MSc in Marketing

Advertising on social media
Consumer’s attitude and behaviour towards social media advertising

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Advertising on social media

*Consumer’s attitude and behaviour towards social media advertising*

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“Social media reaches farther than we can physically reach with advertising” – Tony Clark
Declaration of Research Work Integrity

This work has not previously been accepted in substance for any degree and is not being concurrently submitted in candidature of any degree. This thesis is the result of my own investigations, except where otherwise stated. Other sources are acknowledged by giving explicit references. A bibliography is appended.

By signing the present document, I confirm and agree that I have read RU’s ethics code of conduct and fully understand the consequences of violating these rules in regards of my thesis.

.................................................................................................................................

Date and place     Social ID     Signature
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Abstract

Advertising today is different from what it used to be before the usage of social media got to the stage that it is today. Marketers are facing a new reality which involves the consumer as a part of the marketing matrix, involving them more and with the help of influencers, the advertisement is more direct, and it’s easier to reach the market segment for that product or service. Advertising is everywhere today, and with increased usage of technology, majority of people have their smartphone in their hands, work on computers, watch television or listen to the radio so the stimuli are constant during the day to day basis of people's lives. Therefore, it is interesting to research whether this constant exposure of advertising is influencing people's attitudes towards products or services. The purpose of this study was to find out whether an advertisement in general on social media affects the attitudes of people regarding products or services and their purchasing behaviour. Advertising, in general, can include direct advertisements, cooperation and unclear advertising on social mediums. Further, to see if a person’s demographic profile affects the attitude towards these advertisements and the effect on the purchasing behaviour. A framework was based on the literature and from that, a market research was conducted. Total of 375 individuals participated by answering an online questionnaire regarding advertising. The findings reveal that advertising on social media does affect the attitude and behaviour of the consumer, in relation to reliability towards a product or service and the purchasing decisions. Further, the findings revealed that there is a significant difference between groups in relation to different behaviours and believes, whether it is a relation to a difference between genders, age groups or relationship status. Other findings reveal that influencer on social media also affects the attitude and behaviour of the consumer towards a product or a service. The conclusion is that advertising and influencers on social media affect the consumer behaviour towards a product or a service, both in a positive and negative way.

Keywords: marketing, advertising, social media, influencers, attitudes
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Reykjavik, January 5th, 2018.

__________________________________
Jóhanna Ýr Hallgrímsdóttir
Effects of social media advertising on the consumer

Marketing realities today have changed significantly over the last years, especially with the increased popularity of social media platforms like Facebook, Instagram, Twitter, and Snapchat. These mediums have enabled the consumer to access even more information and give them increased power and involvement with organisations. It has also given organisations easier direct access to the consumer, and with the assist of social media influencers, the access and influences are even greater. Recently an increased awareness towards advertising on social media amongst consumers has raised the question whether influencers and organisations are being straightforward when it comes to advertising on social media and through influencers. Today the demand from the consumer for transparency and stricter rules and regulation regarding advertising and social media has never been greater. This study is conducted with the aim to create a literature and practical value in the field of marketing. The results of this study indicate attitude and behaviour in general of Icelandic consumer towards advertising on social media. The consumer right to know whether the advertising he or she is looking at is a paid advertising sponsored one or cooperation is increasing with the raised awareness in the society in whole. The need for stricter rules and regulation regarding this social media advertising is increasing with high competing marketing activities of organisations.

Background

The choice of topic is due to an increased interest of the author in social media advertising, effects, and efficiency. During the academic years, the author has noticed an increased awareness with the consumer in relation to transparency, price comparison and legal rights of a purchase of a product or a service. In the year of 2017, the topic of social media advertising and social media influencers has been prominent in the Icelandic newspapers. Especially, after Neytendastofa Íslands (Consumer Agency of Iceland) (CAI) ruled in a case in relation to a hidden advertisement on social media in the spring of 2017 and declared that the need for clearer rules and regulations needed to be set for advertising on social media (Eiðsson, 2015). Further, the demand of the consumer of a more transparency of advertisement on social media followed. This rose the question for the author, what affects does these type of advertising methods have on the consumer’s buying behaviour. Does the knowledge of a paid advertisement or a cooperation affect the purchase decision. Following the decision regarding the topic, the
author contacted Dr. Þorlákur Karlsson, associate professor of psychology at Reykjavik University. Together he and I discussed the topic and decided to research this further.

**Marketing**

According to Blackshaw and Nazzaro (2004) interactions with consumers have changed drastically with the phenomenon called Social media, also known as consumer-generated media. Spurgeon (2008) mentioned that new media platforms and marketing methods have forced marketers to rethink their role in advertising. Today advertisers are not always the top-down communicators for the messages their brands, products or services are creating with the advertisement. According to Spurgeon, media consumers play a key role in marketing and especially on social media. Spurgeon also states that the consumers are an active part of the process. With ever-changing market environment and technology has changed the way marketers behave, where and how they market. The following chapter will cover the basics of marketing, who markets and new marketing realities.

**Marketing in general**

According to Keefe (2008) marketing is a subject that is shape-shifting with time, with new concepts coming through and others fading in the practice of marketing. As seen in figure 1 the definition of marketing has changed throughout the years, with changing market and technology environment. Marketing can also be looked at as an educational process and philosophy, it is a part of science, not just management. As seen in figure 1 the marketing definitions have taken on different forms throughout the years, but the flow of goods and services is steady as a focus. Also, the changes of the marketing definition involve the focus on value creation for the consumer. As Kotler and Levy (1969) state that marketing is to narrowly defined, for its activity is to broaden to define it in one particular way (Kotler & Levy, 1969).

<table>
<thead>
<tr>
<th>Year</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>1935</td>
<td>“The performance of business activities that direct the flow of goods and services from producers to consumers”</td>
</tr>
<tr>
<td>1985</td>
<td>“An organisational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in a way that benefits the organisation and its stakeholders”</td>
</tr>
<tr>
<td>2004</td>
<td>“The process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods and services to create exchanges that satisfy individual and organisational objectives”</td>
</tr>
<tr>
<td>2007</td>
<td>“Is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large”</td>
</tr>
<tr>
<td>2016</td>
<td>“A tool to meet human and social needs profitably. It is about creating, communicating and delivering value to the consumer, client, and society at large”</td>
</tr>
</tbody>
</table>

*Figure 1. Definition of marketing through the years (Keefe, 2008)(Kotler & Keller, 2016).*
Kotler and Keller (2016a) defined marketing as a tool to meet human and social needs profitably. It is about creating, communicating and delivering value to the consumer, client, and society at large. According to them the main goal of marketing is to know and understand the needs and wants of the consumer, so the product will fit the consumer and for the final outcome resulting in a customer who is ready to purchase the product or the service. Today, marketing is not only limited to product and service, everything from events, experiences, personas, places, information, organisations and more are being marketed every day through different kinds of media.

**Market system**

A simple definition of marketing by Kotler and Keller (2016b) is that there is a marketer and a prospect, a marketer is seeking a response and attention from the prospect in a marketplace. The market is defined as a collection of buyers and sellers, in other words, consumers and organisations. These two groups than communicate over products or services. As seen in figure 2 a simple marketing system defined by Kotler and Keller, consists of these organisations and consumers, in-between there is a flow of products, services, information, and communications. This marketing system in relation to social media can be explained as, information is where the advertising and influencers communicate with the consumer, and communication is where the consumer gives feedback and review of the product or service to the organisation. Marketers are turning more towards influencers to communicate and inform the consumer, not that social media and influencers are completely taking over television, newspapers, and magazines. But with increasing social media usage, organisations are looking even more towards the idea of using influencers to create brand awareness of a product or a service.

![Diagram](image)

*Figure 2. A simple marketing system (Kotler & Keller, 2016b).*
New marketing realities

According to Kotler and Keller (2016c), the importance of social responsibility has grown and marketers need to consider factors like the legal, social, ethical and environmental in context of their marketing activities. Kotler and Keller talk about that the marketplace is not the same as it was 10 years ago, technology has been changing at a fast pace and access to electronics and the internet is staggering. Easy access to information pushes marketer’s needs to stay ahead of technology trends. Globalization is another marketing reality, as the world is shrinking with constant evolution in technology, easier communications and transportations, it has made it easier for the consumer to shop from all over the world through the internet. Clapperton (2012) says that the audience of marketing is changing, and the main reason for that is social media. With these changes comes the need for understanding and learning how to reach and sell to new customers through social media.

According to Chaffey and Ellis-Chadwick (2012) a large part of marketing goes through digital platforms like news- and organisations websites, Facebook, Instagram, and Snapchat. They talk about digital marketing can be defined as the use of traditional communications to achieve marketing objectives by applying digital technologies. It involves managing different forms of platforms for the company's online presence. Chaffey and Ellis-Chadwick stated that for organisations to create an online marketing strategy there are different methods to consider. These methods can be segmented into three categories as seen in figure 3; paid media, owned media and earned media. They define paid media as a direct media where the organisation pays for visitors or a reach on social media, or for offline mediums like television, radio and print advertising. Owned media is where the marketing goes through the organisations owned mediums, the company website, Facebook profile, Instagram account or Snapchat account. Third, there is earned media where the organisations marketing goes through publicity, influencers on social media or public events, it also includes word-of-mouth that can occur through viral marketing.
The 4 M’s of marketing

Following the new marketing realities the typical marketing mix of the 4 P’s (*Product, price, place, promotion*) will not be defined, instead, there will be a definition of the 4 M of marketing. According to Panno (2013) the 4 M’s stand for make, manage, monitor, and measure, where the factors include the creation, impacts, relationships, and results of marketing. The 4 M’s are mainly about the steps on how businesses can attract influencers, with the focus on business to consumer (*B2C*) where organisations use the method of paid influencer marketing through social media.

**Make the influencers**

Social media is a powerful platform for organisations to design the right messages, generate a positive word of mouth (*WOM*) and select the right influencers to spread those messages to the consumer on the right social media platform. Kumar and Mirchandani (2012) talk about the importance for an organisation to select the right people to spread their message about a product or a service on a social medium, with the right target group as the audience. Organisations need to encourage these individuals to talk about their product or service experience, encouragement that often comes in the form of a gift, sponsorship or a payment.

**Manage the impact**

According to Gillin (2007) the high magnitude of communications that go through the internet between customers, therefore it is important for marketers to find a way to harness that power. That can prove to be rather difficult for marketers to control. While the control of communications seems impossible, marketers need to find a way to influence the communications that go on between customers. Vollmer and Precourt (2008) talk about the importance for marketers to try managing the information and content that goes out through the use of influencers through different social media.
platforms. They also talk about that the consumer is in more control and with greater access to information the more power goes to the consumer and less to the organisation.

