketing is that they "advertise" their brand without actually advertising it. Publications made by the company will be perceived as open advertisements, when at the same time, publications made by the influencer can be perceived as a "suggestion" or "advice" (Saima & Khan, 2020).

The effect that the brand expects after cooperation should not be long in coming. An influencer, receiving sponsorship for his publications, promotes the brand image to his followers and introduces the product to the audience. After the publication, brand awareness rises, and at best, people actually become interested in purchasing this product. Reaching as many people as possible, building a dialogue with your audience, enhancing the brand's name, and promoting any social message should be the main goals of the global corporation.

2.8 Consumer's Purchasing Intention

Apart from influencer marketing, purchasing intention of consumers is widely described and researched by scholars in the marketing field.

The reason for the interest in this topic is the growing trend towards online shopping, e-commerce is developing by leaps and bounds, and it is more important than ever for brands to have an idea what leads their customers before they decide of purchasing a product online. (Zarrad & Debai) Intention is largely influenced by how the user perceives and processes the information received and what is his attitude towards it. (Zarrad & Debabi, 2012)

Intention is the likelihood or predictor of whether a purchase will be made in the future. The acquisition process begins when the buyer has an intention before the purchase is made. (Vineyard, 2014).

Much research has been done on how online reviews affect users' purchasing intention and what effect it has in the end on purchasing decisions.

Scientists have presented a variety of theories and factors that could potentially play the role of an accelerator of purchasing intent. Research by Kamalul Ariffin, Mohan & Goh (2018) indicates that financial risk is one of the factors that stalls and prevents people from making online purchases, risk is associated with the fear of losing or wasting their funds. The second chain factor was recognized as the risk associated with the unknown about the purchased product, because the buyer cannot look at it or touch it before making a purchase. (Kamalul Ariffin, Mohan & Goh, 2018). On the other hand, the attractiveness of the brand and its website plays an important role, so the stickiness of the website and the desire of the customer to stay and make a purchase should not go unnoticed (Lin, 2007). In her research, the author considers online stickiness as the main link connecting the entire buying process from the first visit of a customer to an advertiser's or brand's website to the very moment when the purchase is made.

At the same time, Park, Lee & Han (2007) represent users and divide them into 2 types, online customers, and offline customers. In turn, there is a type of information that is available to both buyers, but the online buyer also has its drawbacks and limitations. On the other hand, the online shopper plays a double role, being an informant and at the same time recommending who can leave his objective feedback on a particular product for other potential customers, becoming a kind of influencer in the e-world of mouth. The number as well as the quality of online reviews that are written by users on a social network is an important factor in how the customer processes the information that he or she has received (Park, Lee & Han, 2007).

Online reviews from real buyers are similar in nature to influencer marketing and operate on the same principle; it can be assumed that the posts made by the influencer on his profile are an honest review of a product that is broadcast to a larger audience. Other research supports the theory that online reviews are an important factor in digital marketing Lin, Lee & Horng (2011) have written in their written work that, above all, good quality reviews with accurate arguments have been positively reflected on users with the intention to make a purchase. This means that if an influencer would need to leave a successful online review, first, it is worth paying attention to the details of the product he represents, its practicality, as well as the objectivity and transparency of the presented information. Secondly, the study confirms that many online reviews also arouse more confidence among users, because if a product is much talked about, this indicates the popularity of the product, which in turn directly increases the user's purchasing intention. (Lin, Lee & Horng, 2011)

In the case of influencer marketing, these factors can also be interpreted in a positive way for brands that would like to raise the brand awareness of their new product or service, it is worth working with several influencers from about the same category at once, which in turn will suggest online users that the product may be very popular.

2.9 Affiliate Marketing and its Emergence

Affiliate marketing is available to both younger and older generations. "Its a marketing system that allows an affiliate to earn a referral commission when an online visitor uses his affiliate ID to make an online purchase" - Sudol & Mladjenovic. The term affiliate marketing refers to this type of cooperation when a company or brand pays an influencer a commission on each sale that they have acquired as a result of a recommendation from the influencer. (Dajah, 2020) Affiliate marketing dates to 1996, Amazon became a pioneer in this direction. This company started using this type of marketing when they were contacted by a woman who had her own cookery blog and recommended buying a cookbook from Amazon, and many of her followers took her advice. (Goldschmidt, Harris & Junghagen, 2004).

Since then, Amazon has adopted this practice widely and other large companies have followed suit (Silversteine, 2001).

Even earlier than Amazon, the first to start implementing an internet affiliate marketing program, was the owner of the PC Flowers and Gifts company, William Tobin. He began implementing this strategy for his digital advertising program in 1979, and later in 2000 he conceded a patent for that idea. (Sudol & Mladjenovic, n.d.) Research suggests different theories regarding affiliate marketing. Thus, the Forrester study examined the fact that affiliate marketing emanating from influencers, through an individual click link provided by a brand partner, was more effective than ad shells that are placed on any websites. Not surprisingly, since the very birth of influencer marketing, subscribers trusted the people they were already familiar with, it seemed much more reliable than clicking on the link of a website offering open advertising. Affiliate marketing can be presented in various forms, such as through an individual link leading to the advertiser's website, or through a discount code that can be of a certain amount, or a discount of a certain percentage (Dajah, 2020). The author emphasizes that discount or referral codes are easy to track, and it can also be linked to a special URL that will help the brand and influencer track the results of the campaign through Google Analytics or other suitable software.

As long as the online marketing exists, marketing managers often struggle while creating a partnership with agencies or any other sales accelerators, the reason behind that is when you

allocate the budget and have to make an installment first and only later after some time you can observe desired result it can be a risky “investment” and there is a possibility for it to turn out as a waste of budget for that company. Sudol’s & Mladjenovic’s claims align with this idea as they write:” Companies just love a system of marketing where they have to pay for that marketing only when a sale is made”. Affiliate marketing seems to support this idea and bring a change to the digital marketing campaigns as well as create a safer partnership with brands seeking for an effective advertisement strategy, taking into consideration how the whole mechanism is working. However, as one of the studies suggest affiliate marketing is not as safe as many advocates of this strategy implies. (Edelman & Brandi, 2015) Authors highlight, that firms which are seeking for increase in their service or product sales, also referred as “merchants”, often spend a great amount of time on searching of the good affiliate influencer to fit in perfect match with their visions and goals, while at the same time influencer should deliver the expected KPI in terms of increasing trend for merchant’s sales for a reasonable exchange of monetary compensation. Apart from that, study suggests that there are also “bad” affiliates, who manipulate the link ID’s, which can be also framed as fraud, and later they claim for the “sales” or “clicks” which in reality they have not earned. Affiliate marketing is a network based on action or performance. (Sudol & Mladjenovic, n.d.)

That is the reason why affiliate marketing can also be addressed as “performance” marketing. (Ivkovic & Milanov, 2010). According to Sudol and Mladjenovic it is easy to fall for affiliate links and also easy in turn affiliate influencers get their revenue from the simple click. Most of the links that influencers leave at the bottom of their posts as a recommendation most probably are affiliate links. That means after every user that clicks and follows the link, depending on the subject of the proposed website, the influencer gets paid whether based on visitors or actual customers with the first intention to make a purchase and later purchasing the actual product.

Dwivedi, Rana & Alryalat (2017) classify the kinds of monetary compensations or performance metrics as follows: Cost Per Sale (CPS), as well as Pay per Sale (PPS). Those two terms are applicable to the payment for direct sales of product or service. They also introduce explanations for Pay per Lead (PPL) or Cost Per Lead (CPL), and Cost per Click or Pay Per Click. These models are used when affiliate influencers are compensated for every click followed through, regardless of whether or not this user actually converted to buyer.

(Olbrich, Bormann & Hundt (2018)in their research analyzed the clicking path of the affiliate marketing campaigns. In their study they discuss several factors affecting the success of the campaign which should be taken into consideration. Firstly, it is preferable to imply various text URLs, in order to raise the effectiveness of affiliate programs. Authors also mention that it is crucial to pay a close attention to all the marketing activities which are implied by merchants at the same time, because there is a chance that one marketing activity such as search-engine advertising, can outdo and have a negative effect on a firm's ongoing affiliate campaign.

Despite all the advantages of affiliate marketing and its positive effect on advertisers (merchants) revenue, it is still fair to discuss the drawbacks and risks associated with this marketing strategy.

The affiliates are supposed to attract customers on the advertiser's website or shop, and these visitors should turn into customers of their product. Affiliates act as a third party, so their revenue could not always be stable, by attracting traffic to the merchant’s website, they are able convert the visitor into customer only once, because next time the customer will use the website directly without following through the affiliate's link. (Amarasekara, Mathrani & Scogings, 2020) As it was discussed before, affiliate marketing is a performance-based strategy. That means only

under specific circumstances, affiliates will be paid. The visitor should go through these 3 steps in order to fulfill the merchant's goal, first the user has to visit the affiliate's blog or website, then click on the link provided by the advertiser, and then have to make a purchase. (Edelman & Brandy, 2015) Because of these factors, affiliate programs seem to be less risky than other digital forms of advertising, for instance web placed ads. Edelman and Brandy (2015) describe the differences between affiliate marketing and other types of online advertising. Under the standard terms of the contract, if a brand places its advertisements on any website, it must pay for each view, even if this does not translate into a sale for them later. In addition, in this case, the brand cannot control the audience to which the broadcast information is conveyed, and the budget spent on advertising can be wasted.

Despite the given facts and information, there are still people out there who are eager to commit a fraudulence action. Edelman and Brandy (2015) describe those illegal actions as "Because the practices at issue satisfy the elements of common law fraud and have been charged as fraud in both civil and criminal litigation, we call these practices "affiliate fraud." While researching the affiliate frauds, authors found several types of violations which cheat marketers use to claim the commission for sales from the merchant, which would have gotten these sales anyway without outsource acceleration, while at the same time affiliate did not actually provide.

One of the ways that cheaters use is called Adware. Given the circumstances where a user uses certain advertising software running on his device, while surfing through the advertiser's website, this software redirects this user right through the affiliate link, and if in turn the purchase is later made by the customer, the affiliate will claim his commission from the partnering firm. (Edelman & Brandi, 2015) On the other hand, researchers also introduce a statement such as Cookie Stuffing. While leaving the affiliate link on any popular website's landing page, or even on the live forums in the comment section, where all the attention of visitors is gathered, the affiliate id transfers the users to the merchant's website, which in the short run should lead to the purchase been made, the advertiser will have to pay a fee for the additional sale gained. Amarasekara, Mathrani & Scogings (2020) also refer to the cooking stuffing under the stuffing activities. Writers believe that this type of fraud is the most well-known activity among the affiliate cheaters. The study implies that it leads users to receive cookies from different advertisement websites without being even conscious about it and no clicking being involved. It is possible by including several HTML variables on an affiliate's landing page, while using the same HTML code or CSS code, where each variable is assigned with the URL which is connected to the advertisers following URL. ((Amarasekara, Mathrani & Scogings, 2020).

