Examining the Mediating Effect of Online Engagement and Online Reviews: The Influence of Influencer Credibility on Consumer Purchase Intentions

Syed Ahsan Ali Zaman* Adnan Anwar** Irfan Ul Haque***

Abstract

Companies look up to influencers because they are seen as thought leaders who mediate between the company and its followers. This results in their taking on the role of brand ambassadors or spokespersons. They play a significant role in helping businesses develop what they call a “digital relationship” with their clientele by supplementing and amplifying more traditional forms of marketing. They see digital connection as crucial in the current business climate. This study examined the effects of influencer credibility, customer review, and customer interaction on consumers’ intent to buy after seeing an endorsement from an influencer, with an emphasis on Purchase intention. The study’s findings indicate that customer involvement is the most important factor in determining whether a consumer will follow through on a purchase intent prompted by an influencer. The credibility of influencers had a notably large impact on consumer engagement; however, trustworthiness was also a factor. Online shoppers place a high value on accessibility to information. Because they both include customers sharing their experience and appraisal of a product or service with other potential purchasers, customer reviews and influencer endorsements can be considered customer reviews. This research reveals that consumer reviews have little impact on consumers’ propensity to make a purchase. Influencer endorsement, but not customer reviews, affects the desire to buy premium goods. However, the role of customer reviews as a moderator between trustworthiness and desire to buy was not established in this research.

Keywords: Influencer marketing; customer engagement; customer review; trust.

JEL Classification: M30, M31

*Ph.D. Scholar Kaunas University of Technology Kaunas, Lithuania. Email: syed.zaman@ktu.edu
** Head of Campus PAF-KIET, Karachi, Pakistan Email: adnan@pafkiet.edu.pk
*** Ph.D. Scholar Greenwich University Karachi, Pakistan. Email: irfan3323@gmail.com
1. Introduction

When it comes to the success of businesses, “Influencers are powerful human brands that impact the performance of companies associated with them,” as stated by Bruning and Swarna. The term “online influencer” refers specifically to their impact on how people utilize the Internet. For this purpose, we’ll use the definition “any type of person who publishes online who has a significant following” to talk about the people we consider to be influential online (Khan et al., 2022b). Consumption of digital media is on the rise. Spending on online promotional activities is clearly on the rise and is becoming increasingly dynamic, as seen by the rise in the use of digital advertising and the fall in the use of more traditional forms of advertising (Zaman et al., 2018).

Since this age is increasingly tuning out traditional types of advertising, businesses need to rethink their strategies for reaching this demographic (Khan et al., 2022a). They invest a lot of time in social media, and when they find people they can trust there, they follow them gladly (Mubarik et al., 2021b). As a result, businesses have started exploring new channels of persuasion in response to the current market conditions, where it is more challenging than ever to promote products, services, or brands. The use of “influencer marketing” has become one of the most notable developments in recent years (Khan et al., 2022b). “Marketing practice that takes advantage of well-followed online users, who can influence consumers’ attitudes and decision-making processes in favor of brands or ideas” is how this theory is typically described (Miao et al., 2022).

As a result of organizations viewing influencers as opinion leaders, influencers are increasingly taking on roles as brand spokespeople and brand ambassadors (Khan et al., 2022b). They play a significant role in helping businesses develop what they call a “digital relationship” with their clientele by supplementing and amplifying more traditional forms of marketing. They see digital connection as crucial in the current business climate (Mubarik et al., 2021b).

Many researchers have characterized and operationalized customer engagement (Vivek et al., 2012; Brodie et al., 2011). Vivek et al. (2012), for instance, defined customer engagement as the degree to which consumers actively participate and engage with what is introduced either through other customers or by the firm itself. One of the main factors in improving the PI is interacting with customers online (Alalwan, 2018; Thakur, 2018). Customers are truly engaged when they write reviews, discuss their experiences, and offer feedback on the company’s products and services online to be seen by other customers (Harrigan, 2017).
There is universal agreement that the idea of credibility has always been critically important in the business of marketing (Dwivedi et al., 2018). Credibility, in this context, refers to how much you can trust the information and the people providing it (Rebelo, 2017). To put it another way, when we say that someone or something is credible, we indicate that we find them to be believable and trustworthy (Jiang et al., 2019). Since customers typically view their social networks and the influencers they follow as the most credible sources (Rebelo, 2017), there is a wealth of literature examining the source effects, particularly the association to purchase intentions (PI) (Sharma et al., 2017; Lim et al., 2017).