**Monitor the relationship**

The question is how do organisations monitor the effect that this method of encouraging influencers to talk about a product or service on a social media. Nilsson (2013) talks about different methods can be used to monitor the influence but it can be difficult to monitor it at an accurate rate, using, for example, search query which measures the mentioning of the brand name, product, or service. Vollmer and Precourt (2008) mention that one method is using the Stickiness Index ($SI$) which is a metric that measures the degree of WOM that generates in the following of a discussion.

**Measure the results**

According to Brown and Florella (2013) marketers and organisations need to measure the results of their marketing methods, whether the outcome was as expected in regards to marketing results. Asking themselves questions for example, which influencer drove the desired action the most, or what value did that influencer add, and how effective was the targeting. These are just examples of questions that marketers need to consider when measuring the results of their marketing methods, mapping the results for future campaigns so improvements can be done. Brown and Florella talk about how organisations can measure these marketing results in different ways, depending on what the aim was with the campaign. Influencers are getting discount codes from organisations to offer their followers that they can for example use when purchasing on the organisations website or at the retail store. These methods can enlighten the organisation and give a good overview on how many finished the purchasing process with that code, and measure the website traffic.

**Personal branding**

With the increased popularity of social media, an opportunity for individuals to brand themselves or their persona has become easier than before with social media platforms like Facebook, Instagram, Snapchat, and Twitter. It has created a possibility for whomever to create a brand around their persona, not only celebrities and media known individuals.

According to Brown and Dacin (1997), personal branding gives everyone the power to create and be their own brand, where the person handles its own marketing activities. Shepherd (2005) stated that personal branding can be compared to being similar to personal selling, where the personality of that person can be looked at as a
certain selling point. The main difference lies in that there is no company that is selling a brand but an individual is selling his or her persona or the brand created around his or her persona. In personal branding, one must be careful of not selling themselves out too thin, and not trying to appeal to all market audiences. Instead to have a clear message, focus on what is the target audience and to be consistent with the branding message.

In relation to personal branding an interview for a television show called Hæpið (The Hype) (Ægisson, 2017) which is broadcasted on the national television and radio station RÚV in Iceland, where the topic is social media influencer and personal branding. In this interview with Aron Már Ólafsson better known as Aronmola, talked about his Snapchat account and how he started his social media career. He also talked about the character he created for his Snapchat account, creating different stories with them that attracted an audience. In the interview, he talked about that the persona he displays on social media, is not always the same as he is in real life, that it’s a character that he has created for the social media.

**Advertising**

The goal with advertising is first and foremost to grab the audience attention and create a certain need, desire or a feeling. But with increased access to information, products, and services all around the world, it creates an even higher level of competition for companies reaching and connecting with their customer. With increasing competition organisations need to find a new way to reach their customer base and possible customers. Organisations can use different methods, like direct advertising, word of mouth advertising (WOM), sponsored advertising, and hidden advertisement.

Advertising in Iceland needs to follow certain rules and guidelines regarding what is and is not allowed. These rules and regulations are created by Alþingi (The Icelandic parliament). According to Alþingi (2005) act No.57/2005 on the surveillance of unfair business practices and market transparency is mentioned that advertisement should be created in a way that there is no doubt about that an advertisement is in place. Bear in mind that statements mentioned in the advertisement should be based on facts that the organisation can give proof for regarding the product or service. Alþingi also states that it is important to be careful when it comes to the credulity of children and advertising. According to Neytendastofa (n.d.) (CAI) the main principle is that it's prohibited to give wrong, misleading or insufficient information about a product or a service. They also mention that it’s important to consider which type of advertising
medium is being used. Last but not least, advertisements should not be unfair towards
the consumer or competitors in the market.

**Direct advertising**

Every day organisations distribute messages to their market segment through
media like email, websites, mobile phones and social media like Facebook, Instagram,
Snapchat, and Twitter. Customers are constantly getting reminded about new products
or services, special offers, and deals through different kind of media.

According to *Hagstofa Íslands* (Statistic Iceland) (2017), an increase over the
last years has been in advertising revenues for media like newspapers, television, radio
and other independent organisations. As seen in figure 4 the advertising revenue of
media has doubled from the year 2000 to 2015. The statistics show that the revenues
decreased after the recession in 2008 but have been increasing since then. This shows
that the advertising industry is growing and is a potential for even further growth in the
upcoming years.

![Figure 4. Advertising revenue of media 2000-2015 (Statistic Iceland, 2017).](image)

**Word of mouth advertising**

Koinets, Valck, Wojnicki, and Wilner (2010) talk about how marketers aim to
influence the consumer's buying behaviour, and one way of that is through word of
mouth (*WOM*). They talk about *WOM* and how it works, with social media the *WOM*
has become a powerful marketing tool that is hard to control. Marketers can try to
influence the communications that go on between one consumer to another. Therefore,
with easier access to information consumers are relying more and more on the word-of-mouth when it comes to the decision making regarding products or services. Information gathering, that the consumer might do for example, regarding the product, price or usage, is simplified with company websites, blogs, article reviews and other social media platforms.

Blazevic et al. (2013) talks about how social media gives the consumer an opportunity to gather information regarding a product or service, and in some cases the opportunity to communicate with other consumers. These information and communication can vary depending on what the consumer is looking for but can for example, be regarding quality, price, usage, sale, and more. According to Henning-Thurau et al. (2004), when a statement is made, whether it is positive or negative, by a consumer or a potential consumer with an online platform it is referred to as an electronic-word-of-mouth (eWOM). That is, whenever a person makes a review, blog, status update, or just talks about a product or a service it is defined as an eWOM.

Consumers are constantly getting exposed to advertising wherever they look, and can easily access information regarding what brand to buy, where to buy, how to use and how others experienced the product or the service. Therefore, word of mouth marketing (WOMM) is important for organisations to use to their advantage when marketing their products or services.

**Sponsored advertising**

According to an interview with María Hólmgrímsdóttir (Gunnarsson, 2015) organisations are looking more towards the marketing method of using influencers on social media, either to work with them or for them to promote a product or a service. Porter (n.d.) talked about that sponsored advertisement is more like education for the consumer, the influencer, for example, can use the product and give it a review and even create a tutorial on how to use it. Porter talks about sponsored advertisement and how they can be thought of as a message that can be used to inform the consumer about the ability and usage of the product.

In relation to this, it is common in Iceland to see an influencer on social media like Facebook, Instagram, Snapchat and lifestyle blogs talk about, for example, makeup, skincare products or services. The influencer explains the usage and benefits of the product or service. Also, mentioning where the consumer can purchase the product or the service.
The wholesale Core (n.d.) states on their own website that individuals can apply for a sponsorship with the organisation. On their website, they introduce their team of athletes that they sponsor and encourage people who are active in sports or just on social media to apply for a sponsorship. Core asks for information regarding, basic facts about the applicant, pictures, social media usage, followers on social media, and athletic career. This indicates that sponsorship is becoming a more common method to advertise and organisations are involving this type of method of advertising to further extinct.

**Hidden advertising**

According to María Hólmgrímsdóttir (Gunnarsson, 2015) organisations are continuously looking for new ways to reach a larger audience for their product or services. Further, an article on the website of Morgunblaðið (The morning newspaper) (Albertsdóttir, 2017), mentioned increased usage of social media for advertising, and how the line between when the advert is a clear advertising or a hidden advert gets even. Organisations are using influencers that have a large following of individuals on their lifestyle blogs, Facebook, Instagram or Snapchat accounts. The article talks about how organisations are sending these individuals products to try, and hope for that the individual will show and talk about their product or service on their social media accounts. Whether the person decides to tell its audience on its medium of choice if the product or service was a gift or if it’s a collaboration isn´t always clear to the audience.

One type of a hidden advertisement is product placement, where a product, service or a brand is placed in a movie, television show, photoshoot, or events. According to Jaffe and Nebenzahl (1998), a product placement is a form of a disguised advertisement, a kind of imposter to the consumer. According to D´Astous and Ségun (1999), product placement can be divided into two categories, implicit and integrated explicit placements. Where implicit placement is when the product or service is being placed without any specific explanations or mentioning. An example of an implicit placement is when a person is drinking a specific type of soda but the soda is not part of the advertising point. D´Astous and Ségun talk about that an integrated explicit placement is when the product or service is actively being placed in the scene as a part of the story or the plot, for example, a cooking advertising or a show where a specific brand of a product or service is used and showed as part of the needed ingredients for the recipe.

According to an interview at Visir (Eiðsson, 2015) Tryggvi Axelsson CEO of Neytendastofa (CAI), talked about the rules and regulations regarding advertising.
There Tryggvi says that the rules are simple, for example, if a blogger receives payment for writing a blog or a review he or she is obligated to mention that. He also talks about that the difference between a review and an advertisement is often not clear. Tryggvi mentioned that due to the lack of financial resources the focus has not been on advertising on social media and there are no written rules or regulation guidelines regarding those kinds of advertising methods. He mentioned that Norway has taken the lead when it comes to stricter rules and regulatory guidelines regarding hidden advertisement on social media. In Norway, they state that an advertisement should be clearly marked and should be at the top of the post or at the beginning of a blog. If these guidelines are ignored regarding labelling the post, blog or review the individual can expect to get fined.

**Rules and regulations**

According to *Neytendastofa* (CAI) (n.d.) their main purpose is ensuring the rights and safety of consumers doing business. Their role is surveillance and enforcing laws regarding consumer’s protection in relation to products or services. The agency is under the Ministry of Interior and obeys the laws of their operation act no. 62/2005, where the department is handling projects regarding consumers, product safety, public market watch and statistics.

Early in the year of 2017 an article at *Vísir* (Sigurþórsdóttir, 2017), was published regarding a ruling in relation to hidden advertising on social media. This article was about *Neytendastofa* (CAI), ruling a case against the retailer *Krónan*. The case was regarding hidden advertising campaign that was on social media in December 2016. *Neytendastofa* (CAI) concluded that the campaign *Krónan* went with for the ready-made cookie dough from 17 *sortir*. The ruling was the advertising campaign they did on social media was not clarified enough for the consumer that it was an advertisement they were looking at. This advertising campaign involved individuals posting on their accounts and using the hashtag which the symbol of “#” as seen in figure 5. In this case hashtags like “17*sortir*, “*aðeinsíkrónunni*” and “*#Krónan*”. The captions that were used beneath the Instagram photos were “I think I will stick to the cookie dough from *Krónan*” and “Christmas baking has never been this easy until now”. According to *Neytendastofa* (CAI) (2017) in this case, *Krónan* had hired a company that specializes in connecting companies with social media influencers to promote the cookie dough from 17 *sortir* in December 2016.
According to Rath (2017), writer for the Business Insider, recently The Federal Trade Commission (FTC) in the US made an announcement that they had contacted over 90 social media stars, athletes, and celebrities and delivered a warning regarding their posts not being clear enough that an advert or a sponsorship was being published. He stated that this is the first time that the FTC has had to deliver such a warning and informing those regarding the importance of stating clearly when there is an advertisement or a sponsorship involved in a post on social media, especially on the medium Instagram.