Edelman and Brandi (2015) in their research noted software which is called Loyalty software. These programs are often installed by clients as an exterior supplement to the main software which the user was intended to download. Loyalty software can stay on people's devices without them even knowing it, it reminds users of different special deals, coupons or sales which are promised by the affiliate ID, which will in turn redirect them to the advertiser's website.

All the above-mentioned risks and threads should be considered and evaluated by the merchant, before the company starts planning affiliate marketing programs. These potential risks can cost advertisers big losses as well as mislead its loyal customers.

2.10 The Effect of New Emerging Digital Solutions on Traditional Marketing

With the emergence of digital media, this trend was getting more and more attention, eventually it led to digital switch, which made people change their advertisement and communication perception. Traditional marketing was undergoing some transformation as well, as new ways of advertising were developing and gaining popularity, traditional marketing had to adapt to these changes while still serving the purpose of helping global organizations in promotion.

Traditional forms of marketing were used by companies for years, and were proven to be successful. Among these marketing strategies are outdoor advertising, such as billboards, flyers, posters, etc. The traditional forms of promotion can also contribute to radio and television advertisement campaigns, as well as newspaper ad placement.

Todor, (2016) mentioned that people are used to traditional forms of advertisement, because it was used for so many years, and mainly people perceive this form of information by tangible assets, such as business cards, magazines, newspaper, booklets.

Despite the fact that this form of advertisement has coexisted with people for a long time now, it has some limitations in a way that these methods are designed to reach people as a group and are very limited on an individual level. This is where the emergence of digital media has improved brand's attitude towards the advertisement. Nekatibebe (2012) indicates that traditional media is also referred as "Mass Media", because the goal of this kind of marketing activities is to broadcast the commonplace message to the large number of people, which are not considered to be unique.

It is possible to trace the description of altering the forms of advertisement in various literature, "there is no doubt that traditional marketing has changed"- Papasolomou & Melanthiou (2012).

Brown and Hayes (2008) dedicated a whole book to the discussion of how the marketing that we knew is not coping with its destiny anymore, and why brand and marketing managers have to alter their knowledge and step up their game in a competitive environment, where every brand's goal is to sell their product to every customer possible in the market. On the other hand, traditional forms of marketing are still there in human's everyday life, whether we go on a walk and see a banner with the newly launched perfume or highly renovated car advertisement, or we are driving the car listening to the radio which broadcasts promotional messages regarding any product within ethical norms. Despite the fact that traditional marketing is not experiencing tremendous growth over the past few years, it does not mean that it is not used at all. Raluca Dania in her research describes the recent study according to which it is noticed that the use of social media is increased, however use of other sources of advertisement only slightly decreased or even had an increasing trend, although the growth was insignificant. Based on this information it can be concluded that not only traditional marketing still holds on to its actuality, but at the same time these methods combine well with more contemporary ways of advertising.

There are few points about differences between the digital form of advertising and traditional ways which are worth mentioning, as they were discussed and described by many scholars. As mentioned before, technological advances as well as the era of globalization and digitalization are main factors affecting the conventional forms of advertising, this idea is also supported by one of the researchers, Olotewo (2016). Author advocates that communication done by advertisers which rely on traditional methods only is weak in the terms of receiving feedback from their customers, as no real engagement was made, it is very hard to measure the results in terms of revenue. However, Todor (2016) in her research paper indicates that offline marketing can produce faster and greater results, while digital advertising campaigns take a few weeks before the result can be noticed. Taking into consideration those statements, it is fair to mention that the

effect of the advertisement project regardless of the chosen method, could solely depend on the quality of advertisement strategy as well as from the target audience. It is no secret that the younger audience tends to spend way more hours online, on social media pages, websites and other digital platforms. Therefore, if the brand's product or service is designed in a way that their main customer group is younger generation, it would be more effective and suitable for the organization to focus on digital advertising method, as they should eventually lead to the positive increase in firm's revenue, At the same time while a great number of companies focus on millennials, there are still producers which focus their attention on adults and older generations and see them as their main audience. Taking into consideration these factors, brands should bear in mind that older generations tend to spend less time online, and a lot of people still prefer to perceive information from newspapers, television and magazines.

Nevertheless, John Olotewo (2016) describes social media as a way of communication based on dialog between the parties, regardless of their location, while social media marketing serves as an advertising tool used on these platforms. Despite the fact that many brand's and organizations switched to the new digital solutions, chasing the emerging trends and forcing the acceleration of their sales through digital world, not all of them successfully understood the power and opportunities of social media. According to the Pantano, Priporas & Migliano (2019), some organizations are struggling with adapting to the digital solutions, because of the wrong attitude towards the social media, lack of the operational as well as the strategic resources, as well as unfamiliarity with the software. Indeed, unexperienced marketing managers can drown in flow of new information as well as constant judgement and feedback from social media users could be overwhelming for the beginner. For the instance, Pantano, Priporas & Migliano (2019) in their research, mentioned a brand which applied a social marketing campaign in the form of video, with the caption which stated, "it just takes a dose of -name of the liquor- to make your cocktail unforgettable", however when loyal fans of the firm provided positive feedback supporting the brand's idea, the company has never replied.

2.10.1 Comparison between traditional forms of marketing and digital solutions

While many authors discuss the differences between online and offline forms of advertising, according to Kumar, Choi & Greene (2016), these two can coexist together, and actually can be very effective if used properly at the same time. As an example, authors describe television and social media advertising. On one hand, application of social media marketing can have a positive effect on motivating the viewers to pay a closer attention to the brand's advertisement on the television. Thus, digital solutions can accelerate brand's recognition and help with increasing brand's awareness as well as creating a social buzz around the product. On the other hand, the overexposure to the online comments and negative feedback of the previous customers can harm the viewers perception of the brand and could possibly dramatically reduce the positive impression around advertised goods or services. (Kumar, Choi & Greene, 2016)

There are a great number of factors, which should be taken into consideration by marketing managers while making a decision of which strategy and form of advertising to apply for their brand. According to the research of Dania Todor (2016), Digital Marketing as well as the conventional form of advertisement have their limitations. Despite the fact that online tools are gaining more popularity nowadays, it still lacks the real experience for the users who prefer to make a purchase offline. The absence of "touch "experience of the product before purchasing it,

can turn off some particular customers regardless of the effectiveness of the campaign. Another factor that seems to be a challenge, is a difference in social media usage between the various age groups. As mentioned earlier, the reach of digital marketing campaigns may be limited, due to the target audience, and the habits of the older generations. (Todor, 2016)

Interesting point was added by researcher John Olotewo(2016). He describes the difference between marketing strategies, using measurable variables such as cost, engagement and other key performance metrics. The cost for the traditional form of advertising such as Television or Radio broadcast is way higher than maintenance of the social media accounts. Relatively small companies or even start ups will not be able to allocate a great budget for the mentioned advertisement activities, therefore they will incline their decision towards digital channels. “Organizations can maintain a public profile on Facebook, Twitter, Instagram for free and the cost of advertising on these platforms is relatively cheap compared to traditional marketing channels. - John Olotewo (2016). Another challenge presented by the author, which is supported by Kumar, Choi & Greene (2016) indicates the lack of engagement between the brand and their audience through the offline advertisement channels. While the brand is transmitting their message, they are not able to receive any feedback or reply from their customers, and the dialog is not formed, conversely the communication turns to monologue. On the other hand, social media marketing gives the organization the opportunity to directly engage with their customers, receive the feedback, whether it is possible or negative, and then look at things as a bigger picture to understand what experience their clients have with the product or service.

Despite all the differences, a lot of researchers still support the idea of mixing the various forms of advertising to get the better return on the brand's investments, finding the balance between the traditional and digital solutions could help take product’s awareness and recognition to the next level (Kumar, V., Choi, J. B., & Greene ; Dania Todor ; Minton, E., Lee, C., Orth, U., Kim).

2.11 Conceptual Framework

Taking into consideration the discussion above, it is fair to note that a fair amount of research was done in the influencer marketing sphere, however very little is known about the influencer marketing industry in Azerbaijan. Being relatively new, this advertisement strategy began gaining popularity in Azerbaijan only in 2016. At the same the new emerging influencer marketing platform was built, which played an important role in market development of Azerbaijan. This influencer marketing platform, Keepface, started as an agency model company, and in a short time became one of the most successful start-up organizations in Azerbaijan. While influencer marketing was very new to the marketing specialists of our country, as the time passed and industry grew, this industry strengthened its position in the market, and few years later it was already possible to observe influencers with the number of followers over a million people on their Instagram and other social media accounts. (Starngage, 2021)

A conceptual framework is an important part of the research. It provides researcher with a good guidance and helps identify variables which should be included and later tested in research. (Ivey, 2015) Variables presented in conceptual framework contribute to the research process and help to represent the information explored in literature review.

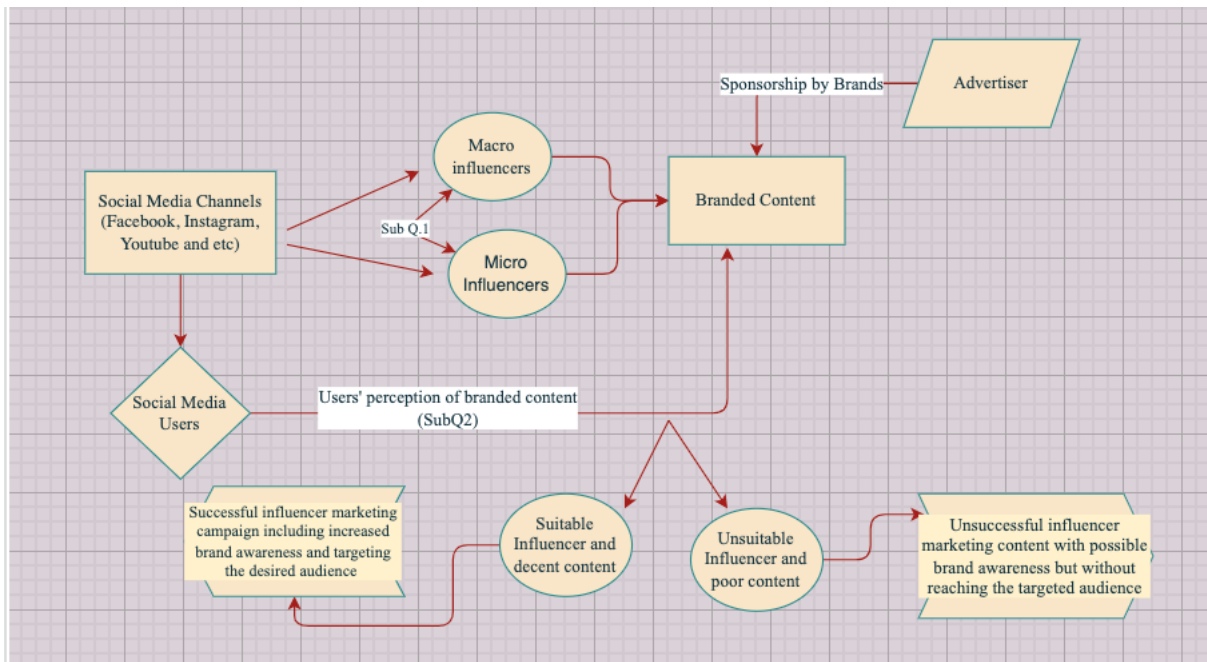


Figure 2.5 Conceptual Framework
Source : Elnara Nabiyeva, 2021

Influencers are the main connecting element between the brand and the consumer, (Keller and Berry,2003). According to the model, social media is a pool where influencers (either micro or macro depending on their audience size and content format) exist together with ordinary users. This environment gives the brands a good opportunity to advertise their product or services and reach their potential customers through the opinion leaders. While brands are investing their resources and sponsor influencers, they in turn create appealing content which should help brand in their initial goals.