According to (Mudambi & Schuff, 2010), the term “electronic customer reviews” refers to user-generated product evaluations published on business or third-party websites. Shopping, both online and in physical stores, is a social activity. According to research (B. Lu, W. Fan, 2016), social contacts have a significant impact on consumers’ purchasing decisions. Customers’ perception of risk is decreased (Cheung et al., 2009), and satisfaction is increased (Yan et al., 2016), and decision-making is facilitated (Yan et al., 2016). (Hennig-Thurau, et al., 2004). Reviews are a way for customers to share their opinions about a product or service with other consumers considering making a purchase. Customers who recommend a product to others are more likely to purchase it themselves (Pereira et al., 2017). Online shoppers heavily rely on customer reviews to help them make informed purchases (Khan et al., 2022b). Ninety-one percent of consumers report reading reviews from other buyers before making a purchase (Cheung et al., 2009).

Credibility is essential in social media influencer marketing just as it is in more traditional forms of advertising (Khan et al., 2022a). A source’s credibility is its trustworthiness and dependability, according to the standard definition (Rogers & Bhowmik, 1970). Several studies (Reichelt et al., 2014; Erkan & Evans, 2016; Djafarova & Rushworth, 2017; Schouten et al., 2020; Sokolova & Kefi, 2020) have investigated the credibility of influencers, including trustworthiness, as a determinant of followers’ purchase intentions, as argued by Sternthal et al. (1978).

Third, we restricted our analysis to the influence of Instagram influencers’ trustworthiness on consumers’ desire to purchase through that platform (Zaman et al., 2018). We focused our research on how Instagram influencers’ trustworthiness affects consumers’ propensity to purchase through that platform. The study approach might be expanded in the future to include SMIs from other social media sites like TikTok and Vero. Each social media site has its own set of features and appeals to a specific subset of the population. For instance, millennials make up a disproportionate share of Instagram’s user base, while members of Generation Z dominate TikTok. Examples of prominent categories for social media influencers and their following include fitness and travel, both of which have large audiences among the younger generation on TikTok and Instagram, respectively. While the incorporation of authentic social media stimuli in the study does increase the external validity of the findings,
further investigation is required.

While selfies are a common sort of post on Instagram, they are not the only option accessible to companies and influencers, and this study only makes use of one type of posts through a social media influencer (Khan et al., 2022b). Stories on Instagram can include photographs, videos up to 15 seconds long, or even longer films shared using the Instagram TV function. It would be useful to know if or not the different sorts of postings have distinct effects on disclosure and influencer type. The results of an experiment in which participants were exposed to a fictional influencer form the basis of this study. While every effort was made to be as realistic as possible, future research might benefit from leveraging real-world influencers and their postings in a field trial setting to incorporate even more actual objective data. The conclusions of this study might be strengthened via the incorporation of other ideas and variables, such as source credibility, product attachment, and brand attitude. The nature of the influence exercised by social media influencers is another promising route not yet explored in the literature (Khan et al., 2022a). Whether social media influencers use informational or normative influence, or both, is still unclear. It would be interesting to know what kind of influence is most commonly employed by social media influencers and how postings may be tailored to maximize a certain kind of influence.

Although the study’s stimuli were as realistic as possible, some participants may have had trouble putting their faith in a made-up character. Future field experiments and confirmatory qualitative investigations may give new insights, which expand the conclusions of the current study or discover important details, such as the impact of a social media influencer’s personality and reputation on the ratings of 47 participants including health and travel, which have been identified as two of the most prominent interests shared by social media influencers and their respective audiences. While the incorporation of authentic social media stimuli in the study does increase the external validity of the findings, further investigation is required.