**Consumer attitude**

According to Bauer and Greyser (1968) advertising contributes to the society, the effect of raising the living standards of individuals as well as contributing to the creation of better products for the society as a whole. There are both positive and negative opinions regarding advertising and according to Kotler (1988), positive effects of advertising are that they aid in increasing the reaction of potential buyers where the advertisement works as a channel for information, desire and more. According to Mittal (1994) advertising has been linked to accusations of being sexisms, manipulated and moral pollution. Eze and Lee (2012) talk about that advertising can work as a positive or a negative tool depending on how you look at it, the main purpose of advertising is to raise awareness of an organisation, brand, product or a service. This awareness raising is important for organisation to acquire new customers, retain older customers and develop brand loyalty.
Andrews (1989) talks about the importance of understanding what are the beliefs and attitudes towards advertising and the difference between them. Obermiller, Spangenberg, and Maclachlan (2005) talked about when the customer feels the advertisement is too dramatic or unbelievable, it can irritate the customer. According to Petty and Capioppo (1981), beliefs can be defined as information that individuals know or reserve for example, about people, products, and objects. An attitude can be defined as a general feeling that an individual has towards a person, product or objects like in this case advertisement, and this feeling can either be positive or negative. Holbrook (1987) said that advertising can work as a conventional wisdom or a prevailing opinion. He stated that advertisement can be looked at as a mould that shapes the creation of values of individuals. Beliefs toward advertising can be divided into two dimensions, which are economic and social effects. Bauer and Greyser (1968) state that beliefs toward advertising are created and composed of these two dimensions. Attitudes are evaluative judgments (measured e.g. by good-bad reactions) rather than emotional states.

According to Guðmundsson (2011), advertising has the effect on the consumer that it is creating some kind of a short solution through the purchasing of a product or service. Advertising aims to create the value for the consumer, the value comes in the form of that the product or the service will assist in the aid of self-image, in relation to creating a certain image or a status symbol around the brand, product or service.

**Consumer behaviour**

According to Schofield (2017), it is important for organisations in marketing to understand the consumer behaviour, why they buy, what they want, what are their needs. Organisations have to know the needs and wants, latest trends and potential opportunities in the market. To get a better understanding of consumer behaviour Schofield defined three main factors that affect the behaviour, psychological, personal and social:

*Psychological* factors

Schofield (2017) talks about that psychological factor refer to that each consumer has a different perspective and perception towards needs, wants and desire. This perception affects the consumer attitude towards, for example, advertising, products, or services. Therefore it is important for organisations to bear in mind that the target audience is suitable for the marketing campaign, product, or service.
**Personal** factors

Schofield (2017) talked about the psychological factors the personal factors differ between consumers. He also talks about that each consumer has a different background, habits, interests, and opinions. This is important for organisations to take in consideration when choosing a target audience for the marketing campaign, product, and service. For example, the consumer behaviour can differ highly between young girls and older women, their needs and wants are different, and what they are looking for in a product regarding price, quality, and utility.

**Social** factors

According to Schofield (2017), the social factor is more towards the consumer’s environment that affect his or her behaviour. The social environment of a consumer can be a combination of the family, school, workplace, sports, or other interests. Other factors that can affect are conditional like income, social class, education, and living conditions. These social factors can all then be influenced by marketing activities and how consumers respond to them, for example, when an organisation chooses a celebrity to represent it, the result can either work or not at all depending on how they can relate to the target audience.

**Consumer behaviour and influencers**

To understand marketing and advertising it is important to know how the consumer behaviour works. What factors spark the interest and demand for a product or a service and, what creates the needs and wants of the consumer. According to Baumeister (2002) the more similarity there are in demographic and lifestyle factors of the spokesperson, salesperson or influencer, the more likely it is that the outcome is favourable for the organisation. If the consumer perceives similarity by the recipient the higher the chances of the consumer accepting the marketing message that the organisation wanted to get out. Therefore, it is highly important for an organisation to find the right spokesperson or influencer for a campaign or advertising. Baumeister also talks about that marketing activities can both lead or encourage the impulsive behaviour of the consumer, where impulsive behaviour is defined as a certain behaviour that is a result from a sudden urge to buy a product or service. Baumeister talks about this behaviour, and how it’s both spontaneous and an unplanned action that is not regulated. This behaviour is then acted on without any deep consideration of whether this purchase is meeting one need or wants. What triggers this impulse behaviour can differentiate...
from how the products are arranged in the store, advertisement displayed in the store or advertising on social media.

**Customer engagement behaviour**

O’Connor (2010), talks about the evolution of the internet, where the method of push-marketing is changing into the customer to customer (C2C) marketing. As Kumar et al. (2010) refer to customer engagement is when the customer is influencing other customers with their experience, in other words, *WOM*, to their own beneficiary. This interaction *C2C* with has no interference of the organisation that is the owner of that product or service that is being discussed. Online communities have been founded where customers can interact with each other, compare reviews and experience regarding a purchase of a product or service.

According to Jakkola and Alexander (2014), they stated that in the common market environment the line between a salesperson and a customer has become unclear. In the modern society, the customer is also the content creator when it comes to marketing. The interest lies in the customer engagement behaviour, and how the customer contributes to the value creation of an organisation. Roderick et al. (2011) define the customer engagement as a certain state of the actions of the customers experience with a brand, product or a service, where the customer voluntary create content in relation to their experience. Therefore, customer engagement behaviour (CEB) is the concept when the customer is driven by his or her own intentions, not the organisations to create content or a value for its own purpose.

**Social media**

Kietzmann, Hermkens, McCarthy, and Silvestri (2011), talk about how the consumer uses the internet for example by reading, watching, and purchasing products or services. But that’s not all the consumer does, increasingly he or she is extending the usage to content sharing, for example sharing websites, lifestyle blogs, and other social networking. The consumer is getting more involved in creating its own content, posting, sharing, and communicating with other consumers. In this chapter, the beginning of social media, social media usage, influencer, and organisations will be explained.

**The beginning of social media**

According to Kaplan and Haenlein (2009), the rise of social media has been getting stronger with every year in the last decade or so, hence the start of it all is earlier than one might think. It all began with the introduction of Open Diary, which was an
online diary community similar to what we know today as blog websites. Following Open Diary some years later an introduction of the Usenet in 1979, a discussion system that allowed users to post public messages. Open diary and the Usenet were part of online media that were the beginning of what we can call social media today. Later, Kaplan and Haenlein (2010) defined the term social media by two factors; Web 2.0 and User Generated Content (UGC). Where the Web 2.0 was first used in the year 2004 to describe the utilization of the World Wide Web (WWW), where all users could modify data and it was no longer limited to certain individuals and software developers. Kaplan and Haenlein defined UGC as the sum of all the different ways how people use Social Media. According to the Organisation for Economic Co-operation (OECD) (2007) UGC needs to fulfil three requirements so it can be called UGC, first it needs to be publicly accessible, second it needs to show some kind of creative effort and third it can’t be created by professional practices.

According to Clapperton (2012) organisations select their media of choice depending on their customer base and potential buyers, where organisations need to examine what media their customer base is using and evaluate and choose the right media from that. Each social medium has a different technique on how they attract users and create a social community, for example Instagram and Twitter are using hashtags to ease the search for the users. The hashtag is an sign (#) that an individual puts in front of a word, or a sentence for example “#theolympics2017”, so when the users write in the search bar “theolympics2017”, all posts that have that specific hashtag come up in that search.

Social media usage in Iceland

The organisation GI rannsóknir (GI researchers) (Gallup, 2017) conducts a social media usage research twice a year in Iceland, and according to the results as seen in figure 6 social media usage in Iceland has increased between the year 2016 and 2017. As figure 6 shows, the results are that there has been an increase in the usage of all media, except for Twitter in-between the years 2016 and 2017. Further, the results show that every 9 out of 10 which are 18 years or older are using Facebook, 91% in 2016 and 92% in 2017. There were 58% using Snapchat in the year 2016 and 62% in 2017. For Instagram, there were 40% using it in 2016 and 44% in 2017. These are the most popular social media platforms used in Iceland, followed by other mediums as seen in figure 6. There are different platforms for different occasions that organisation can use.
for their marketing. In this study, the focus will be on social media like Facebook, Instagram, Snapchat and Twitter.

![Figure 6. Social media usage in Iceland in 2017 (Gallup, 2016/2017).](image)

**Social media platforms**

As mentioned before, the focus will be on these four mediums, further, a definition of each one will be stated. The main reason for this choice of mediums is mainly due to the results of the Gallup research as seen in figure 6. The author decided to leave the media Pinterest out of this, for the main reason of that Pinterest is not used as much as a communication medium, compared to the other ones, therefore, not related to this study.

**Facebook**

A writer for the Business Insider, Carlson (2010) explains Facebook as a social medium that gives people the opportunity to share photos, information, videos and more. People decide who can see their posts, whether it is publicly or privately amongst friends. From the beginning, Facebook was an instant hit, Mark Zuckerberg launched “thefacebook.com” in the year 2004, and today the page better known as “facebook.com” is one of the largest social media platforms. According to Statista (2017a), active users of Facebook in the third quarter of year 2017 were over 2.7 billion.

**Instagram**

At the official website of Instagram (2017), they identified Instagram as a social medium that gives people the opportunity to share with friends and followers snapshots
of their lives, hobbies, day to day basis and more, with one photo or a video at a time. On Instagram active accounts each month are over 800 million, active every day are over 500 million users. Instagram defines them as a society that individuals, celebrities, and organisations use for visual storytelling and advertisement. The founders, Kevin Systrom and Mike Krieger, posted the first photo to Instagram on July 2012, and since then the medium has developed and introduced all kinds of new features to make communications between users easier and user-friendly.