Variables in the conceptual framework can be classified into several different types according to their role in the presented model ("Constructing a conceptual framework", 2021)

Influencers, brands, and social media users are independent variables. They interact with each other but do not dependent on each other. On the other hand, outcome of the campaign should be considered as dependent variable, because its outcome is a result of well-chosen influencer and well-prepared content. At the same time the branded content is perceived by users of social media, and perception can be considered the moderator given to alter the effect of the chosen marketing strategy.

]

Despite the fact that influencer marketing emerged and gained its popularity in Azerbaijani market not so long ago, it is widely used now by many global and local organizations. There have been numerous influencer marketing campaigns among which are projects sponsored by such as Procter & Gamble, Danone, PepsiCo, Hyundai, MacDonald's. Among the local companies in Azerbaijan are especially large: Kontakt Home, Azercell, Kapital Bank, Express Bank and many others.

As the demand for influencer marketing rises, alongside rises the questions whether the influencers actually shape the buying habits of their followers. As there is no convenient study performed on this topic in Azerbaijan, this research aims to analyze the relationship between influencers content and buying behavior of their followers, as well as the online user's perception of opinion leader's advertisement content. Following this, this research will focus on the 3 objectives:

1. Consumers' perception of sponsored content on social media
2. Relevance and actuality of social media marketing
3. Consumer buying habits and behavior in Azerbaijani Market

3. Methodology

3.1 Introduction

As noted by (Kothari & Garg, n.d.) the aim of the research is to answer the raising questions through the application of scientific procedures. It is also not just a process of gathering information, but a tool to answer unanswered questions before. (Melville & Goddard, 2004). In this part of the research mainly the methodology strategy, research philosophy, nature of the data, research approach will be discussed. As mentioned above, there is no sufficient information gathered on influencer marketing practices in Azerbaijan, therefore researcher decided to use exploratory research methods to contribute to the analysis of this topic. Alongside with this method, interpretivist research philosophy was applied to contribute to the research's paper, mixed methods strategy was applied as it united both qualitative and quantitative approaches and was considered to be the best fit given the nature and the goals of the study. Likert scale data survey was used to learn more about customers attitude towards the sponsored content, which was later analyzed using descriptive statistics. To answer the first sub question of the study two sets of influencers were selected based on their location and audience size. To perform a qualitative part of the research and have an opinion of not only ordinary users but also from marketing specialists, a semi structured interview was conducted and coded into themes to interpret the obtained data.

Research paper was supported by secondary data, it was collected from literary sources such as books and educational journals, as well as digital sources such as websites, and books in electronic format. Primary data will be collected through interviews. Questions and topics for the interview can be formulated in a clear sequence or be more informal in adapting to the behavior of the participant. Questions for the interview should be designed so that the candidate can contribute to solving the research problem, while the candidate should be asked about his personal competence in this issue and his personal views on this or that problem that the study raises.

3.2 Research Approach

While conducting research we gather and analyze data to obtain more knowledge regarding the particular topic. According to Bell, Bryman and Harley the nature of the relationship between theoretical contribution and the research is very significant. Therefore, it is very crucial to state the research approach to contribute to the methodology of the data analysis. Considering the nature of

the study's objectives and the research questions of the paper, a mixed approach was chosen to be the most suitable for the researcher's practices.

Research questions cannot always be answered by using single methodology due to the specification of study area or research question, given the social nature of the researched topic, mixed methodology was implemented because it is capable of responding to the complex problem. (Tobi & Kampen, 2017)

Mixed method is an approach which combines both qualitative and quantitative research strategies, this method gives researcher an opportunity to broader study the topic as well as avoid the limitation associated with both qualitative and quantitative approaches. (Almeida, 2018)

In the definition provided by Greene, 2008 mixed concept is presented as a form of investigation of the social world using more than single methodological procedures thus involving more ways of collecting the knowledge.

Following this, different type of data was collected, Likert scale data and two type of influencer sets were examined for quantitative part of the study. Likert scale data analysis included descriptive statistics methods as well as crosstab analysis to make a comparison between male and female respondents. For a qualitative part of the analysis semi structured online interviews were conducted with 5 marketing specialists who had the experience with influencer marketing projects in Azerbaijan. These participants can provide valuable and real insights of working with influencers and promoting some good or serviced through social media in local market. The collected data was then analyzed through inductive approach and coded into themes which provided the general picture of the collected information.

Apart from the research approach and research strategy writer considered to apply interpretivism research philosophy. According to Zukauskas, Vveinhardt & Andriukaitienė (2018), research philosophy is a basis for its strategy, formulation of the issues, data observation, and analysis. This type of philosophy was chosen because the underlying issue of the study is to understand what experience customers have with influencer marketing campaigns and how they respond to it.

3.3 Research Strategy

In this chapter research explains why a particular research strategy was chosen and how it contributed to the research findings. The aim of the investigation is to add value to the existing knowledge regarding the influencer marketing in Azerbaijan as well as answer questions arising from this topic. As mentioned before, secondary data was used to obtain existing knowledge and make a comparison of the existing theories, however, the primary data was gathered to perform an analysis procedure which led to the findings and conclusion. Above mentioned series of operations are explained in exploratory research strategy.

The topic and objectives of the research touches social and psychological aspects, as it intervenes with human behavior. As noted by Blumer (1969), exploratory research adds a crucial value to the cases where both social and psychological sciences are discussed. According to Armstrong (1970) the exploratory research method is a winning strategy when investigating where the theory comes before the obtained data. On the other hand, the author also argues that exploratory methods are trivial among the marketing research and can lead to new theories and findings, however researcher using this strategy can lead the readers to the wrong conclusions or useless theories. While the researcher decided to apply an exploratory research method, at the same

time the researcher agrees with the author and rationally assesses the risks associated with this approach.

3.4 Nature of the data

“Data”- means anything that is given, such as facts or information needed in discussion. (Unit -2 Data)

Since the research question required mixed research approach, more than single type of data was collected for this study.

For quantitative part of the research, numerical data was used to perform the analysis. Qualitative data is used to maintain mathematically based methods. (Sukamolson, 2011)

Even though the popular opinion suggest that quantitative data should be used independently, this research study attempts to support obtained qualitative data by conducting the qualitative analysis and help at the end find answers to the main research question of the paper.

Since the inductive coding was chosen to be implemented, qualitative data was also used to perform the investigation. According to the "Unit-2 Data: Definition, Types, Nature, Properties and Scope", (2017), qualitative data is reflected in particular statements, which can be almost equal to the existing knowledge. While dividing data into qualitative and quantitative categories, the reference in terms of data's expression is used. Quantitative data is concerned with reflecting the results in terms of numbers and can be expressed in quantity. While on the other hand the qualitative data might be a better fit for the analysis of social factors and human behavior. (Kothari & Garg, n.d.) Author also implies that qualitative data is used in “Motivation Research” which is a subtype of the qualitative research approach. It can be employed in the case of the urge to investigate what is the reason behind human actions, such as what motivates people to act in a particular way. If we refer to the objectives of the study, it is clear that the underlying issue of the question is what makes people like or dislike the advertised product on social media, or how significant the influence of opinion leaders is on their follower's buying habits.

Since the nature of the qualitative data lies in meaningful concepts, it should be also mentioned that it reflects a great diversification. Being different from the quantitative data, it does not include any countable values or measures, but in turn consist of human forms of communication such as: written, verbal or behavioral aspects. (Gibbs, 2007) Given that the observed data was retrieved from the online surveys, the following inductive analysis helped to drive a conclusion and discuss the findings of the study.

It was also suggested by Bryman (1988), that there have been numerous synonyms associated with qualitative research, nevertheless it does not the change the nature of the qualitative data which fundamentally refers to the same thing, and is employed to “study of the social world which seeks to describe and analyze the culture and behavior of humans and their groups from the point of view of those being studied’.

3.4.1 Primary Data Collection

In mixed research methods, several types of data needed to be collected. To answer the sub question 1: “*How different is the effectiveness of the advertised content provided by macro and micro influencers?*” – two sets of influencers were gathered, each set containing a sample of 40 people. The database of Keepface influencer marketing platform was used, because it had a opportunity to filter the influencers by required measures: location, audience size. As influencer

marketing in Azerbaijan is a quite new market area, the classification of influencers is not yet well defined. For the purpose of this study influencers with audience size up to 100,000 followers were considered to be micro, and opinion leaders who had more than 100,000 followers on their social media accounts were considered to be macro. As per statistics provided in literature review, chapter 1.1 and the results obtained from the survey regarding the most frequently used social media in Azerbaijan, it was Instagram. Therefore, researcher chose influencers which were active on this exact platform to make a comparison more relevant.

Alongside with data mentioned above, a close-ended survey including 95 respondents was conducted using random probability sampling, which meant everyone had an equal chance to be chosen for the participation. The survey question included question regarding the use of social media, and only those who was using social media network was eligible for the further experiment.

At the same time by judgmental – nonprobability data sampling method, 5 marketing professionals were chosen to participate in semi-structured online interviews. This sampling method required choosing the candidates within some selection criteria. Few firms such as marketing agencies and fmcg producing brands were emailed regarding the opportunity to interview their employees responsible for the influencer marketing projects. Even though the number of participants was not large, considering their significant experience and previous research study with also limited number of participants (Fourinier (1994), the sample number looked convenient for the experiment.

There are a lot of data collection methods associated with qualitative approach. It can be represented in a form of in-depth structured and semi structured interviews, focus groups and surveys. (Carter and Henderson; Castleberry, A., & Nolen)

As mentioned before, along with literary and digital sources, information obtained during online semi-structured interviews will be used. As the situation with covid-19 spread in Azerbaijan was not stable at a time of the research, researcher decided to conduct interviews online for the sake of safety measures. For this, an interview guide was used, it is necessary so that the interlocutor does not deviate from the desired topic, and at the same time be free in his statements and have the opportunity to influence the dialogue (Taylor, Hoi, Haley, 1996) The sequence of asked questions is also important, so the first thing to do is use a generalized question not aimed at a straightforward answer, it's worth doing in order to build some connection with the candidate (McCracken, 1988) The interviewed people are professionals from the marketing sector, representatives of brands that have already dealt with cooperation with influencers in Azerbaijan.

It is also worth mentioning that it is sometimes hard to transform the obtained data into consistent results due to the poor answers given by the respondent. Despite this statement researcher believes that answers gathered during online semi-structured interviews were of significant importance.