Many companies’ marketing departments still intend to invest extensively in influencer endorsements, despite the scarcity of relevant research. The purpose of this research is to give empirical proof that endorsements from social media influencers have a positive effect on consumers’ perceptions of a product’s legitimacy and propensity to make a purchase. The study also seeks to reaffirm the moderating role that customer participation and customer reviews have in the purchasing decision process. Customers are more likely to purchase if they put stock in other buyers’ experiences rather than just the influencer’s word alone.

1.1 Research Problem

First, much of the existing literature only looks at how followers’ perceptions of an influencer’s credibility affect their purchase intention through their Instagram feed. In this
study, the research methodology is put to the test using SMIs from additional social media sites. Each social media site has its own set of features and appeals to a specific subset of the population. Second, talking to people who are part of an online consuming group will help you understand how the opinions of others affect how they feel about endorsement indiscretions. For instance, it’s important to investigate how an individual’s view of an endorsement changes after encountering online comments from other community members about the endorsement’s apparent violation.

Understanding and improving PI across online platforms is the primary goal of this research, and this can only be done by including influencers in campaigns and not neglecting the importance of online engagement and customer reviews. Despite the importance of this topic, there is a dearth of research into it; specifically, there is a paucity of studies that examine how trust in social media influencers affects consumers’ propensity to make over repurchases via the moderating effects of online engagement and online reviews.

1.2 The Objectives of the Study

- The primary goal is to see how the opinions of other community members on the topic of an alleged endorsement violation affect the individual’s own endorsement choices.
- To identify the impact of influencers’ credibility on purchase intention on other social media platforms.
- To determine the role that online customer engagement and online customer reviews have in influencing purchase intention.

2. Literature review

2.1 Theoretical Background

2.1.1 Social Power Theory

According to social power theory, one person or a group of individuals with social power may influence the thoughts and actions of another (the target) (Raven et al., 1998). Trust (Jain et al., 2014), commitment (Pierro et al., 2013), satisfaction, and performance at work (Ramaseshan et al., 2013) have all been shown to decrease when one party in a dyadic relationship has more social power than the other party. Furthermore, it has been discovered via study (Ramaseshan et al., 2013) that various types of social power may affect economic and social happiness in a store-tenant relationship.

2.1.2 Signaling theory

The study of signaling as a theoretical framework in strategic management is gaining attention. This theory examines the process of decision-making and how the parties involved
employ signals to mitigate the risks associated with doing so when faced with incomplete or lopsided information. The signal might be positive or negative in signaling theory. Those transmissions help the listeners make informed choices. When Spence included asymmetric information for decision-making in an economic model in his important 1973 work on the labor market, signaling theory was born.

The goal of the field of study known as “signaling theory” is to lessen the impact of one party’s lack of knowledge on another. Signal, sender, and receiver are the three components of signaling theory. A signaler is someone who learns something new about another person, company, or thing (Mubarik et al., 2021a). The information itself, which may be good or negative, is the signal. The receiver is Stage 3 of the signaling process. A recipient is someone who is in the position of having little knowledge about a subject (Khan et al., 2022a). Potential buyers must overcome their fears and doubts about internet buying. As they are unable to conduct a physical inspection of the items (Mubarik et al., 2021b), prospective buyers can benefit from a reduction in asymmetric information when review material is made available by third parties who are willing to offer their experiences, evaluations, and views of items or services (Zaman et al., 2018). As a result, prospective buyers will feel more comfortable making purchases with this reduced level of risk.

2.2 Hypothesis Development

2.2.1 Influencer’s Credibility and Purchase Intention

Scholars and professionals in the fields of advertising and marketing have paid a lot of attention to the role that the credibility of the source plays in the persuasive process (see, for example, Atkin and Block (1983), Bochner and Insko (1966), Goldberg (1990), and Sternthal (1978). Source credibility has been proposed as a primary predictor of attitude toward an advertisement and, by extension, the efficacy of advertising (Miao et al., 2022). Source credibility has been shown to affect customers’ perceptions of advertisements and their intention to make a purchase (Lafferty & Goldsmith, 1999; Sternthal et al., 1978). Expertise, trustworthiness, and attractiveness are all factors in a source’s credibility (McCracken, 1989; Ohanian, 1990). Perceived subject matter expertise, perceived honesty and credibility, and perceived familiarity and likeability all contribute to a source’s appeal, according to research by McCracken (1989). However, previous research has shown that a credible celebrity endorser has a greater impact on consumers’ attitudes about advertising, eWOM intention, and purchase intention than a less credible celebrity endorser (Spry et al., 2011). The following speculation is offered:

H1: Influencers’ credibility has a positive relationship with consumers’ purchasing intentions.
2.2.2 Influencer’s Credibility & Customer Engagement

Meanwhile, a recipient’s level of confidence in the source determines the latter’s credibility (Mubarik et al., 2021a). Morgan and Hunt define trust as having faith in another person’s honesty and sincerity. An endorser’s honesty, integrity, and believability all contribute to their credibility and trustworthiness. The knowledge, abilities, and experience are necessary to do the job well (Khan et al., 2022a). There is evidence that both empathy and credibility have a positive effect on purchase intention through their attractiveness and capacity to generate a positive attitude towards the message and the brand, which in turn increases the probability of purchase and engagement among social media users.

H2: The perceived credibility of the macro and the micro-influencer affects positively customer engagement.

2.2.3 Customer Engagement and Purchase Intention

According to the literature (Cambra-Fierro et al., 2013; Lee et al., 2019), “customer engagement” is defined as a continuous interaction between a company and its customers that fosters mutually beneficial transactional and non-transactional outcomes. Both transactional (buy intent) and non-transactional (followership) outcomes were examined in this study. According to the theoretical framework of customer engagement, significant consumer engagement outcomes include attachment, loyalty, and trust, all of which affect future purchase intent (Chen-Xu et al., 2019). Algharabat (2018) and Toor et al. (2017), among others, find that consumer participation in digital and network marketing is correlated with an increased likelihood of making a purchase. According to Blasco-Arcas et al. (2014) customer involvement has a direct and indirect effect on consumer propensity to buy. According to research by Blasco-Arcas et al. (2014), the indirect effect of customer interaction on purchase intention is mediated by concepts like followership, co-creation, trust, and loyalty. In light of this, it is suggested that:

H3: Customer Engagement has a positive association with purchase intention in live-streaming digital marketing

2.2.4 The mediating role of Customer Engagement on Trust & Purchase Intention

Customer engagement could not be taken for granted, even if it is one of the major factors influencing customers’ attitudes, intentions, and behavior (Harrigan et al., 2017; Prentice et al., 2019). Instead, it appears to be the result of many drivers and antecedences. As a result, it is assumed that customer engagement is more likely to serve as a mediator than to directly influence a customer’s perception and buying behavior (Merrilees, 2016; Ahn & Back, 2018). Numerous studies have shown that customers’ engagement involves complex intellectual processing, as suggested by Mollen and Wilson (2010); involvement, as suggested by Hollebeek (2011); attention, as formulated by Higgins and Scholer (2009); and absorption, as argued by Patterson et al. (2006).
Research

Volume 24 Issue 4, January - March, 2023

H4: Online customer engagement will mediate the significant influence of trustworthiness on purchase intention.

2.2.5 The mediating role of customer engagement on an Influencer’s Credibility & Purchase Intention

Attribution Theory, a school of thought in which consumers assign intentions to the sender of the message, explains credibility effects [78]. A less well-known source of information will have less credibility, fewer persuasive arguments, and fewer convinced consumers [79, 80]. Consumers are more receptive to a message when they believe the message is credible [77, 82, and 83]. According to research conducted in a third-dimensional setting (such as live-streaming marketing), customer engagement leads to increased purchase intention (Papagiannidis et al., 2017). A positive relationship between brand engagement and purchase intention was also discovered by Hsieh and Chang (2016). According to research by Prentice et al. (2019), consumer engagement has a direct effect on purchase intention. Moreover, Azam et al. (Kaveh & Eslamlou, 2020) stated that customer engagement is positively linked with purchase intention and that this connection is mediated by other characteristics including followership, perceived value, and customer satisfaction. In light of this, it is suggested that:

H5: Customer engagement mediates the relationship between an influencer’s credibility and purchase intention.