**Snapchat**

Snapchat gives the individual an opportunity to take snapshots of his or her daily life that last for 24 hours and then it disappears. Snapchat (2017), identifies them as a social medium that gives individuals the opportunity to improve the way they express themselves in communications and live in the moment by reinventing the camera. Snapchat in the year 2016 reached 10 billion views per day. Snapchat identifies itself as a camera company first and foremost. According to Statista (2017b), Evan Spiegel and Bobby Murphy originally launched Snapchat in the year 2011, and since then it has grown to be one of the most popular social media for people to trade messages and photos worldwide. According to Statista active users on Snapchat in the year 2017 were around 166 million.

**Twitter**

On the media Twitter, people can exchange views and opinions on different subjects and matters that are going on in the society with simple hashtag “#”. Twitter is a medium that is popular to use whenever there is something going on in the society, elections, sports events, song contest like Eurovision and so on. On the official homepage of Twitter (n.d.), it is stated that Twitter provides a service of online news and social networking. The mission Twitter stands for is to give individuals the power to create and share information’s, ideas, thoughts or opinions without any barriers through a “Tweet”. Definition of a “Tweet” is in a simple way a short message that an individual can post on his or her Twitter account, using text, hashtag or even tag a person or an organisation in that message.

According to a news article at Vísir (Hólmkellsdóttir, 2017) Twitter recently announced a trial change the number of characters that a person can use in one tweet and, therefore, increase the characters, from 140 to 280. The main focus of the
organisation is short and efficient messages, but with the limit of 140 characters the risk of people getting misinterpreted is lower with increasing the characters to 280.

Social media influencers

Social media influencers are individuals who operate a public blog, Facebook site, Snapchat, Instagram or a Twitter account. Some influencers are even active in all of these mediums. These influencers are looked at by organisations as an extension of an advertisement for a brand or a product. According to an interview published in Viðskiptablaðið (Gunnarsson, 2017), there María Hólmgrímsdóttir talked about influencers and, her definition is that an influencer is a certain role model that an individual looks to for advice regarding products or services. María is one of the owners of the social media agency, Eylenda.

The definition of an Influencer

Sweetwood (2017) stated that influencers on social media are constantly marketing themselves and creating awareness around their image or a brand that they have created around themselves. This type of marketing is defined as personal branding, that is the practice of people that are marketing themselves. Personal branding is about establishing a certain image as a brand. With a strong and powerful brand, people will find that person interesting and want to know more about that person.

Keller (1993) talked about this relationship in the way that organisations form with influencers is defined as a secondary brand association, where the beliefs that the consumer has about the product can be under the influence from the influencer himself. Therefore, it is important to find an influencer who matches the product or the service. A study conducted by Silvera and Austad (2004) regarding attitude towards the person promoting the organisation supports, the importance is finding a right influencer for the product or service. The study resulted that the consumer´s perception is influenced by the feeling that the consumer has towards if the influencers genuinely like the product or service or not.

Looking at what might explain this sudden increased popularity of organisations using influencers to reach their target segment there can be many explanations. In an interview for the television show Hæpið (The Hype) (Ægisson, 2017), the psychologist Ragna Benedikta Garðarsdóttir talked about personal branding in relation to influencers. In this interview, Ragna stated that the market is constantly trying to keep the consumer unsatisfied with his or her needs and wants. Referring to that a satisfied and fulfilled
consumer is not looking for something to fill those needs, therefore not looking to buy products or services. Ragna also stated that marketing influences the consumer to that state that it can have effects on self-image; it creates a longer gap between the real self and the wishful self. Where the real self is the state of how we see ourselves in real life and the wishful self is how we see ourselves in real life with a bit of exaggeration. Ragna talks about that the gap is between those two images, can then be filled up with things like products, services, and experience. She states that with increased advertising and stimuli everywhere we look, this gap gets larger and larger and gets harder to fill. Oliver (1997) defines satisfaction is when the consumer feels that the consumption is fulfilling his or her needs and wants and this fulfilment creates a certain feeling of pleasure. Therefore, marketing is constantly trying to create a new need with for the consumer, leaving him unsatisfied and looking for a fulfilment.

**Icelandic social media influencers**

According to Noyan (2017), a journalist for the Fortune website, the usage of influencers, in general has never been higher. The key advantages for organisations are lower costs and the ease of production. Even the huge organisation Amazon is implementing an “influencer’s recruit program” to use in their promotion strategy. In Iceland, the popularity of influencers is no exception. In an interview published in the Icelandic newspaper *Morgunblaðið* (Bjarnason, 2017), Valdimar Sigurðsson professor in Marketing and consumer psychology at the Reykjavik University, talked about influencer marketing. Valdimar stated that influencer marketing has become an acceptable method of marketing. There he also talked about how easy it has become for the average individual in Iceland, as long as that individual has a good set of followers to become an influencer on social media. Valdimar also talked about that with increased usage of social media with the older generation, this marketing method becomes more significant, as it’s no longer only the young consumers around 20 years of age are affected by influencer marketing. Today, an individual can make a living out of being a social media influencer, depending on how willing they are to advertise on their media accounts of choice.

An article published on the website of *Morgunblaðið* (Smartland, 2017) talked about the most popular “Snapchatters” of 2017 in Iceland. The list is combined with individuals where each and every one has their own individual characteristics that they showcase on their media accounts. These “Snapchatters” or individuals are the following:
**Aronmola** – Aron Már Ólafsson

He is better known as *Aronmola*, and is one of the first individuals which started to showcase his day to day life on the media Snapchat. On his media accounts, Aron is creating characters with the aid of Snapchat filters and so on. The follower’s base he has is around 35,000, which are watching his Snapchat and Instagram account combined. Aron has made a living out being a social media star and an influencer. Organisations that Aron has worked with are for example Nova, Arion Banki, Tékkland, Te og Kaffi and more (Smartland, 2017).

**Beautybytanja** – Tanja Ýr Ástþórsdóttir

She first made appearances when she was crowned Miss Iceland in the year 2013, and since then she has started her own beauty product company, and last year started a marketing adviser company called *Eylenda*. Tanja Ýr has over 30,000 followers on her Snapchat and Instagram account combined. Tanja Ýr has created a company around social media and makes a living of it, as well as managing her own beauty product company, BeautybyTanja. Organisations that Tanja Ýr has worked with are for example HH Simonsen, Marc Inbane, Dorma, Pier and more (Smartland, 2017).

**Sigrunsigurpals** – Sigrún Sigurpálsdóttir

In a short time, Sigrún has become a well known for her Snapchat account where she mainly shows her day-to-day life, taking care of four children and keeping her home clean and tidy. With her own personal branding and raising awareness, she has gained over 15,000 followers on her media accounts. Organisations that Sigrún has worked with are for example Nettó, Rafver, 24Iceland and more (Smartland, 2017).

**Binnigle** – Brynjar Steinn

A young boy living in the northern region of Iceland started out his Snapchat account doing makeup and day-to-day life activities. Today he has a following of more than 30,000 in his Snapchat and Instagram account. He has followers that watch him every day and participates in his activities for example in “*mask Monday*”, where every Monday he tries out a new mask, different whether he bought it or got it as a gift and gives it a review. He chooses not to only Snapchat for a living and works as a part-time at a hair salon, also attending high school in Akureyri. Organisations that Brynjar has worked with are for example Artasan (Dr.Organic), Kilroy, Nói Sirfus and more (Smartland, 2017).
**Gveiga85** – Guðrún Veiga

She is a mother of two, published author and a master’s student in anthropology. She is mostly known for her ruthless honesty and loves to shock her followers with all kinds of stories and actions. Her husband has gained a lot of attention throughout her snap and also benefits from her popularity, by receiving gifts from organisations that are following her account. Organisations that Guðrún has worked with are for example Omnom, Daniel Wellington, Fotia.is and more (Smartland, 2017).

**Solrundiego** – Sólrun Lilja Diego

She has established a well-known brand around her name through her Snapchat account. With over 40,000 followers on Snapchat and Instagram, she is mostly known for her cleaning advice, her weekly grocery shopping, and organising skills. Sólrun recently published her first book called *Heima* (Home) where she gives her reader’s tips and advices regarding cleaning around the house. Organisations that Sólrun has worked with are for example Bónus, Byko, Zoonceland and more.

One thing that all these individuals have in common is that they have all branded themselves on social media, and managed to create a personal brand around their social media activities. These individuals have seized the opportunity and marketed themselves to a specific target audience. Some of them are making a living solely from social media work, where others do it alongside other works or projects.

**Social media organisations**

In the last two years the increased demand from organisations of social media and influencers in their marketing activities, that at least three organisations have been founded in Iceland in relation to that. These organisations have all in common that they have seen a need for this kind of service on the market and answered it, each in different ways. The organisations that are referred to are *Ghostlamp*, *Eylenda*, and *Sahara*. These organisations specialise in connecting organisations with influencers to better reach their target market, and they all have in common that their main goal is to connect organisation with the right influencer and increase brand awareness for the organisation.

**Ghostlamp**

According to this Icelandic organisation website *Ghostlamp* (n.d.), it was founded in the year 2014, with the aim of connecting organisations with influencers worldwide. Ghostlamp provides agencies and brands with an efficient platform to launch influencer marketing campaigns, engaging real people through millions of
registered influencers worldwide. At Ghostlamp, the customer purchases real impact for its brand measured in a unit called EPIC, not by the number of influencers or pieces of content. The measurement unit EPIC is a unified engagement metric for all social channels, the metric shows the customer how many EPIC units they can purchase, depending on how far they want to take the advertising campaign. Ghostlamp guarantees the EPIC impact on the purchase, there is the organisation declares how much attention and impact the goal and Ghostlamp finds the influencer according to that.

To further explain the EPIC metric Ghostlamp uses, according to the founder of Ghostlamp (Gíslason, n.d.) the metric was created to simplify the marketing campaign progress to the customer. It is a combination of different types of engagement on different media, for example, how many likes a post gets, how many story views or comments the post gets. These engagements are a certain EPIC value that the customer pays for in the beginning of the campaign. Their main focus is on social media campaigns on events, products or services. The Ghostlamp customer list includes organisations and brands operating in Iceland like H&M, Coca-Cola, L’oréal, Krispy Kreme, Levis, Subway and more.

**Eylenda**

At the official webpage of Eylenda (n.d.) it is stated that the organisation was founded in the year 2016, with the aim of modern marketing techniques and assisting organisations increasing visibility online. Eylenda is a marketing agency that specializes in marketing campaigns and in connecting organisations with suitable influencers, delivering the message straight to the consumer. Eylenda aims to provide the service of monitoring the social media platforms for organisations, analysing, photographing and posting on their behalf. Their main focus is social media appearance for brand and organisations. Eylenda’s customer list includes organisations and brands operating in Iceland like Marc Inbane, Bónus, Lindex, HH Simonsen, Bodylab, Freyja, Smáralind.