3.4.2 Data Analysis

Using mixed methods research approach made it possible for the researcher to use different analysis techniques for the different data scope. For the first sub-question, descriptive statistics tool as mean, range and mode were used to interpret the data. According to the Fisher & Marshall, 2009– “Descriptive statistics are the numerical and graphical techniques used to organize, present and analyze data. Mean, Mode, Median are the measures of central tendency, they are also used

to give researcher an information regarding the distribution of the data. (George & Mallery, 2019)

The Sub.Question 1 was determined to identify which type of the influencers was more effective in terms of engagement of their audience. To make a comparison 40 influencers of each category were listed together with their engagement rates and average likes scores. To speed up the data collecting process external software “Influencer Marketing Hub” was used to collect the scores automatically taking into consideration influencers last 14 posts.

The second part of the analysis included the close-end survey containing 10 questions and consisting mostly of Likert scale data. The data was collected for 95 respondents and coded into 1-5 scale answers based on the response of the participants. Respondents were asked to rate their opinion upon the certain topic on a scale of 1 to 5, which were reflected in 1 being – Strongly Disagree, 2-Disagree, 3 – Neutral, 4 - Agree, 5 – Strongly Agree. After coding the answers, it was then possible to use descriptive statistics as well as cross tab analysis to make a relevant comparison.

As mentioned by Erika Yi “Coding the qualitative data makes the messy scripts quantifiable” Coding is necessary when analyzing the obtained qualitative data. This process includes the processing and collation of individual concepts, sentences, as well as individual words. The inductive approach is a process of spontaneous coding, not prepared in advance before collecting data. All codes will be extracted directly from the candidates' answers. (Medelyan, 2019)

To analyze the obtained data and transform it into sufficient research results, the thematic analysis was chosen for the coding of the responses. Boyatzis (2009) stated that thematic analysis gives the opportunity for the researchers, practitioners, and observation pioneers to implement the flow of the information and translate it into more precise manner that increases the accuracy of the obtained data in terms of better understanding and explaining of the surveillance of the human beings, groups or situations. Authors also quote Coffey and Atkinson, which suggest that the coding can be interpreted as a way of relating the gathered information to the researcher's idea about this information.

Thematic analysis implicates the data to be coded and divided into relevant themes. After interviewing the brand managers and influencer marketing specialist through semi structured interviews the key words have been extracted and separated per the relevant subject. Later researcher thoroughly examined the themes and named them according to the relevant topics. This helped to understand which codes actually contributed to the answering of the research questions presented in the study. The extracted data was then analyzed and described in the findings and discussion chapter of the research paper.

3.5 Ethical Considerations and Research Limitations

After discussion of methodology and procedures related to the data analysis of the research, it is important to contemplate the ethical issues which should be addressed. According to Bell, Bryman and Harley there are several important points which must be taken into consideration while conducting research involving interviews or surveys, among these points are: participants should take part in the interviews absolutely voluntarily, that means researcher needs participant's full consent before the data gathering. Alongside with the consent, the confidentiality of the participants should not be harmed at any cost. Fox, Murray & Warm, (2003) argue that confidentiality of the respondents is one of the main ethical considerations. The reason behind this statement is the fact that anonymity provides the researcher the opportunity to gain more precise

and reliable information, as people feel safer when they know that their confidentiality is well protected. (Fox, Murray & Warm, 2003)

Apart from the confidentiality issues, Clark-Kazak (2017) also discusses that participants should be fully informed regarding the objectives of the study, its benefits as well as potential risks. Therefore, in order to assure the respondents of the advantages of the potential research as well as its limitations and objectives, they were provided with information regarding the questions addressed by the research paper prior to the interviews and survey distribution.

On the other hand, Polonsky & Waller (2004) explain that there is the main difference between confidentiality and anonymity. While talking about anonymity one should bear in mind that this involves the uncertainty of who the participants are, as they are not required to state their real names. As much as researcher agrees with the authors about the advantages of this method, he has chosen to code participant names in terms of protection of their confidentiality, however researcher needed to make an observation of the answers based on the person who completed either the open-ended survey or the semi-structured interview.

Therefore, in order to protect the privacy of the respondents, the following codes substituted the real names of the participants: MM -Marketing Manager, MS-Marketing Specialist, PM-Project Manager, BM- Brand Manager, HOG- Head of Growth.

Because of the COVID-19 outbreak all over the world, including Azerbaijan, and due to the fact that the researcher was tested positive for the virus himself, it led to a few limitations associated with the interview process. Taking into consideration mentioned events, it was decided to conduct the interviews online, which was more appropriate and suited the safety purposes better. Interviews lasted for approximately 20 to 30 minutes, and respondents provided useful information which contributed to the overall research process and its findings.

4. Findings and Discussion

4.1 Introduction

The research paper is aimed to contribute to the literature and fill the gap in research of the influencer marketing industry in Azerbaijan. Since the influencer marketing industry is relatively new in Azerbaijani market, still very little is known about the significance of the opinion leaders and their effect on local consumers. This chapter discusses performed analyses and provides the answers to the research questions. The qualitative data were coded into themes and presented later in this chapter.

Taking into consideration the fact that there is almost no significant scientific data regarding the influencer marketing in Azerbaijan, researcher also used secondary data to fill in the missing information and make a fair comparison between the information. Despite the fact that there are a few researchers who were focused on consumer behavior as well as their buying intention, their research lacks the market specificity associated with Azerbaijan's local tendencies, as well as very little is discussed about the user's perception of sponsored content on social media. Researcher's main objectives were investigating the local market, and he believes that this research paper will contribute significantly to the learning process of influencer marketing in Azerbaijan as well as will contribute to the development of this new industry.

Given these facts, researcher's personal motivation, experience and interest in this topic contributed to the carried research.

4.2 Measuring the effectiveness of Macro and Micro influencers.

Sub-Q.1: How different is the effectiveness of the advertised content provided by macro and micro influencers?

As noted in methodology, two sets of influencers were chosen in random order, considering their audience to be main variable determining their attachment to macro or micro group of influencers. The platform for the analysis was chosen to be Instagram, the reason behind that is that it is the most used social media channel by online users of Azerbaijan, considering both statistics provided in literature review as well as based on the respondents' answers on survey question.

For the purpose of this study influencers with audience size up to 100,000 followers are considered to be micro influencers, as well as those who has more than 100,000 followers on Instagram considered to be macro influencer.

Two sets of influencers were selected each set containing 40 influencers with different area of interest and content format as well as of different age and gender.

Opinion leaders were extracted from the online influencer database keepface.com where you can filter influencers based on their audience size, location, and other advanced metrics. Average likes per post and engagement rate were calculated for each individual with the help of "Influencer Marketing Hub" platform which considers influencer's last 14 posts for the evaluation.

The first set including macro influencers is reflected at the Table 4.1

Macro Influencers	Audience size	Engagement Rate	Average Likes per post
@gunnarahim	203000	22.88%	42,102
@asadovifa	109000	7.96%	8,660
@td_iskenderov	261000	6.35%	16,472
@alixan	319000	6.10%	19,441
@sabilovderya	463000	4.50%	20,798
@aleh_yurbayov	220000	4.24%	9,311
@amrasayevan	135000	3.22%	4,331
@nigarfarazi	234000	3.18%	7,401
@arzum_xi	385000	3.18%	12,203
@nadiba	527461	3.17%	16,644
@by_aitanfaraziyeva	480000	3.12%	14,818
@turanhuseynli	105000	3.06%	3,143
@arzu_je	475000	3.05%	14,395
@nadiha	162000	2.88%	4,584
@ilybiog	552668	2.87%	15,774
@by_madinastok	103000	2.66%	2,680
@naminudan	324132	2.63%	8,470
@elmir_namazova	1000000	2.63%	26,342
@hustayli	340000	2.43%	7,912
@sumay	203191	2.37%	4,799
@sultanasimov	183000	2.30%	4,214
@ayoubuzaj	311000	2.30%	7,153
@100boyova	210000	2.05%	4,266
@nia_land	575000	2.01%	11,525
@limonazadehjan	158000	2.00%	2,580
@zumyusuf	185000	1.88%	3,371
@by_ahmedali	276000	1.85%	5,006
@yafa_ali	135566	1.68%	2,175
@nikosyayli	1200000	1.61%	19,923
@nana_je	101000	1.30%	1,275
@sara_olga	414000	1.12%	4,593
@qunel'arhadi	114484	1.04%	1,173
@nammiendv	206000	1.03%	1,895
@aynikhalid	1300000	0.99%	12,882
@sacaradiferal	202000	0.89%	1,793
@elchinova	236000	0.86%	2,014
@abd_orkhan	109000	0.79%	859
@yusalasizade	2100000	0.60%	12,812
@turkana_lye	112000	0.34%	382
@dostovodov	113521	0.24%	267

Table 4.1 – Macro Influencers List

Source: Elnara Nabiyeva

The filter is applied at Engagement Rate column showing results in descending order. Engagement rate is not a dependent variable, for this reason the audience and the average number of likes are not listed in descending order as well.

Following the same pattern, the set with micro influencers is represented at the Table 4.2

Micro Influencers	Audience size	Engagement Rate	Average Likes per post
@nigarochikaa	88800	8.36%	6,428
@regideop	10500	7.63%	795
@aydanique	64000	7.46%	4,704
@narmii	26700	7.17%	1,896
@kenooraf	69800	7.11%	4,881
@naz_n	76691	7.09%	5,387
@talalabib	26300	6.56%	1,712
@shafiqah_alaban	30403	5.06%	1,516
@la_critique_cudogate	54200	4.10%	2,217
@kamilya_vardiyeva	62300	4.04%	2,509
@fferana	30900	4.01%	1,232
@lifecofyusa	84321	3.91%	3,233
@liyamedova	35600	3.84%	1,340
@alclaira	35200	3.59%	1,258
@laman_nm	61700	2.82%	1,676
@sevalyu_	41000	2.73%	1,111
@elchin13	17900	2.65%	470
@ayazabaga	35300	2.48%	826
nicja_pattent	80600	2.04%	1,581
nooshka	80600	2.04%	1,581
@khayalaheydarova	34900	1.97%	678
@neeqat_pasha	32300	1.79%	573
@just_art_gallery	20600	1.71%	345
@malena_zem	48900	1.58%	808
@axevinsky	16800	1.67%	281
@eloveh	57800	1.62%	922
@zahrabadalbayli	42770	1.59%	658
@hadievavaytash	86100	1.53%	1,302
@xumaraga	28200	1.50%	411
@curlyifastlyia	23700	1.46%	336
@evahayalacova	12300	1.44%	169
@xanillayonae	49300	1.37%	614
@thiaabdmailk	29100	1.29%	371
@aysel_trendlook	91700	1.18%	1,020
@alivacupe	56560	1.14%	637
@ayazmammadovofficial	52100	1.13%	580
@talika_yashayvlatkiy	28200	1.10%	292
@iron_parran	86100	0.99%	643
@suncelbr	15900	0.82%	124
@curly_blog	78031	0.37%	279

Table 4.2 Micro Influencers List
Source: Elnara Nabiyeva

The effectiveness of social media influencer could be evaluated taking into consideration how “engaged” their audience is by number of likes and comments. And the ratio of these variables to the audience size of the influencer is their engagement rate.