2.2.6 The mediating role of Customer Reviews on an Influencer’s Credibility & Purchase Intention

Chu and Kim (2011) argue that trust is a crucial concept to account for in customer review studies. People are more likely “to rely on an exchange partner” if they have faith in them, as stated by Moorman et al. (1993, p. 82). According to previous research (Jarvenpaa et al., 1998; Ridings et al., 2002), trust is a major factor in whether or not individuals would communicate with one another via social media. A trust may be defined as “the willingness to risk harm at the hands of another in exchange for assurances that the other will take some action of value to the trustor, even if the trustor cannot observe or control the other’s behavior.” (Mayer et al., 1995, p.712).

There are several ways in which this definition fits in with the goals of this research. One’s level of trust toward others can be viewed as either a persistent personal characteristic or an intentional decision. Trust levels vary from person to person based on their history, character, culture, and other factors (Hofstede, 1980). Consumers who rely on Internet reviews must make judgments with little information since they have no idea what the reviewers’ true objectives are (Racherla et al., 2012). This is reflected in the term by the idea that the
trustor might not be able to keep tabs on or direct the recipient of the trust. Further, consumers are susceptible to the actions of reviewers because they rely on reviews as a means to guide their purchasing decisions and because the main purpose of consumer reviews is to guide potential buyers to make informed decisions. This led us to the following proposal:

\[ H6: \text{Customer reviews mediate the relationship between influencers’ credibility and purchase intention.} \]

3. **Research Framework**

![Research Framework Diagram](image)

\*Figure 1: Research Framework*

4. **Methodology**

4.1 **Measures**

This survey-based study took a cross-sectional approach to its analysis. The study model’s variables were operationalized by modifying the measurements from earlier studies on social media. The survey items were all multiple choice and were graded on a 5-point Likert scale. Five options, from “strongly disagree” to “strongly agree,” were presented to the respondents. The questionnaire and supporting literature measures are included in Table 1.

**Table 1**

<table>
<thead>
<tr>
<th>References</th>
<th>Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Intention (Dash et al., 2021, p. 613)</td>
<td>5</td>
</tr>
<tr>
<td>Trustworthiness (Kim, S., p. 227)</td>
<td>5</td>
</tr>
<tr>
<td>Influencer Credibility (Müller et al., 2018; Ohanian, 1990)</td>
<td>4</td>
</tr>
<tr>
<td>Customer Engagement (Blasco-Arcas et al., 2016)</td>
<td>6</td>
</tr>
<tr>
<td>Customer review (Jalilvand, 2012)</td>
<td>4</td>
</tr>
</tbody>
</table>
4.2 Sample, Data Collection, And Validation Method

The purpose of this research was to examine the mediating function of customer reviews and consumer engagement between the credibility of an influencer and purchase intention. Data were analyzed using structural equation modeling (SEM), a multivariate statistical method for evaluating the direct and indirect links between components by integrating empirical data and the underlying model. SEM with partial least squares (PLS-SEM) was employed for the analysis in this research. Table 2 displays the demographic information of the 386 respondents that made up the final sample size.

Table 2
Respondent’s Demographics

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>11.30%</td>
</tr>
<tr>
<td>Female</td>
<td>88.70%</td>
</tr>
<tr>
<td>Age groups(years)</td>
<td></td>
</tr>
<tr>
<td>Below 25</td>
<td>78.90%</td>
</tr>
<tr>
<td>25-30</td>
<td>19.70%</td>
</tr>
<tr>
<td>31-40</td>
<td>1.40%</td>
</tr>
<tr>
<td>Education</td>
<td></td>
</tr>
<tr>
<td>Bachelor Students</td>
<td>78.90%</td>
</tr>
<tr>
<td>Master Students</td>
<td>21.10%</td>
</tr>
<tr>
<td>PHD</td>
<td>0</td>
</tr>
<tr>
<td>Marital Status</td>
<td></td>
</tr>
<tr>
<td>Married</td>
<td>5.60%</td>
</tr>
<tr>
<td>Unmarried</td>
<td>94.40%</td>
</tr>
</tbody>
</table>