**Sahara**

At the official webpage of Sahara (n.d.), it is stated that the organisation was founded in the year 2016, with the aim to assist organisations in their online marketing on social media. Sahara takes care of everyday business practices on social media for organisations. The organisation works closely with the customers, and aids in creating strategy and ideas for the customers brand or organisation. Sahara creates and assists in
production, filming, editing and broadcasting any kind of media. Sahara also assists in connecting organisations with the right influencer gives the project the most value and to guarantee that the right message is delivered to the customer. Sahara’s customer list includes organisations and events like N1, The color run, Adidas, Sena live and more.

Method

Aaker, Kumar, Leone, and Day (2013) defined attitude as a way of conceptualizing the intangible, it is difficult to measure attitudes directly but values and beliefs of people are influenced by one's attitude and can be evaluated. This study first, of all is exploring and researching people's attitudes towards advertising in general on social media and researching whether these attitudes affect the purchasing behaviour of the consumer. Other factors worth exploring are whether the attitude towards the advertising is affected if the consumer knows that the influencer he or she is watching is cooperating or getting paid for advertising on social media by an organisation. In addition whether demographic factors like gender, age, sex, education and where individuals live, affect the attitudes towards social media advertising. There are three research questions put forward:

1. Does advertising in general on social media affect people's behaviour toward a product or a service?
2. Does demographic background affect the consumer’s behaviour towards advertising in general on social media?
3. Does influencer advertising on social media affect the attitude and behaviour of the consumer towards the product or the service?

In this chapter the results of the demographic and background questions of the participants will be stated, followed by the explanation of the research methodology, measurement and procedure.

Participants

In this study, a convenience and a so-called snowball sample were used to gather data. A convenience sample refers to the participants volunteering to take the questionnaire, and that they are easy to reach as many as possible. A snowball sample refers to asking participants to suggest someone else who might be willing to participate in the study. Both the convenience and the snowball sample are non-random samples. In this study, the author posted a link to the questionnaire at its Facebook wall where participants were encouraged to share the link on their Facebook wall and so on.
The participants of this study were in total 375 individuals. In relation to the question regarding the gender, women were 83.6% of the participants, and men were 15.6%, and non-defined were 0.8%. Participants were asked about the status of their relationship, and the result showed that over half of the responses or 52.4% of the participants are in a certified cohabitation, 24.5% are in a relationship and 23.1% are single. Regarding the question related to age, figure 7 shows the age distribution, and it shows that it’s rather spread among age groups. The largest age groups were the age 26-30 years being the largest section or 22.8% followed by the age group of older than 50 years with 18%.

![Figure 7. Age distribution of the participants.](image)

Participants were asked to answer which was the highest degree of education that they had finished. Figure 8 shows that the distribution of participant’s highest finished degrees is widely spread among participants. Majority of the participants has finished a degree from a university.

![Figure 8. Highest education degree distribution of the participants.](image)
Participants were asked to answer the question of which part of Iceland their residence is. As figure 9 shows, the distribution is that a large part or 77% of the sample is located in the capital area, where the rest of the responses are distributed rather equally between land sectors. A total of 7% of the participants do not have their residence in Iceland.

![Figure 9. Residence distribution of the participants.](image)

### Design

According to Minichiello (1990), quantitative research is mainly concerned with discovering facts regarding social phenomena where the reality is assumed fixed and measurable. The data is collected through measurements of a subject and then analysed through numerical comparisons and reported through statistical analyses. The reason for this type of research methodology is that the aim is to obtain results that can possibly reflect the assumption of this study, also look at the habits of the population and their attitudes towards advertising on social media.

### Measurements

In this study, the methodology of choice is a quantitative one, where a questionnaire combined of questions (see Appendix A) regarding habits, behaviour and demographic factors were asked. Questions related to habits and behaviour was in relation to social media usage, purchasing behaviour, influencer´s effects, reliability and attitudes in general towards social media advertising. Also, a question regarding background factors of the participant for example residence, relationship status, age, and gender. The questionnaire was presented for the participants, it was a combination of seventeen questions, where seven of them where with a five digits Likert-type scale. The Likert-scale questions had the response formats of fixed choices and designed to
measure attitudes and opinions (Bowling, 1997). The questions regarding attitude and behaviour were based on a previous research conducted by Auður Hermannsdóttir (2011) and published on the website of research in Applied Business and Economics. The goal of Auður’s research was to investigate people’s attitude toward advertising in general. Questions regarding behaviour and social media usage had a fixed ordinal scale answer possibilities. In this questionnaire participants were asked to mark the choice that they related the most with, ranging from highly likely to highly unlikely or nothing at all. At the end, participants were asked 4 demographic questions regarding gender, age, relationship status, and residency.

Procedure

The list of questions was created by using Google Forms temple for questionnaires, and before publishing the link the questionnaire was run by four individuals for testing. Before the participant could start the questionnaire there was a short introduction, about the goal of the research, and the name and contact information of the author were stated. Participants were also notified that they were not required to answer all questions and that the answers could not be traced back to them and were anonymous. The questionnaire was published on the social media site Facebook on the 4th of November and was live until 20th of November. After the questionnaire was closed for further answers the data was downloaded to Microsoft Excel and from that to the Statistical Package for the Social Sciences software (SPSS) for further statistical analysing.

Analysis

The data gathered from the questionnaire was uploaded into the SPSS software, where the data was coded, and each answer possibility was given a specific value. The value given was the number one for the most “negative” and the higher the number the more “positive” the answer. For example for the first question of the questionnaire, which was: Do you consider that advertising from social media influencers assists you much or little to know what people with similar lifestyle is purchasing and using? the answer possibilities were the following:

- Very much (received the value five).
- Rather much (received the value of four).
- On average (received the value of three).
- Rather little (received the value of two).
- Very little (received the value of one).
For further analysis, the frequency distribution and cross-tabulation were examined. To look and analyse whether there is a difference between gender, age and relationship status groups an independent T-test was used. At the webpage of Lærdstatistics (2017) an independent T-test is defined as first and foremost a test to compare the means between two unrelated groups on the same continuous, dependent variable. The independent T-test was conducted to further understand if there was a difference between gender on purchasing behaviour and effects of advertising.

According to the Kent State University (2017), the analysis of variance is a parametric test. To see between which groups the difference is, a Tukey post hoc test were conducted. Where the higher the F-value the more variety there is between the groups rather than within the groups. The ANOVA does not tell us between what groups the difference is, to see that a Tukey post hoc test has to be conducted.

To further analyse the set of data collected from the questionnaire a linear regression analyse was conducted. According to Statistic Solution (2013), the linear regression is a statistical method used as a type of predictive analysis. The linear regression is used to estimate the relationship between one dependent and one or more independent variables. The results from the regression analyses can predict if the results from one variable will affect the results of another. In this study, the behaviour of the consumer is being examined and therefore the use of ordinal regression important for a deeper understanding.

**Results**

In this chapter, the results from the research and further analysis will be stated. Background and demographic results of the participants were stated in the previous chapter. First, the main results in relation to the research question are stated, followed by the participants social media usage, and results in relation to behavioural and attitude questions. Also, the results from inferential statistics of the results will be stated, where independent t-tests, one-way ANOVA and regression analysis were conducted.

The main results from this research indicate that, advertising on social media does affect the attitude and behaviour of the consumer towards a product or a service. In relation to behaviour it shows that advertising on social media does affect the consumer’s behaviour. The affects are shown in relation to purchasing of a product or a service, and in the consumers believe that he or she is purchasing a necessary or an unnecessary product after seeing advertising on social media. Results show that the attitude of the consumer is affected by advertising on social media, whether it is due to
reliability or the transparency of information that are delivered with advertising. Results indicate that influencer on social media affect the attitude of the consumer, in relation to reliability of a product. Further, the results indicate that women tend to be in general more effected by advertising and influencers rather than men.

**Social media usage**

In relation to social media usage questions regarding time spent on social media, and which media they spent more time on were asked. Results showed that majority of the participants spent between 1-3 hours each day on social media. Figure 10 shows the results where the majority or 37.5% spent around 2-3 hours each day, 32.4% spent 1-2 hours, 15.5% spent between 4 and 5 hours, 8.6% spent less than one hour each day and 6.2% spent more than five hours each day on average on social media.

![Bar chart showing social media usage distribution](image)

*Figure 10. Social media usage of participants.*

Results from how much or little the participants perceive their usage on social media is on the following, Facebook, Instagram, Snapchat and Twitter. The results are shown in figure 11, where Facebook was the media that the participants spent most of their time, followed by Instagram and Snapchat. Results show that among participants the usage of Twitter is apparently very low, compared to other social media.
Figure 11. How much or little does the participant perceive its social media usage.

The average usage of Facebook, Instagram, Snapchat and Twitter in relation to age is shown in figure 12. The figure shows that Facebook is more used by the age groups of 36-40 years, followed by 21-25 years, and 26-30 years. Figure 12 also shows that Snapchat and Instagram are more used by younger age groups. Results indicate that social media usage decreases with higher age. Regarding Twitter usage and age groups, the results vary between age groups, the most usage was the age group 31-25 years, followed by 20 years and younger. Other age groups were rather low in Twitter usage.

Figure 12. Average usage according to age and social media.

For further analysis a one-way ANOVA test was conducted, to see whether there was a statistical significant difference between groups, and a Tukey Post Hoc was conducted to see in-between which groups the difference was. Results showed that there was not a statistical significant difference among all age groups, and social media usage.
However, there was a statistical significant difference among some of the age groups. As seen in table 1, there was a statistically significant difference between age groups and usage of Instagram with the 5% significant level, where $F(7, 350) = 21.863, p < .05$). A Tukey Post Hoc test showed that the main difference was between the age groups of 46 and older and 25 years and younger. As table 1 shows there was a statistically significant difference between age groups and usage of Snapchat with the 5% significant level, where $F(7, 356) = 30.256, p < .05$).

<table>
<thead>
<tr>
<th>Instagram usage</th>
<th>df</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between groups</td>
<td>7</td>
<td>21.863</td>
<td>.000</td>
</tr>
<tr>
<td>Within groups</td>
<td>350</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Snapchat usage</th>
<th>df</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between groups</td>
<td>7</td>
<td>30.256</td>
<td>.000</td>
</tr>
<tr>
<td>Within groups</td>
<td>356</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 1. One-way ANOVA results from social media usage and age groups.