Based on the data provided in both tables, it was possible to extract the mean values for each column of the data sets. The means for the macro influencers group were 2,98% (engagement rate), and 9,011 (likes) accordingly. The mean values for the second sets were as follows: 3.05% and 1,435. Despite the fact that mean values for average likes per post are significantly different, the mean value of engagement rate are hardly different from each other.

To make a comparison more precise, the top 10 influencers from each set with highest engagement rates were extracted to continue the analysis.

After shortening the list, the indexes obtained the value of following numbers: Mean of Engagement rate for the macro influencers was 6,48%, while the mean of average likes per post was 15,736. Another metrics such as range was calculated to add the additional criteria to the analysis. The range for this data set was 19,71% for engagement rate and 25,458 for likes. (Table 4.3)

Macro	Audience size	Avg Engagement Rate	Avg likes
@qunnerahim	203000	22.88%	42,102
@asadovlife	109000	7.96%	8,660
@fd.iskenderov	261000	6.35%	16,472
@a1ixan	319000	6.10%	19,441
@sabiorudjeva	463000	4.50%	20,798
@taleh.vuzbayov	220000	4.24%	9,311
@samraeurovision	135000	3.23%	4,331
@nigarfarzali	234000	3.18%	7,401
@arzum_vl	385000	3.18%	12,203
@nadjiba_	527461	3.17%	16,644
	Mean	6.48%	15736
	Range	19.71%	25,458

Table 4.3 Top 10 Macro Influencers
Source : Elnara Nabiyeva

The data for top 10 micro - influencers was as follows:
Mean value of engagement rate reflected in 6,46% and 3,205 for the likes.
The range for this data set was 4,32% and 3,919. (Table 4.4)

Micro	Audience size	Avg Engagement Rate	Avg likes
snigarochkaa	88800	8.36%	6,428
@regidepp	10500	7.63%	795
@aydanique	64000	7.46%	4,704
@nammij	26700	7.17%	1,896
@kenoqrafi	69800	7.11%	4,881
@nez_n	76691	7.09%	5,387
@lealaleeh	26300	6.56%	1,712
@shafiqe_elshan	30403	5.06%	1,516
@la.critique.culinaire	54200	4.10%	2,217
@kamilya.verdiyeva	62300	4.04%	2,509
	Mean	6.46%	3,205
	Range	4.32%	3,919

Table 4.4 Top 10 Micro Influencers
Source : Elnara Nabiyeva

At one hand relatively high range of engagement rate in macro influencers group, and almost equal mean value of engagement rate on other hand challenged the results of given data, Therefore the number of influencers was shortened for the top 5 influencers with the highest engagement rate for the further evaluation.

After the evaluation of 5 macro influencers with highest engagement rates results are as follows: The mean value for the engagement rate column made up for 9.56% and 21495 for the likes column.

The calculations for the second set of data reflected in following results: 7,55% was the mean value of engagement rate and 3,741 accounted for the mean of likes.

4.3 Measuring the social media users' attitude towards the sponsored content.

The random sample of 95 people was considered for the study, and the Likert scale questionnaire was chosen to measure the attitude of the respondents. One of the questions was asking the participants whether they use social media, as following questions were related to the social media those who answered no, were eliminated from the study. Therefore, only 92 respondents out of 95 who answered yes to this question were eligible for the study.

To avoid the questionnaire to be biased and cover the wider range of data both gender and age group were included in questions.

Out of 95 people participated in survey, 59 were of female gender and 36 were of male gender. The data represented in percentage is reflected on Figure 4.5 below.

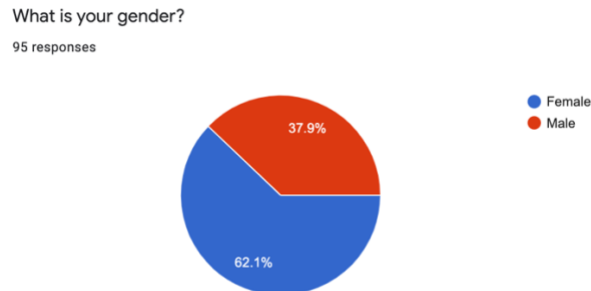


Figure 4.5 Respondets Gender Representation
Source : Elnara Nabiyeva

To measure and analyze the social media users' attitude towards the sponsored content, questions with scale from 1 to 5 were included, where 1 equaled – Strongly Disagree, 2- Disagree, 3-Neutral, 4-Agree and 5- Strongly Agree.

Mostly respondents were of age between 21-25, which ended in 62.1% of whole portion, and the second largest group was age category between 26-29 years, which covered 20% of the pie chart.

The responses obtained from the participants were coded into numerical data from 1 to 5 accordingly. After coding it was possible to measure the mean, median and mode for each question.

First question asked participants to rate their attitude on whether they look for online reviews of product or services before purchasing it. The responses are represented in bar chart below. (Figure 4.6)



Figure 4.6 Responses to the first question
Source : Elnara Nabiyeva

Most of the respondents agreed on that statement (84,8%), while 12 people preferred to stay neutral, 2 participants disagreed with the statement.

During cross table analysis, the responses from male and female participants were compared to each other.

The way respondents performed on first question is expressed on Table 4.7

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	N
Female	22	25	9	1	0	57
Male	10	21	3	1	0	35

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	N
Female	39%	44%	16%	2%	0%	57
Male	29%	60%	9%	3%	0%	35

Table 4.7 Crosstable Analysis of Q.1
Source : Elnara Nabiyeva

As it is seen from the table a quiet small difference exists between 2 gender's attitudes, the visual representation is shown on Bar chart. (Figure 4.8)

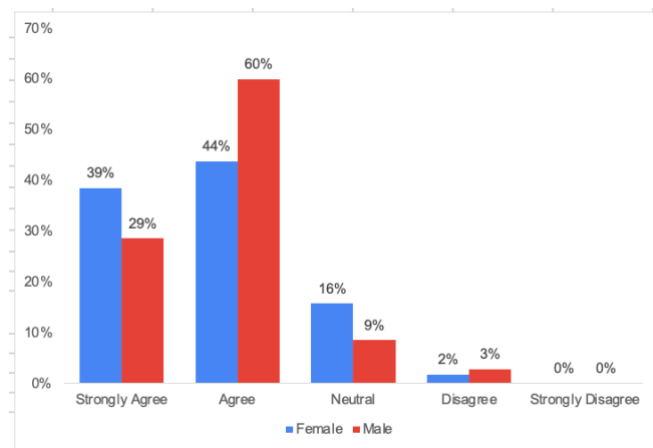


Figure 4.8 Graphical Representation of crosstable analysis for Q.1
Source : Elnara Nabiyeva

The Mean, Mode and Median of the responses for Question 1 was 4, therefore generally participants agreed on that statement.

Question 2 : I have a positive attitude towards the sponsored content on social media.
While 27,1% of the participants agreed on that statement (including those who agreed and strongly agreed), the largest portion of the responses focused in neutral area (62%).

The cross-table analysis for gender comparison is represented on Table 4.9

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	N
Female	2	13	36	5	1	57
Male	2	8	21	3	1	35
	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	N
Female	4%	23%	63%	9%	2%	57
Male	6%	23%	60%	9%	3%	35

Table 4.9 Crosstable Analysis of Q.2
Source : Elnara Nabiyeva

The reaction of women and men for the question 2 was almost similar, it is even more obvious on visual representation of responses. (Figure 4.10)

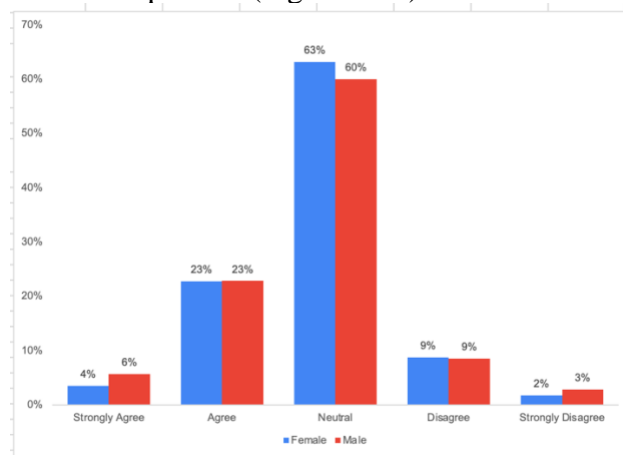


Figure 4.9 Graphical Representation of crosstable analysis for Q.2
Source : Elnara Nabiyeva

Question 3: I have purchased or considered purchasing a product or service because my favorite influencer/celebrity recommended it.

For this Question number of Agreed and Disagreed participants were almost even, being 21 and 22 accordingly. However, the largest number of participants answered neutral to this question, which covered 43.5% of the answers.

The Mean, Median and Mode of the responses equaled 3, which means the majority participants preferred to stay neutral regarding the statement.

This time answers of men and women were slightly differentiated from each other as they share different opinion regarding the statement.

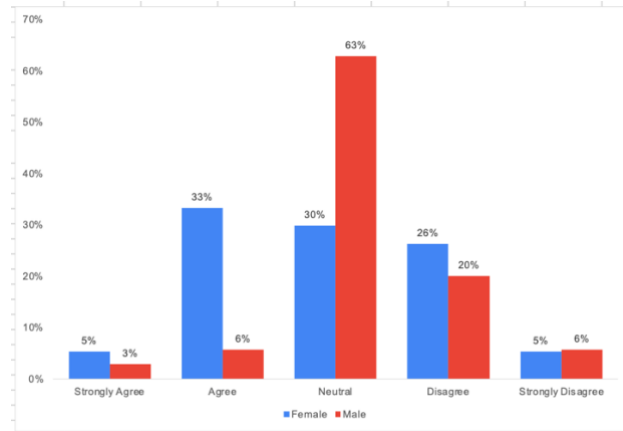


Figure 4.10 Graphical Representation of crosstable analysis for Q.3
Source : Elnara Nabiyeva

While 38% of women considered or purchased a product based on influencer’s recommendation, 31% of men Disagreed with the statement. 63% of male candidates and 30% of female candidates stayed neutral towards the topic.

Question 4: I skip the social media content if I see the advertisement/product placement in it.

While 33,6% of participants Disagreed with the statement, 59,8% of the candidates preferred to answer neutral to the question. Graphic representation is reflected on Figure 4.11

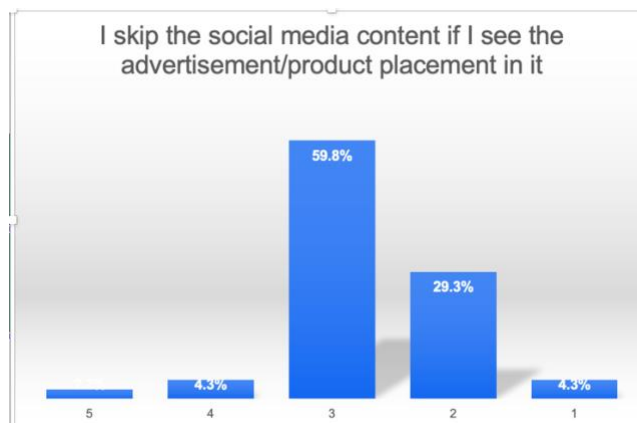


Figure 4.11 Graphical representation of answers for the Q.4
Source : Elnara Nabiyeva

Most common answer for this question was: Neutral.
Mean, Median and Mode for the results were: 3.