To see whether there was a difference between gender groups and social media usage a one-sample T-test was conducted. Results showed that there was a statistical significant difference between genders with the 5% significant level. As table 2 shows, the difference was between genders and usage of Facebook, Instagram, Snapchat and Twitter.

<table>
<thead>
<tr>
<th>Facebook usage</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>78.461</td>
<td>371</td>
<td>.000</td>
</tr>
<tr>
<td>Instagram usage</td>
<td>38.828</td>
<td>357</td>
<td>.000</td>
</tr>
<tr>
<td>Snapchat usage</td>
<td>50.384</td>
<td>364</td>
<td>.000</td>
</tr>
<tr>
<td>Twitter usage</td>
<td>29.758</td>
<td>346</td>
<td>.000</td>
</tr>
</tbody>
</table>

Table 2. One-sample T-test of social media usage and gender.

**Attitude towards social media influencers**

Understanding the behaviour and attitude of participants towards social media influencer they were asked question regarding the number of influencers they are following, whether they have purchased a product or a service after watching an
influencer and whether the participants belief that the information that the influencer is displaying to their audience is true or false.

Seen in figure 13, the results from a cross-tabulation from comparing gender, and the question regarding how many followers the participant is following on social media like Facebook, Instagram, Snapchat and Twitter. Figure 13, shows that women tend to follow more influencers on social media than men.

![Figure 13](image)

_Figure 13. Distribution between genders and how many influencer they follow._

Further, to see whether there was a difference between gender groups and how many influencers they follow on social media, an independent-sample T-test was conducted. As seen in table 3, this study found that there is statistical significant difference between genders on a 5% significant level, and how many influencers they follow on social media. The results show that $t(364) = -2.005, p = .048$. As seen in table 3, the mean for women was higher than the men’s (3.44 > 2.96), which indicates that women are more likely to follow more influencers on social media rather than men.

<table>
<thead>
<tr>
<th>Group statistics</th>
<th>Mean</th>
<th>Std.dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men</td>
<td>2.96</td>
<td>1.668</td>
</tr>
<tr>
<td>Women</td>
<td>3.44</td>
<td>1.726</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Independent Samples Test</th>
<th>t</th>
<th>df</th>
<th>Sig (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>How many influencer followed</td>
<td>-2.005</td>
<td>364</td>
<td>.048</td>
</tr>
</tbody>
</table>

_Table 3. Independent sample test between gender and following influencers._

As seen in figure 14, a cross-tabulation between relationship status, and how many influencers are followed on social media indicates, that those who are single are
more likely to follow more influencers on social media than individuals who are in a relationship or a certified cohabitation. As the figure 14, shows that participants which are single, or in a relationship are more likely to follow more influencers on social media than those who are in a certified cohabitation.

![Figure 14. A cross tabulation between relationship status and number of influencers.](image)

Further, a one-way ANOVA test was conducted, to see whether there was a statistical significant difference between relationship status, and how many influencers are followed on social media. Following, a Tukey Post-Hoc was conducted to see in-between which groups the difference lies. There was a statistical significant difference between groups as determined by one-way ANOVA $F(2, 368) = 7.990, p < .05)$. As seen in table 4, a Tukey post hoc test revealed that there was a significant difference between those who are in a certified cohabitation ($3.94 \pm 1.66, p = .001$), and single ($3.12 \pm 1.79, p = .001$). The test also showed that there was a significant difference between those who are in a certified cohabitation ($3.94 \pm 1.66, p = .034$), and in a relationship ($3.40 \pm 1.74, p = .034$).

<table>
<thead>
<tr>
<th>One-way ANOVA</th>
<th>df</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between groups</td>
<td>2</td>
<td>7.990</td>
<td>.000</td>
</tr>
<tr>
<td>Within groups</td>
<td>367</td>
<td>.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Post Hoc Test</th>
<th>Mean</th>
<th>St.Error</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>In a certified cohabitation</td>
<td>3.94</td>
<td>.</td>
<td>.</td>
</tr>
<tr>
<td>Single</td>
<td>3.12</td>
<td>.221</td>
<td>.001</td>
</tr>
<tr>
<td>In a relationship</td>
<td>3.40</td>
<td>.217</td>
<td>.034</td>
</tr>
</tbody>
</table>

*Table 4. ANOVA and Tukey post hoc results of relationship status and number of influencers.*
A cross tabulation between gender, and how often or rarely a product or a service was purchased after seeing an influencer advertise it on social media is shown in figure 15. The figure indicates that women are more likely to purchase a product or a service after seeing an influencer advertise it on social media.

![Cross tabulation between genders and purchasing behaviour](image)

*Figure 15. Cross tabulation between genders and purchasing behaviour.*

Further, to see whether there was a difference between gender groups, and how often or rarely they purchased a product or a service after seeing an influencer advertise it on social media, an independent-sample T-test was conducted. As seen in table 5, this study found that there was a statistical significant difference between genders on a 5% significant level, and how many influencers they follow on social media. The results showed that $t(367) = 2.589$, $p = .05$. As seen in table 5, the mean for women was higher than the men’s ($2.54 > 2.17$), which indicates that women are more to purchase a product or a service after seeing an influencer advertise it on social media rather than men.

<table>
<thead>
<tr>
<th>Group statistics</th>
<th>Mean</th>
<th>Std.dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men</td>
<td>2.17</td>
<td>1.078</td>
</tr>
<tr>
<td>Women</td>
<td>2.54</td>
<td>0.966</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Independent Samples Test</th>
<th>t</th>
<th>df</th>
<th>Sig.(2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>How often or rarely a purchase happens after seeing an influencer advertise it on social media.</td>
<td>-2.589</td>
<td>367</td>
<td>.010</td>
</tr>
</tbody>
</table>

*Table 5. Difference between genders and how many influencers they follow.*
A cross tabulation between age groups, and how much or little advertising by influencers assist them in knowing what people with similar lifestyles are purchasing or using is shown in figure 16. The figure shows that the age group of 26-35 years is the most likely to be affected by what influencer are advertising on social media, in relation to knowing what people with similar lifestyles are purchasing or using.

![Figure 16. Cross tabulation between age groups and influencer effect on lifestyle.](image)

In general the majority of participants considered that advertising by influencers assist them little when it comes to knowing what people with similar lifestyle are purchasing and using: 32.5% consider it to assist rather little to nothing at all, 40.1% are in-between whether it assist them and 27.4% consider that influencer assist them rather or very much on knowing what people with similar lifestyles are doing.

A cross tabulation between gender, and how clear or unclear the participants believe that advertising in general from influencers of a product or a service is a paid or sponsored on social media. Figure 17, shows that men are more likely to believe that this kind of advertising is rather or very unclear, women are more likely to believe that this kind of advertising are rather or very clear to the consumer that it’s an paid or sponsored advertising they are watching.
Figure 17. Cross tabulation between genders and clear or unclear advertising.

**Attitude towards advertising on social media**

Understanding the attitude towards advertising on social media there were questions in relation to the consumer attitude towards advertising on social media. Questions regarding effects of reliability of an advertised product or service, the usage of information gathered from advertising and whether it affects their purchasing behaviour.

A cross-tabulation of gender, and whether the participants noticed advertising much or little on Facebook, Instagram, Snapchat, or Twitter. Figure 18, shows, that on Facebook, both men and women notice advertising very or rather much. Figure 19, shows that majority of men and women notice advertising on Instagram, followed by those who notice it rather little or nothing at all. Figure 20, shows that majority of women notice advertising on Snapchat very or rather much on Snapchat than men. Figure 21, shows the result that the majority of men and women notice rather or very little advertising on Twitter.

Figure 18. Cross-tabulation of gender and advertising on Facebook.
Figure 19. Cross-tabulation of gender and advertising on Instagram.

Figure 20. Cross-tabulation of gender and advertising on Snapchat.

Figure 21. Cross-tabulation of gender and advertising on Twitter.

A cross-tabulation between age groups, and how much or little advertising on social media affects the self-image and comparison to others is shown in figure 22. The figure shows that the age group that is affected the most is 25 years or younger, the
higher the age the unlikelier it is that advertising affects the self-image and comparison to others.

Figure 22. Cross-tabulation of age groups and effects on self-image and comparison.

A cross-tabulation of the highest degree of education finished and whether the participants believe that co-operation or sponsored advertising affects reliability towards product or service is shown in figure 23. The figure shows that majority of participants that have finished a university degree, believe that co-operation or sponsored advertising affects the reliability very or rather often towards a product or a service. Majority of participants that have finished an elementary degree or other, believe that it sometimes affects the reliability. The same applies to the ones that have finished a high school or an apprentice degree.

Figure 23. Cross-tabulation and reliability of products in relation to advertising.
An independent sample test was conducted to see whether there was a significant difference between genders, and how often or rarely co-operation, or sponsored advertising on social media affects the reliability towards a product or a service. As table 6 shows, the t-test shows a statistically significant difference between genders at the 5% significance level \(t(364) = 3.002, p < .05\). The mean for women was higher than the men’s (3.44 > 3.03), which indicated that women are more likely to be sceptic towards the reliability of a product or service that is advertised through a co-operation or sponsorship.

<table>
<thead>
<tr>
<th>Group statistics</th>
<th>Mean</th>
<th>Std.dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men</td>
<td>3.03</td>
<td>.955</td>
</tr>
<tr>
<td>Women</td>
<td>3.44</td>
<td>.858</td>
</tr>
</tbody>
</table>

*Independent Samples Test*  
Do you consider that co-operation or sponsored advertising on social media effects often or rarely the reliability of the product or service  
\(t\) \(\text{df}\) \(\text{Sig.(2-tailed)}\)  
-3.002 \(364\) \(.004\)

*Table 6*. Independent sample test of gender and reliability of a product or a service.

A cross-tabulation of age groups, and how often, sometimes, rarely, or never the participants used information gathered from advertising on social media to decide on a purchase of a product or a service. Figure 24, shows that majority of the participants believe they sometimes use the information gathered from advertising on social media to make a decision regarding a purchase of a product or a service.

*Figure 24*. Cross tabulation of age groups and usage of information from advertising.
Further, a cross-tabulation of genders, and how often, sometimes, rarely, or never, the participants used information gathered from advertising on social media to decide on a purchase of a product or a service. Figure 25, shows that majority of women use this information very or rather often to decide on a purchase of a product or a service, while majority of men use this information rarely or never.

Figure 25. Cross tabulation of gender and usage of information from advertising.

An independent sample test was conducted to see whether there was a significant difference between genders, and how often, sometimes, rarely or never, the participants use information gathered from advertising on social media to make a decision in relation to a purchase of a product or a service. As table 7 shows, the results from the t-test showed a statistically significant difference between genders at the 5% significance level $t(367) = 3.234, p < .05$). The mean for women was higher than the men’s ($2.77 > 2.34$), which indicated that women are more likely to use this information gathered from advertising on social media to decide on a purchase.

<table>
<thead>
<tr>
<th>Group statistics</th>
<th>Mean</th>
<th>Std dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men</td>
<td>2.34</td>
<td>.983</td>
</tr>
<tr>
<td>Woman</td>
<td>2.77</td>
<td>.920</td>
</tr>
</tbody>
</table>

Independent Samples Test

<table>
<thead>
<tr>
<th>Do you use often, sometimes, rarely or never the information gathered from advertising on social media to make a decision regarding the purchase of a product or service.</th>
<th>t</th>
<th>df</th>
<th>Sig.(2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3.234</td>
<td>367</td>
<td>.001</td>
</tr>
</tbody>
</table>

Table 7. Independent sample test of gender and using information from advertising.
A cross-tabulation of gender, and whether participants believe that advertising on social media has often, sometimes, rarely or never convinced them to purchase a necessary product or service. Figure 26 shows, that majority of both men and women consider themselves to purchase a necessary product very or rather often.

![Figure 26. Cross tabulation of genders and purchase of necessary products.](image)

A cross-tabulation of gender, and whether participants believe that advertising on social media has often, sometimes, rarely or never convinced them to purchase a necessary product or service. Figure 27 shows, majority of men and women believe they have very or rather often purchased an unnecessary product or service after seeing an advertising on social media.

![Figure 27. Cross tabulation of genders and purchase of unnecessary products.](image)
A cross-tabulation of age groups and whether the participants believe that information from advertising on social media is in general true or false. Figure 28, shows that majority of the age groups were in-between whether they believed advertising on social media to be true or false. The figure shows that the younger age groups perceive the information to be very or rather false in advertising on social media.

![Figure 28. Cross-tabulation age groups and true or false perception of advertising.](image)

**Linkage between behaviour and attitude**

To further analyse the behaviour of the consumer towards advertising on social media in general, and purchasing of products or services, a multiple linear regression was conducted. With the dependent variable being the question of how often (never, rarely, sometimes, often or very often), the participants use information gathered from advertising on social media to decide on a purchase of a product or a service. The independent variables were the following questions:

- **Q3:** Do you consider that information in advertising on social media to the consumer are in general true or false?
- **Q13:** What is your gender?

First, looking at the correlation as seen in table 8, the R value represents the simple correlation, \( R = 0.288 \), which indicates a rather low degree of correlation. The value of the \( R^2 \) statistic is .083, which suggests that 8.3% of the variation in the values of the dependent variable is explained by the variation in the two independent variables, gender and self-reported belief of advertising on social media.
Table 8. Correlation summary between dependent and independent variables.

Table 9 shows the results from the ANOVA test, \( F(2, 368) = 16.496, p < .05 \). This shows that there is a statistic significant difference, that the data is a good fit and predicts the dependent variable.

Table 9. ANOVA results.

Table 10 shows the result for the multiple linear regression for self-reported usage of social media information when buying a product or a service, given gender and whether respondents consider advertising on social media being true or false. The coefficient of the latter is .316 and is statistically significant when holding levels of gender constant, indicating that when consumers believe that advertising on social media is true rather than false, the expected usage of information on social media increases by .316. The coefficient for gender is .437 and is statistically significant, controlling for the self-reported belief of advertising on social media being true or false. That suggests that the expected usage of information on social media when buying a product or service increases by .437 for women, in comparison to men, holding levels of the other independent variable constant.

Table 10. Results from the linear regression.
To further analyse the behaviour of the consumer towards influencers and social media advertising in general and purchasing of products or services, a multiple linear regression was conducted. With the dependent variable being the question of how often (never, rarely, sometimes, often or very often), the participants had purchased a product or a service after seeing an influencer advertise it on social media. The independent variables were the following questions:

- **Q4**: Do you consider that its in general clear or unclear with influencers on social media whether it is an advertising, sponsorship or a co-operation in relation to a product or a service?
- **Q8**: How many influencers in total are you following on Facebook, Instagram, Snapchat, and Twitter?
- **Q13**: What is your gender?

First, looking at the correlation as seen in table 11, the R value represents the simple correlation, \( R = 0.142 \), which indicates a rather low degree of correlation. The value of the \( R^2 \) statistic is .020, which suggests that 2.0% of the variation in the values of the dependent variable is explained by the variation in the two independent variables, gender and self-reported belief of influencer advertising on social media.

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R square</th>
<th>Sig. F Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.142*</td>
<td>.020</td>
<td>.024</td>
</tr>
</tbody>
</table>

*Predictors (constant), what is your gender? Do you consider that its in general clear or unclear with influencers on social media whether it is an advertising, sponsorship or a co-operation in relation to a product or a service? How many influencers in total are you following on Facebook, Instagram, Snapchat, and Twitter?

Table 11. Correlation summary between dependent and independent variables.

Table 12 shows the results from the ANOVA test, \( F(2, 366) = 3.634, p < .05 \). This shows that there is a statistical significant difference, that the data is a good fit and predicts the dependent variable.

<table>
<thead>
<tr>
<th>Model</th>
<th>df</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3.634</td>
<td>.024*</td>
</tr>
<tr>
<td>Total</td>
<td>368</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Predictors (constant), what is your gender? Do you consider that its in general clear or unclear with influencers on social media whether it is an advertising, sponsorship or a co-operation in relation to a product or a service? How many influencers in total are you following on Facebook, Instagram, Snapchat, and Twitter?

Table 12. ANOVA results
Table 13 shows the result for the multiple linear regression for self-reported usage of social media information when buying a product or a service, given gender and whether respondents consider advertising on social media being true or false. The coefficient of the latter is 1.804 and is not statistically significant when holding levels of gender constant. The coefficient for gender is 0.370 and is statistically significant, controlling for the self-reported belief whether advertising of influencers on social media being clear or unclear. That suggests that the expected usage of information on social media when buying a product or service increases by 0.370 for women, in comparison to men, holding levels of the other independent variable constant.

<table>
<thead>
<tr>
<th>Model</th>
<th>B</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>1.804</td>
<td>6.819</td>
<td>.000</td>
</tr>
<tr>
<td>Do you consider that it’s in general clear or unclear with influencers on social media whether it is an advertising, sponsorship or a co-operation in relation to a product or a service?</td>
<td>.001</td>
<td>.892</td>
<td>.0373</td>
</tr>
<tr>
<td>What is your gender?</td>
<td>.370</td>
<td>2.622</td>
<td>.009</td>
</tr>
</tbody>
</table>

Table 13. Results from the linear regression.

**Discussions**

This study examines the attitudes and behaviour of the consumer in relation to purchasing behaviour, social media usage and advertising in general. Further, this study examines the effects of social media influencers and their effects on the consumer behaviour. Main results from this study show that advertising on social media does affect the consumer’s behaviour and attitude towards a product or a service. The effects are shown in the purchasing behaviour, attitude and believes towards advertising and the products and services. Other results show that influencers on social media do affect the consumer’s behaviour towards a product or service, in relation to purchasing behaviour and reliability of the product or service.

As shown in the results advertising in general affects people’s behaviour, to which extent is difficult to predict. The results show that the purchasing behaviour is affected, whether it is in relation to purchasing products that the consumer believes are necessary or unnecessary after seeing advertising on social media.

Results show that demographic factors like, gender, age, and relationship status affects the behaviour and attitude. Women tend to be more affected than
men, in relation to the purchasing behaviour and advertising influences. Results show that advertising on social media affects the self-image and comparison to others, the younger the consumer, the likelier it is to have effects. Relationship status shows that those who are single tend to spend more time on social media and follow more influencers on social media.

In relation to influencers on social media and attitude and behaviour of the consumer, results indicate that women are more affected by influencers on social media. Women rather than men believe that it’s rather unclear with influencers, whether it is an co-operation or a sponsored advertising on social media. Further, women tend to be more influenced, as they are more likely than men to purchase products after seeing an influencer advertise it on social media.

With increased social media usage, the time it takes to deliver this value to the consumer gets even shorter with intermediates like influencers on social media. In terms of which mediums participants spend most of their time on it is in sync with the results from the Gallup (2017) research of social media usage, where the usage was in the order of most popular being Facebook, followed by Snapchat, Instagram and Twitter. As Chaffey and Ellis-Chadwick (2012) mentioned, large part of marketing goes through digital platforms like the ones mentioned, the target audience is moving from paid media like Television, radio and magazines, and moving more over to earned media like social media, where influencers and word-of-mouth marketing is very noticeable.

In general the majority of the participants spend from one to three hours on social media every day. In percentage that is ranging from 4%-13% of an individual’s day, that is being spent on social media, not including those who spend four to five hours or even more each day. Organisations are using this high daily usage to their advantage with advertisement on social media to raise brand awareness. In terms of results the social media usage is statistically significant higher with women, whether it relates to number of influencers followed on social media or purchasing behaviour in relation to buying products or services after seeing them advertised on social media. As seen in the article by Smartland (2017) regarding the most popular “Snapchatters” in Iceland, the majority of them are female, as stated in the results female participants are following more influencers on social media.

Does advertising on social media affect the consumer behaviour, whether it is in relation to purchasing behaviour or reliability? In terms of the results the consumers are using information that they gather on social media to assist them in the purchasing
decision. The results showed that majority of the participants use the information
gathered from advertising on social media to decide on a purchase of a product or a
service. Only a small portion of the participants said they never use that information to
make a decision regarding a purchase.

In terms of the reliability of advertising, majority of the participants are in-
between whether they believe the information in advertising in general is true or false.
Following those who are in-between were the ones that are between rather- to very false
in relation to true or false information. Like Maclachlan (2005) stated it can irritate the
consumer whenever the advertising gets to dramatic or unbelievable. The author
believes that organisation need to be more careful in relation to influencers marketing
on social media, for if every influencer is advertising the same product the reliability
could get a negative view.