According to the Figure 4.12, mostly male candidates(69%) chose to stay neutral towards the subject, while 39% of female candidates disagreed with the statement (both Disagree and Strongly Disagree answers) and 54% of the female respondents were neutral.

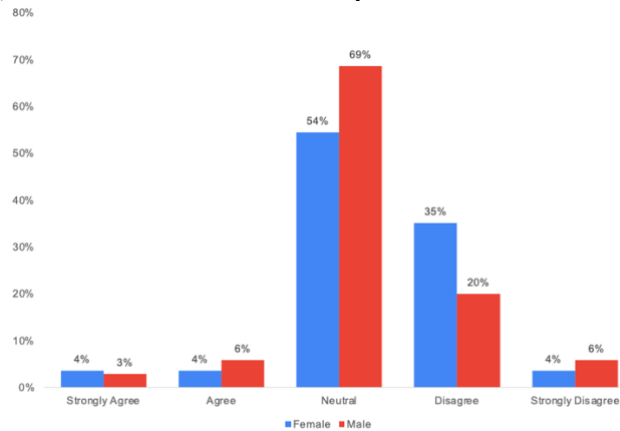


Figure 4.12 Graphical Representation of crosstable analysis for Q.4
Source : Elnara Nabiyeva

Last question was determined to measure people’s attitude towards the relevance of influencer marketing in Azerbaijan.

Question 5 : I find influencer marketing relevant in Azerbaijan.

Responses’ evaluation was as follows :

Responses with rate Agree and Strongly Agree accumulated in 53,3% out of all responses, 33,7% of the answers stated that people were neutral towards the topic, while 13% Disagreed with the statement.

While Mean of the data was – 3, Mode and Median were - 4 .

Looking at gender split, it can be stated that women were a little more in favor towards the topic than men. (Figure 4.13)

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	N
Female	8	28	14	5	2	57
Male	1	13	17	4	1	35
	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	N
Female	14%	49%	25%	9%	4%	57
Male	3%	37%	49%	11%	3%	35

Table 4.13 Crosstable Analysis of Q.5
Source : Elnara Nabiyeva

Visual Representation of responses is shown on chart below. (Figure 4.14)

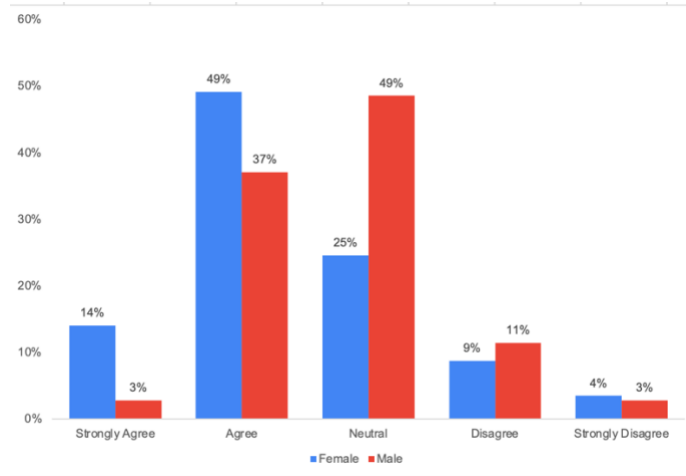


Figure 4.14 Graphical Representation of crosstable analysis for Q.5
Source : Elnara Nabiyeva

One of the questions stated in survey asked the participants whether they follow any local influencer of their interest, even if the participant answered “No”, they were still able to complete the survey answering the rest of the questions. The purpose of this was to compare answers of those who follow and who did not follow influencers to compare their attitude towards the sponsored content, however the results of the survey revealed that only 21 people out of 92 participants answered “No” to the question, which made the comparison of 72 answers towards 21 unfair.

4.4 Qualitative Analysis and semi structured interview results.

Online semi-structured interviews were conducted with 5 Marketing Professionals with the experience in Influencer Marketing area. After the interview the answers were closely examined, and coded which researcher considered to be most significant were extracted to be sooner united in themes and then conceptualized to explain the results.

Respondent	Company	Description
------------	---------	-------------

Marketing Manager	A	Food Delivery Company which is established in Azerbaijan for 4 years now
Brand Manager	B	Biggest Retail Group in CIS Countries
Project Manager	C	Influencer Marketing Company
Marketing Specialist	A	Food Delivery Company which is established in Azerbaijan for 4 years now
Head of Growth	C	Influencer Marketing Company

Table 4.15 – Respondents and companies’ profile.

Source : Elnara Nabiyeva

When Respondents were asked if they had ever used influencer marketing campaigns to promote any brand or services, all of the participants shared their positive feedback, and the answers are summarized in table below:

Respondent	Answer
MM	Yes, we're partnering with influencers pretty much on a monthly basis. It's a great tool to increase brand awareness and get new customers.
BM	I applied influencer marketing strategy, because customers tend to choose a product which is liked or approved by an influencer. Customers often buys a product if they feel it is appraised and valued by a person they admire (even when they realize that it might be simply an advertisement)
PM	Yes, since I was working as the project manager all our projects were about promoting different brands and new campaigns through influencer marketing
MS	Absolutely. The way I see it pushing your message through influencers these days is a great add to the overall marketing mix. The right influencers have already established a relationship with their readers and there is already a considerable trust.
HOG	Yes. It is organic and most cost effective way to promote your brand.

Table 4.15 – Responses to the Q.1
Source : Elnara Nabiyeva

All respondents claimed that they have worked or are still working with influencers for their own reasons as they see it as an effective way of product promotion.

Codes extracted from the answers of the respondents were conceptualized into themes.

4.4.1 Advantages of influencer marketing campaigns.

Many candidates for the question why it is worth using influencers for advertising mentioned several advantages that coincide with those mentioned in the literature sources. Brand Awareness was mentioned more often than others because it is for this purpose, according to marketing experts, that influencer marketing works the best. The strategy can reach new users who have not heard of your product before, which automatically generates new FTU's mentioned by MM.

The second advantage listed by candidates was the organic nature and cost-effectiveness of influencer marketing strategy, because branded content promoted by an opinion leader should not be imposing, and besides, such a partnership will cost much less than advertising through traditional marketing channels." *Natural Content is a key to the successful product placement*" – notes HOG. When people see the content where the advertised product is naturally embedded in influencers lifestyle or routine, it automatically provokes positive feedback towards the brand and the sponsored content.

4.4.2 Influencer Marketing Campaigns in Marketing Mix

Marketing experts based on their experience tell that influencer marketing gives the best results when it is part of the marketing mix and is used along with other advertising channels. The reason for this may lie in the fact that this area appeared not so long ago in Azerbaijan and users have not yet learned to perceive influencer marketing completely, therefore, until then, the interest of buyers should be supported by other marketing channels to which they are already accustomed. MS mentions that influencer marketing can be an additional engine in your marketing plan and will serve as an excellent support for your overall marketing strategy.

BM- *"The way I see it pushing your message through influencers these days is a great add to the overall marketing mix. The right influencers have already established a relationship with their readers and there is already a considerable trust."*

PM- *"I think brands should add the influencer marketing to the marketing mix as an additional boost to their sales. But not use it as an only channel. I would also say that the brand should implement a proper management of the campaign, so the message is spread correctly, and the product is presented in the best way possible."*

4.4.3 The right fit of advertised product and partnered influencer

Interviewed marketing experts have repeatedly mentioned how important it is to choose the right influencer for the right collaboration. And although many measurable criteria were named by which influencers were selected for cooperation, other factors such as a correct lifestyle, hobbies and interests stand out as no less significant.

Some examples of criteria that candidates usually take into consideration are presented in direct quotes below:

MM- “There are a lot of tools out there that help you analyze how credible an influencer is. Their engagement rate, ad success, verifying their followers and knowing the target audience. Currently, choosing the right influencers for your goal is quite easy.”

BM – *“Audience, engagement, content quality”*

PM – *“Firstly to analyze my segment, demand and needs of my target audience, my product. In the second stage it would be influencer and his or her relationship with audience. (Trust, appealing and etc.)”*

MS- *“I usually take into consideration the following: The location where the influencer’s audience is; The engagement rate; The percentage of fake followers; The quality of content shared by the influencer. It is vital to make sure that the influencers’ following aligns with the brands’ target audience.”*

HOG- *“Influencer Category, follower number, engagement rate, engagement, social media platform, brand affinity, brand equity, audience gender, audience age, audience location”*

Along with these metrics also mentioned in the literature, candidates debated how important it is for the influencer to convey brand image and socially fit. After all, as it turned out, the effect of an influencer only for some part depends on the number of his subscribers and other figures, then what social message and image he creates in front of his subscribers is an equally important resource.

4.4.4 Bottlenecks of Influencer Marketing Strategy.

Despite all the advantages of influencer marketing discussed in this chapter, it is worth mentioning the factors that slow down the development of this sector in Azerbaijan and which were mentioned by candidates during interviews. Sponsored content creativity – unfortunately brands, when collaborating with influencers, restrict the creativity of their content with many rules, which leads to a decrease in the naturalness of the presentation of this product. The lack of quality and creativity of content among influencers directly affects the effectiveness of this or that collaboration. Brands often make mistakes when comparing their product with other brands and trying to replicate their success, they miss the individuality of each approach, which also negatively affects the results of the project. The reason for such errors may also lie in the insufficient sources of education for studying and planning the marketing influencer in

Azerbaijan, because despite the fact that it is possible to pick up the practices used by other markets, they may not fit the local sector and adapt to the local culture.

Some examples of candidate's responses regarding this issue is reflected in direct quotes below:

MS- "However, I believe that there is still long way for both brands and influencers to implement the influencer marketing in an effective way. Because the Azerbaijani marketeers have lack of education and information toward influencer marketing, and they are not brave enough. Influencers are also uneducated and arrogant so making the life of marketeers difficult."

HOG- "In conclusion, I believe that influencer marketing has a good future; however, the successful implementation of this needs more time and educated people."

5. Discussion

Sub-Q.1 : How different is the effectiveness of the advertised content provided by macro and micro influencers?

Firstly, it was obvious that top 5 macro influencers generate more likes than top 5 micro influencers, even though the difference between their engagement rate mean values is not significant. (2%).

However, macro influencers even though generating almost the same percentage of engagement produce a greater result because of their audience size.

Secondly, not all the macro influencers are doing that great in terms of engagement rate, the results are driven after the shortening the list from 40 participants to 5, meaning there is a significant number of macro influencers with weak efficiency, resulting in similar mean engagement rate for both data sets when considering the full list.