In relation to whether different demographic background affects the consumer
behaviour, the results show that there are significant difference between gender, age and
relationship status of the participants. In terms of the results the difference between
genders are significant when it comes to consumer behaviour, the results showed that
women are more likely than men to purchase a product or a service after seeing it
advertised on social media. Further, women are more likely than men to follow more
influencers on social media. In relation to participant’s relationship status, there was a
significant difference between groups and how many followers the participants are
following on social media. The results showed that the difference lies in-between those
who are single and those who are in a certified cohabitation. The author believes that
these results can be explained that individuals, who are single, tend to have more time
on their hands, and therefore spent more time on social media. In relation to age, there
was a significant difference regarding social media usage and different age groups, the
results showed that social media usage differs between the age groups 20 years and
younger and 50 years and older.

The author perceived that it was interesting that there was no significant
difference between gender and how often, rarely or never the participant had purchased
a product or a service after seeing an influencer advertise it on social media. There was
also no significant difference between age groups and the results of that same question.
The author thought there would be a significant difference, at least between the genders.

The author believes that advertising on social media in general affects people’s
attitude and purchasing behaviour. The results from the study support that and shows
that advertising on social media increase the likes of a purchase being made, majority of the participants said they rather often use the information gathered from the advertising they saw on social media to purchase a product or a service. Also a majority of the participant believe that they have very often purchased an unnecessary product after seeing it advertised on social media. That supports that these advertisements encourage and lead to more spontaneous and unnecessary purchasing for the consumer. Like Ragna Benedikta stated the market is constantly trying to keep the consumer unsatisfied of his or her needs and wants, and the gap between our real-self and our wishful-self is getting bigger with these constant reminders in advertising of what everyone is doing and using (Ægisson, 2017).

In regards of influencers on social media and advertising, does it affect the consumer attitude and behaviour towards a product or a service. According to Bjarnason (2017) and his interview to Valdimar Sigurðsson he states that with the increased usage of social media in all age groups the influencer’s marketing method has become acceptable in marketing. In terms of the results, the majority of the participants are following around 1-6 influencers and up to 14 or more even. This is a choice the consumer can make, whether he follows that influencer or not, the more you follow the more likely you are to be affected by their advertising.

Like Kumar and Mirchandani (2012) stated it is important for organisations to select the right influencer for their target audience, and for the right target market in mind for the product or service. In terms of the results show that majority of the participants believe that sponsored advertising or co-operations in social media advertising affects the reliability of the product or service. That supports what Kumar and Mirchandani stated regarding choosing influencers carefully. Brown and Florella (2013) talked about the importance of measuring the results, whether the outcome was as expected. During the last two years organisations have been founded in Iceland that manages this type of measure, as well as matching organisations with influencer to fit their target audience. These organisations like stated before are Ghostlamp, Eylenda and Sahara, which all aim to increase the brand, product or the service awareness for the organisation through influencers and social media usage.

In terms of the research the majority of the participants believe that it is rather-or very unclear whether influencers are receiving payment or an co-operation with an organisation in their advertising. Shepherd (2005) states that a person needs to be careful not to sell themselves out to thin. Social media influencers are doing personal
branding, they are selling their persona as a certain image or a brand to attract audience and organisations to co-operate with them. The results showed that majority of the participants believe that sponsored advertising or co-operations affects the reliability towards the product or service. Further, there is a significant difference between the genders and reliability, women are more likely to doubt the reliability of a advertising rather than men.

It is the authors believe that the genuine of social media influencers is the key to a successful co-operation between the consumer on one hand, and on the other is the influencer and the organisation behind the product or the service. There comes the dilemma, influencers are obligated according to Neytendastofa (CAI) (n.d.), to let the audience that are following them know that the message is an advertisement or co-operation. In general, people notice and are aware of advertising on social media, with increased consumer awareness and discussion in the society regarding this topic, it has forced consumer to use critical thinking when watching influencers on social media. Is the person advertising this product or service because he or she is getting paid, or is it because the person genuinely likes the product or service. This is just one of the many questions that consumers need to ask themselves. There is a fine line between a product review and an advertisement, it is up to the influencer and the organisation to inform the consumer what type of advertising this is, whether it is a paid advertising, co-operation or a gift to the influencer.

This study had its limitations, the questionnaire was put forward and shared on the social medium Facebook, therefore the usage of Facebook compared to the usage of other media is in need of consideration, that to participate the individual needed to have a Facebook account. Other limitation that the author believes there were was the gender distribution of the participant’s sample, where women were the majority of the participants of this study. The author believes that perhaps the explanation of the shortage of men participating in studies like this, is perhaps the lack of incentives to participate, while women could feel more of the need to assist in studies like this. Further it would be interesting to see the results if the distribution would be more equal among the genders. It would be interesting to convey this survey in a bigger sample and compare the results to this study, does is it differ after the sample gets bigger or not. Another limitation that the author believes that could be a factor, that the participants are possibly not fully aware of their purchasing behaviour, in relation to advertising and
Influencers on social media. It would be interesting to conduct this study with qualitative research methods as well, to get a deeper understanding.

In terms of further studies of this topic, the author believes that this is just the beginning of this subject being examined. The consumer behaviour towards advertising is a fascinating subject and to compare that with the purchasing behaviour it would be interesting to examine this even further. In results from this study the author believes that it is interesting to examine further whether people are honest when it comes to answering the questionnaire. In terms of whether they are admitting to themselves that they are purchasing a product after an influencer talked about it on social media for example. Is the consumer fully aware that he or she is falling for the effects of advertising, creating an unnecessary need for a product or a service. Is that product really a necessary one or is it a self-created need that is a cause of social media advertising.

**Conclusion**

This study explores how social media advertising effects consumer behaviour towards a product or a service. The focus of this study and its theoretical foundations is based on the concept of marketing in general, advertising and social media. The results of this study support the theories of these foundations.

After the research that the author conducted for this study, the result is that there is not a lot of data relating consumer behaviour in relation to social media advertising and social media influencers. This focus on the topic is mainly due to the author’s interest in the consumer behaviour in relation to social media advertising, especially with the increased popularity of influencers on social media in Iceland. The topic of social media advertising and influencers has been a lot in the media in the year 2017 and therefore interesting for the author to research this with the consumer behaviour in mind.

In advertising in general, the results support the theoretical framework of the main goal with marketing and advertising, which is to create a need or a want in the consumer mind for a product or a service. The results of the study support these theories, where advertising does affect the consumer purchasing behaviour, creating a need for an unnecessary or/and necessary product or service. The behaviour differs between genders, age groups, and relationship status. When it comes to social media usage the younger generation is spending more time on social media like Facebook, Instagram, Snapchat and Twitter. A significant difference is on the behaviour of the
genders, women tend to follow more influencers and purchase products after seeing them advertised, more than men do.

The results of this study reflect the authors suspicion that influencers on social media affect the consumers behaviour when it comes to the decision making process of a product or a service. The results support that the more influencers you follow the more likely you are to purchase a product or a service that is being advertised, whether it is a direct advertisement, sponsorship or co-operation with an organisation. The power of social media influencer cannot be underestimated when it comes to the consumer behaviour towards advertising and products and services.

For further studies it would be interesting to see whether a bigger and deeper research on this topic would give an better understanding regarding the influence on social media advertising, whether influencers or how much affect they have. Also, examine this subject from an organisation perspective on this would be interesting, what they see that they benefit from advertising on social media and what they think of using influencers to promote their products and services.

This study should give an insight into the field of marketing with the focus on consumer behaviour and social media advertising. Further, the study sheds a light on the increased popularity of social media influencers and the effects they have on the consumer’s behaviour and attitude. It is the authors believe that in results of this study that advertising on social media does affect the consumer behaviour and attitude towards a product or a service. Also, that influencer marketing on social media is a factor that should be involved more in the marketing theories and methods, where the results from this study show that influencer are influencing the consumer behaviour in relation to purchasing a product or a service.
References


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Appendix A

The list of questions that were in the questionnaire.

Q1: Do you consider that advertising from social media influencers assists you much or little to know what people with similar lifestyle are purchasing and using?
   - Very much
   - Rather much
   - On average
   - Rather little
   - Very little or nothing

Q2: Do you consider that advertising on social media convinces people often, sometimes, rarely or never on purchasing necessary or unnecessary products or services?
   - Very often
   - Rather often
   - Sometimes
   - Rarely
   - Never

Q3: Do you consider that information in advertising on social media to the consumer is in general true or false?
   - Very true
   - Rather true
   - On average
   - Rather false
   - Very false

Q4: Do you consider that in general it’s clear or unclear with influencers on social media whether it is advertising, sponsorship or a co-operation in relation to a product or a service?
   - Very clear
   - Rather clear
   - On average
   - Rather unclear
   - Very unclear
Q5: Do you consider that advertising from social media influences your self-image and comparison to other much or little?
- Very much
- Rather much
- On average
- Rather little
- Very little or nothing

Q6: On average how much time do you spend on social media each day?
- Less than one hour each day
- 1-2 hours each day
- 2-3 hours each day
- 4-5 hours each day
- More than five hours each day

Q7: How much or little time do you spend on the following mediums: Facebook, Instagram, Snapchat, and Twitter?
- Very much
- Rather much
- On average
- Rather little
- Very little or nothing

Q8: How many influencers in total are you following on: Facebook, Instagram, Snapchat or Twitter?
- No one
- 1-3
- 4-6
- 7-9
- 10-13
- 14 or more

Q9: Do you notice much or little advertising on the following social media?
- Very much
- Rather much
- On average
- Rather little
- Very little or nothing
Q10: Do you often, sometimes, rarely or never use the information you gather from advertising on social media to decide on a purchase of a product or a service?

- Very much
- Rather much
- On average
- Rather little
- Very little or nothing

Q11: Do you consider that co-operations or sponsored advertising on social have often, sometimes, rarely or never influence the reliability of a product or the service?

- Very much
- Rather much
- On average
- Rather little
- Very little or nothing

Q12: Do you consider that you have often, sometimes, rarely or never purchased a product or a service after seeing an influencer advertise it on social media?

- Very often
- Rather often
- On average
- Rarely
- Never

Q13: What is your gender?

- Male
- Female
- Something else

Q14: What is your age?

- 20 years or younger
- 21-25 years
- 26-30 years
- 31-35 years
- 36-40 years
- 41-45 years
- 46-50 years
- Older than 50 years

Q14: What is the highest level of education that you have finished?

- Elementary school
- High school
- Apprenticeship
- Undergraduate degree
- Second-cycle academic degree
- None of the degrees above

Q16: Where is your residence?
- Reykjavik area
- West Iceland
- Westfjords
- North Iceland
- East Iceland
- South Iceland
- Reykjanes area
- Not located in Iceland

Q17: What is your relationship status?
- Single
- In a relationship
- In a certified cohabitation