The top micro influencers are not able to compete with top macro influencers, however they can still be as efficient as macro influencers with lower engagement rate and will even cost less producing relatively same results.

To summarize the collected information, in terms of effectiveness macro influencers with a great engagement rate can be considered better than micro influencers, however the collaboration with them would be more expensive, if advertiser is cost sensitive there is always a solution of combining both group for the project, involving influencers with the best indexes from both groups according to their budget plan.

Sub-Q.2: What is customer's attitude towards the advertised content on the internet.

After evaluating survey results, it was evident that mostly people were Neutral towards the asked topic, with 2 exceptions. For the Question 1 which stated that they look for online reviews of products before purchasing it, the majority of respondents agreed on this subject.

As well as the positive feedback was obtained regarding the relevance of the Influencer Marketing in Azerbaijan.

Based on the results obtained and taking into account the comments from marketing experts, the researcher can draw several conclusions.

First of all, people do not perceive the advertised content negatively, as a very limited number of negative responses were received as a result of coding. Despite this, the researcher cannot argue that people enjoy viewing branded publications, perhaps if the content is improved taking into account the notes received from the marketing experts, such as better quality as well as more freedom in the expression of creativity, the attitude of people could change.

Since people agreed that they are looking for online reviews in order to listen to them when buying a product, this suggests that influencers in Azerbaijan could use this type of content – Online Review to promote a particular brand more effectively.

Another interesting fact is that people generally find Influencer marketing a hot topic for Azerbaijan, even if they themselves do not subscribe to them. This gives hope for the further development of this sector for more effective influencer marketing projects.

5.1 Limitations of the Research

Despite the fact that the researcher tried to approach the problem posed as objectively as possible, he worked in this area for a long time and was also personally interested in conducting the research. Despite the fact that this provided additional motivation for this project, the researcher's opinion may not be completely objective. Also, in the context of a pandemic, unfortunately, it was not possible to conduct live interviews with the participants in order to gain more information and observe the behavior of the participants, and the researcher himself fell ill during the preparation of the project, which added additional challenges to completing this work.

Some more limitations arise from the sample size of the study, as mostly participants fall in the range of 21-29 years, so future study can focus more on the elderly generation or vice versa consider the people of a younger age.

The research also was not able reach to larger audience especially those who did not follow influencers on social media, the number if this participant was limited, so future research might consider focusing on this type of social media users as well.

Different methodology could be also applied instead of mixed methods strategy, and future study might be fully qualitative or quantitative in nature.

6. Conclusion

One of the main reasons for conducting this study was the very rapid growth of this industry in Azerbaijan, despite the fact that it appeared not so long ago. Almost every day you can stumble

upon a new baked influencer on social platforms on the Internet. At the same time there are a number of emerging agencies that offer services to promote products or services to customers through influencers. The researcher decided that this project will help to educate the professionals in Azerbaijan and that the obtained information will help to partially close the gaps associated with the lack of research on this topic in Azerbaijan, as well as give impetus to its further study.

The researcher begins this project with a thorough presentation of various literature in order to acquaint the reader with foreign practices, present influencer marketing as a professional activity, as well as state all the risks and potential benefits of this industry. The literature also covers related types of marketing such as affiliate marketing which works on a similar principle and compares digital solutions to traditional forms of advertising.

To support the facts from the literature, the researcher also conducted his own analysis based on the data he gathered from online semi-structured interviews with marketing managers, as well as from quantitative analyses and Likert Scale Data. The purpose of the study was to answer the question “Does influencer marketing impact purchasing decisions of customers in Azerbaijan?”, as well as to study 3 project objectives. After analyzing the results After analyzing all the results, it became clear that influencer marketing has an effect on the purchasing habits of users, but there are also several shortcomings that slow down the development of this sector in Azerbaijan. Further, the researcher focused on the relevance of the influencer marketing in Azerbaijan (objective 2), to which the professionals agreed that the industry has great potential and is quite relevantly used by both local and foreign companies, but despite this, the success of the industry depends on its further development, since the lack of proper education in this area limits the quality of both the influencer and the marketing organizations that offer these services. There are also some factors which were considered by researcher throughout the paper, which then were altered based on findings of the study, some key statements are presented in Table below.

Micro Influencers are better than Macro influencers or vice versa	There are effective and less effective influencers in both categories, and campaign effectiveness could be achieved better if the best candidates from both categories would be used
Influencer Marketing as a Single Marketing Strategy	Influencer Marketing is a great channel for the advertisement, but is working better in Azerbaijan when is part of marketing mix
Influencers Effectiveness is measured through countable variables such as engagement rate, followers’ size, reach and etc.	Influencers Effectiveness depend on their countable indexes but also on there are of interes, hobbies and lifestyle

Table 4.16 Discussed versus newly developed concepts
Source : Elnara Nabiyeva

6.1 Future Recommendations

Considering the results of the study, the researcher believes that a couple of recommendations should be mentioned that he can give based on the primary as well as the secondary date. Many sources advise to be careful when choosing influencers to collaborate, and

it is worth basing on individual measures such as reach per post, engagement per post, audience analysis and other measures by which influencers can be measured for a successful project.

It is also important to consider your audience target and use those influencers whose followers meet your requirements. Minton, Lee, Orth, Kim & Kahle (2012) also suggest being cautious while experimenting with mass-marketing campaigns, and they propose to use a more specific marketplace instead to hit the spot more precisely.

It is also very important that influencers listen to their audience, understand what their subscribers want to see and, most importantly, remain true to themselves, since the naturalness of the content directly depends on whether the influencer publishes his posts taking into account his personal wishes or is chasing a trend or constant advertising.

Based on the results of the study, the author also recommends improving the professional qualifications of both influencers and marketing experts, since this is sorely lacking in Azerbaijan. Advanced training will help the Market to develop better, as well as make it easier for brands to create high-quality advertising, it will also bring users a more ad-friendly experience and help to pick up useful products based on individual preferences.

6.2 Research Application

The author believes that this study will serve as a good element in the development chain of the influence of the marketing industry in Azerbaijan. Since there is no given information regarding this aspect in local sources, this can also become an impetus for further study of this topic, which will serve as a good addition to the literary resources.

This research can also be useful for new startups who are contemplating how to quickly, efficiently, and cost- efficiently advertise their product in Azerbaijan, this document provides a small overview of what a brand can expect from partnering with local influencers. The research can also be used by new marketing agencies to reinforce their knowledge in this area if they have not done market research before, as well as to gain information about foreign practices.

And finally, this study can become the basis for further study of the influencer marketing phenomenon in Azerbaijan, since some aspects were not disclosed by the researcher, which leaves room for future research.

References

(2021). Retrieved 28 June 2021, from
<https://starnpage.com/app/global/influencer/ranking/azerbaijan>

Ahmad, I. , 2018. The Influencer Marketing Revolution [Infographic]. [online] Social Media Today. Available at: <<https://www.socialmediatoday.com/news/the-influencer-marketing-revolution-infographic/517146/>> [Accessed 12 April 2020].

AlFarraj, O., Alalwan, A., Obeidat, Z., Baabdullah, A., Aldmour, R., & Al-Haddad, S. (2021). Examining the impact of influencers' credibility dimensions: attractiveness, trustworthiness and expertise on the purchase intention in the aesthetic dermatology industry. *Review Of International Business And Strategy*, ahead-of-print(ahead-of-print). doi: 10.1108/ribs-07-2020-0089

Amarasekara, B., Mathrani, A., & Scogings, C. (2020). Stuffing, Sniffing, Squatting, and Stalking: Sham Activities in Affiliate Marketing. *Library Trends*, 68(4), 659-678. doi: 10.1353/lib.2020.0016

Armstrong, J. (1970). How to Avoid Exploratory Research. *Journal Of Advertising Research*, 10(4).

BAKKER, D., 2018. Conceptualising Influencer Marketing. *Journal of Emerging Trends in Marketing and Management*, [online] 1(1). Available at: <http://www.etimm.ase.ro/RePEc/aes/jetimm/2018/ETIMM_V01_2018_57.pdf> [Accessed 28 June 2021].

Bell, E., Bryman, A., & Harley, B. *Business research methods*.

Blumer, H. (1969). *Symbolic interactionism; perspective and method*.

Booth, N. and Matic, J., 2011. Mapping and leveraging influencers in social media to shape corporate brand perceptions. *Corporate Communications: An International Journal*, 16(3), pp.184-191.

Boyatzis, R. (2009). *Transforming qualitative information*. Thousand Oaks (Ca.): Sage Publications.

Brown, D. and Hayes, N., 2008. *Influencer marketing*. Amsterdam: Elsevier/Butterworth-Heinemann.

Bryman, A. *Quantity and quality in social research*.

Campbell, C. and Farrell, J., 2020. More than meets the eye: The functional components underlying influencer marketing. *Business Horizons*, 63(4), pp.469-479.

Carr, C. and Hayes, R., 2014. The Effect of Disclosure of Third-Party Influence on an Opinion Leader's Credibility and Electronic Word of Mouth in Two-Step Flow. *Journal of Interactive Advertising*, 14(1), pp.38-50.

Clark-Kazak, C. (2017). Ethical Considerations: Research with People in Situations of Forced Migration. *Refuge*, 33(2), 11-17. doi: 10.7202/1043059ar

Dajah, D. (2020). Marketing through Social Media Influencers. *International Journal Of Business And Social Science*, 11(9). doi: 10.30845/ijbss.v11n9p9

De Veirman, M., Cauberghe, V. and Hudders, L., 2017. Marketing through Instagram influencers: the impact of number of followers and product divergence on brand attitude. *International Journal of Advertising*, 36(5), pp.798-828.

Dwivedi, Y., Rana, N., & Alryalat, M. (2017). Affiliate marketing: An overview and analysis of emerging literature. *The Marketing Review*, 17(1), 33-50. doi: 10.1362/146934717x14909733966092

Edelman, B., & Brandi, W. (2015). Risk, Information, and Incentives in Online Affiliate Marketing. *Journal Of Marketing Research*, 52(1), 1-12. doi: 10.1509/jmr.13.0472

Federal Trade Commission. 2021. Federal Trade Commission. [online] Available at: <<https://www.ftc.gov/>> [Accessed 28 June 2021].

Finone.com. 2019. [online] Available at: <<http://finone.com/newsletter.pdf>> [Accessed 12 April 2020].

Fox, J., Murray, C., & Warm, A. (2003). Conducting research using web-based questionnaires: Practical, methodological, and ethical considerations. *International Journal Of Social Research Methodology*, 6(2), 167-180. doi: 10.1080/13645570210142883

Gibbs, G. (2007). *Analyzing qualitative data*. Los Angeles: SAGE Publications.

Goldschmidt, S., Harris, U., & Junghagen, S. (2004). *Strategic affiliate marketing*. Cheltenham: Edward Elgar.

Israel, G. (2010). Effects of Answer Space Size on Responses to Open-ended Questions in Mail Surveys. *Journal Of Official Statistic*, 26(2).

Kamalul Ariffin, S., Mohan, T., & Goh, Y. (2018). Influence of consumers' perceived risk on consumers' online purchase intention. *Journal Of Research In Interactive Marketing*, 12(3), 309-327. doi: 10.1108/jrim-11-2017-0100

Keller, E. and Berry, J., 2003. *The Influentials*. New York: Free Press.

Kemp, A., Randon McDougal, E. and Syrdal, H., 2018. The Matchmaking Activity: An Experiential Learning Exercise on Influencer Marketing for the Digital Marketing Classroom. *Journal of Marketing Education*, 41(2), pp.141-153.

Kemp, A., Randon McDougal, E., & Syrdal, H. (2018). The Matchmaking Activity: An Experiential Learning Exercise on Influencer Marketing for the Digital Marketing Classroom. *Journal Of Marketing Education*, 41(2), 141-153. doi: 10.1177/0273475318803415

Kent, M., 2015. Social Media Circa 2035: Directions in Social Media Theory. *Atlantic Journal of Communication*, 23(1), pp.1-4.

Kothari, C., & Garg, G. Research methodology.

Kumar, V., Choi, J., & Greene, M. (2016). Synergistic effects of social media and traditional marketing on brand sales: capturing the time-varying effects. *Journal Of The Academy Of Marketing Science*, 45(2), 268-288. doi: 10.1007/s11747-016-0484-7

Lin, C., Lee, S., & Horng, D. (2011). The effects of online reviews on purchasing intention: The moderating role of need for cognition. *Social Behavior And Personality: An International Journal*, 39(1), 71-81. doi: 10.2224/sbp.2011.39.1.71

Lin, H., Bruning, P., & Swarna, H. (2018). Using online opinion leaders to promote the hedonic and utilitarian value of products and services. *Business Horizons*, 61(3), 431-442. doi: 10.1016/j.bushor.2018.01.010

Lin, J. (2007). Online stickiness: its antecedents and effect on purchasing intention. *Behaviour & Information Technology*, 26(6), 507-516. doi: 10.1080/01449290600740843

Lisichkova, N. and Othman, Z., 2017. The Impact of Influencers on Online Purchase Intent. Master thesis in Business Administration. School of Business, Society and Engineering, Mälardalen University.

Lou, C. and Yuan, S., 2019. Influencer Marketing: How Message Value and Credibility Affect Consumer Trust of Branded Content on Social Media. *Journal of Interactive Advertising*, 19(1), pp.58-73.

McCracken, Grant. 1988. *The Long Interview*. Thousand Oaks, CA: Sage.

Medelyan, A., 2019. *Coding Qualitative Data: How To Code Qualitative Research (Updated 2020) | Thematic*. [online] Thematic. Available at: <<https://getthematic.com/insights/coding-qualitative-data/>>

Melville, S., & Goddard, W. (2004). *Research Methodology: An Introduction*.

Nekatibebe, T. (2012). *Evaluating the Impact of Social Media on Traditional Marketing (Bachelor)*. Helsinki Metropolia University of Applied Sciences.

Nurhandayani, A., Syarief, R. and Najib, M., 2019. THE IMPACT OF SOCIAL MEDIA INFLUENCER AND BRAND IMAGES TO PURCHASE INTENTION. *Journal of Applied Management*, [online] 17(4). Available at: <<http://file:///Users/elnarabiyeva/Downloads/1510-3947-1-PB.pdf>> [Accessed 28 June 2021].

Odell, P., 2020. Chiefmarketer B2C Special Report, "The Power Of Influencers". [online] Available at: <<https://www.chiefmarketer.com/wp-content/uploads/2015/11/26966-CM-10232015-Special-Report-PDF-Influencer-Marketing1.pdf>> [Accessed 12 April 2020].

Olbrich, R., Bormann, P., & Hundt, M. (2018). Analyzing the Click Path Of Affiliate-Marketing Campaigns. *Journal Of Advertising Research*, 59(3), 342-356. doi: 10.2501/jar-2018-043

Olotewo, J. (2016). SOCIAL MEDIA MARKETING IN EMERGING MARKETS. *International Journal Of Online Marketing Research*, 2(2), 10. doi: 10.5455/ijomr.2016254411

Pantano, E., Priporas, C., & Migliano, G. (2019). Reshaping traditional marketing mix to include social media participation. *European Business Review*, 31(2), 162-178. doi: 10.1108/ebr-08-2017-0152

Papasolomou, I., & Melanthiou, Y. (2012). Social Media: Marketing Public Relations' New Best Friend. *Journal Of Promotion Management*, 18(3), 319-328. doi: 10.1080/10496491.2012.696458

Park, D., Lee, J., & Han, I. (2007). The Effect of On-Line Consumer Reviews on Consumer Purchasing Intention: The Moderating Role of Involvement. *International Journal Of Electronic Commerce*, 11(4), 125-148. doi: 10.2753/jec1086-4415110405

Polonsky, M., & Waller, D. Designing and managing a research project.

Quan, T., Mai, D. and Tran, T., 2020. CID: Categorical Influencer Detection on microtext-based social media. *Online Information Review*, 44(5), pp.1027-1055.

Saima, & Khan, M. (2020). Effect of Social Media Influencer Marketing on Consumers' Purchase Intention and the Mediating Role of Credibility. *Journal Of Promotion Management*, 27(4), 503-523. doi: 10.1080/10496491.2020.1851847

Singh, J., Crisafulli, B., Quamina, L. and Xue, M., 2020. 'To trust or not to trust': The impact of social media influencers on the reputation of corporate brands in crisis. *Journal of Business Research*, 119, pp.464-480.

Stubb, C., Nyström, A. and Colliander, J., 2019. Influencer marketing. *Journal of Communication Management*, 23(2), pp.109-122.

Sudol, T., & Mladjenovic, P. Affiliate marketing for dummies.

Taylor, Ronald B., Mariea Grubbs Hoy, and Eric Haley. 1996. "How French Advertising Professionals Develop Creative Strategy." *Journal of Advertising* 25 (1):1–14.

Thomas, D. (2003). A general inductive approach for qualitative data analysis. School of Population Health University of Auckland, New Zealand.

Todor, R. (2016). Blending traditional and digital marketing. *Series V: Economic Sciences*, 9(1). Retrieved from http://webbut.unitbv.ro/bu2015/series%20v/2016/BULETIN%20I%20PDF/06_Todor%20R.pdf

Tomoson. 2016. Influencer Marketing - Tomoson. [online] Available at: <https://www.tomoson.com/> [Accessed 12 April 2020].

Unit-2 Data: Definition, Types, Nature, Properties and Scope. (2017). Block-1 Information, Nature, Property And Scope.

Wellman, M., Stoldt, R., Tully, M., & Ekdale, B. (2020). Ethics of Authenticity: Social Media Influencers and the Production of Sponsored Content. *Journal Of Media Ethics*, 35(2), 68-82. doi: 10.1080/23736992.2020.1736078

Westwood, K., 2020. 4 Goal-Specific Ways To Measure Influencer Marketing ROI. [online] Content Marketing Consulting and Social Media Strategy. Available at: <<https://www.convinceandconvert.com/influencer-marketing/measure-influencer-marketing-roi/>> [Accessed 12 April 2020].

Wiedmann, K., & von Mettenheim, W. (2020). Attractiveness, trustworthiness and expertise – social influencers’ win

Zarrad, H., & Debabi, M. (2012). Online Purchasing Intention: Factors and Effects. *Canada.Net: E-Journals (Canadian Academy Of Oriental And Occidental Culture, Canadian Research & Development Center Of Sciences And Cultures)*, 4(1). Retrieved from <https://core.ac.uk/reader/236300560>

Zukauskas, P., Vveinhardt, J., & Andriukaitienė, R. (2018). In *Management Culture and Corporate Social Responsibility*.

Nielsen, R., & Schrøder, K. (2014). The Relative Importance of Social Media for Accessing, Finding, and Engaging with News. *Digital Journalism*, 2(4), 472-489. doi: 10.1080/21670811.2013.872420

(www.anarsamadov.net), A. (2021). Statistical database | The State Statistical Committee of the Republic of Azerbaijan. Retrieved from <https://www.stat.gov.az/menu/13/?lang=en>

Tobi, H., & Kampen, J. (2017). Research design: the methodology for interdisciplinary research framework. *Quality & Quantity*, 52(3), 1209-1225. doi: 10.1007/s11135-017-0513-8

Sukamolson, S. (2011). *Fundamentals of quantitative research (Ph.D)*.

Nielsen, R., & Schrøder, K. (2014). The Relative Importance of Social Media for Accessing, Finding, and Engaging with News. *Digital Journalism*, 2(4), 472-489. doi: 10.1080/21670811.2013.872420

Ivey, J. (2015). *How Important Is a Conceptual Framework?*.

Influencer Marketing Hub | Leading Digital Marketing Resource with over 5M Monthly Readers. (2021). Retrieved 26 December 2021, from <https://influencermarketinghub.com/>

Greene, J. (2008). Is Mixed Methods Social Inquiry a Distinctive Methodology?. *Journal Of Mixed Methods Research*, 2(1), 7-22. doi: 10.1177/1558689807309969

George, D., & Mallery, P. (2019). *IBM SPSS statistics 26 step by step*. Boston: Pearson.

Fisher, M., & Marshall, A. (2009). Understanding descriptive statistics. *Australian Critical Care*, 22(2), 93-97. doi: 10.1016/j.aucc.2008.11.003

Almeida, F. (2018). STRATEGIES TO PERFORM A MIXED METHODS STUDY.

Azerbaijan, I. (2021). Instagram users in Azerbaijan - January 2021. Retrieved 26 December 2021, from <https://napoleoncat.com/stats/instagram-users-in-azerbaijan/2021/01/>

Constructing a conceptual framework. (2021). Retrieved 26 December 2021, from <https://www.scribbr.com/methodology/conceptual-framework/#:~:text=A%20conceptual%20framework%20is%20a,and%20theories%20about%20the%20topic.>

Appendix

Appendix A. Interview Questions

Online based semi-structured interview questions for marketing managers

1. Have you ever applied influencer marketing strategy to promote brand or service? If yes, then why?
2. Do you find the effect of influencer marketing campaigns being significant for raising the brand awareness?
3. Do you think brands should entrust the promotion of their product or services to opinion leaders?
4. What is your attitude towards the development of influencer marketing strategy in Azerbaijan?
5. If you have ever included or considered including influencer marketing in your marketing structure, what would be your priority criteria to choose suitable candidates?
6. Please describe your opinion regarding the perception of sponsored content by social media users in Azerbaijan.

Appendix B. Survey Questions

1. What is your gender?
2. Do you use social media?
3. What is your age?
4. Please choose the social media channel which you visit the most
5. Do you follow any local influencer or celebrity on social media? (Can be of any kind including entertainment, food, fashion, sports etc.)
6. I look for online reviews of the product or service before purchasing it
7. I have a positive attitude towards the sponsored content on social media
8. I have purchased or considered purchasing a product or service because my favorite influencer/celebrity recommended it.
9. I skip the social media content if I see the advertisement/product placement in it
10. I find influencer marketing relevant in Azerbaijan.