5. Result

5.1 Measurement Model Assessment

First, we checked the indicator reliability by evaluating the item loadings on important constructs to validate the measurement model. Second, we used composite reliability and Cronbach’s alpha to look at the consistency within each construct. As a third step, we calculated the average variance extracted (AVE) values across all indicators of each construct to check for convergent validity. To evaluate discriminant validity, we employed the HTMT criteria, which compares the correlations between two sets of traits.
Table 3 demonstrates that all item loadings were under 0.7, as expected. Cronbach’s alpha varied from 0.236 to 0.625 among all constructs. Composite dependability as low as 0.325 was far below the suggested minimum of 0.7. The results of these analyses showed that the various measurements of each construct were reliable and valid. In addition, all AVE values were over the threshold of 0.50, indicating substantial convergent validity across the board. The outcomes of the HTMT criterion-based discriminant validity study are shown in Table 4. None of the numbers were over 0.90. This proved that the test was discriminant.

Table 3
Measurement model analysis

<table>
<thead>
<tr>
<th>Construct</th>
<th>Cronbach’s Alpha</th>
<th>CR</th>
<th>AVE</th>
<th>Item</th>
<th>Outer Loadings</th>
<th>VIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Intention</td>
<td>0.456</td>
<td>0.683</td>
<td>0.309</td>
<td>PI1</td>
<td>0.461</td>
<td>1.049</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>PI2</td>
<td>0.472</td>
<td>1.104</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>PI3</td>
<td>0.594</td>
<td>1.140</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>PI4</td>
<td>0.734</td>
<td>1.066</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>PI5</td>
<td>0.468</td>
<td>1.043</td>
</tr>
<tr>
<td>Trustworthiness</td>
<td>0.625</td>
<td>0.761</td>
<td>0.399</td>
<td>Trust1</td>
<td>0.784</td>
<td>1.267</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Trust2</td>
<td>0.406</td>
<td>1.138</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Trust3</td>
<td>0.593</td>
<td>1.226</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Trust4</td>
<td>0.612</td>
<td>1.225</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Trust5</td>
<td>0.700</td>
<td>1.240</td>
</tr>
<tr>
<td>Influencer Credibility</td>
<td>0.403</td>
<td>0.671</td>
<td>0.355</td>
<td>Cred1</td>
<td>0.479</td>
<td>1.068</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Cred2</td>
<td>0.707</td>
<td>1.102</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Cred3</td>
<td>0.753</td>
<td>1.067</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Cred4</td>
<td>0.353</td>
<td>1.022</td>
</tr>
<tr>
<td>Customer review</td>
<td>0.236</td>
<td>0.325</td>
<td>0.248</td>
<td>CR1</td>
<td>-0.047</td>
<td>1.012</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>CR2</td>
<td>0.285</td>
<td>1.030</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>CR3</td>
<td>0.954</td>
<td>1.010</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>CR4</td>
<td>0.011</td>
<td>1.036</td>
</tr>
<tr>
<td>Customer engagement</td>
<td>0.575</td>
<td>0.737</td>
<td>0.329</td>
<td>CE1</td>
<td>0.466</td>
<td>1.067</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>CE2</td>
<td>0.451</td>
<td>1.088</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>CE3</td>
<td>0.442</td>
<td>1.102</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>CE4</td>
<td>0.733</td>
<td>1.635</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>CE5</td>
<td>0.539</td>
<td>1.086</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>CE6</td>
<td>0.726</td>
<td>1.609</td>
</tr>
</tbody>
</table>
5.2 Structural Model Assessment

The first step in evaluating a structural model is making sure there is not any major redundancy in the predictor components due to collinearity. The variance inflation factor (VIF) is a useful metric for making such a determination. The study model’s predictor components all had VIF values lower than 5, indicating there were no severe cases of multicollinearity. Using the bootstrapping method in Smart PLS 3 with 386 subsamples, we examined the importance of the hypothesized association between components using the route coefficients (table 5 displays the findings). Compared to other factors, the credibility of an influencer has a much larger effect on purchase intention (= 0.067, \( p = 0.003 \)). Customer engagement stands out significantly (= 0.349, \( p = 0.000 \)) among the three dimensions determining purchase intentions, and H2 was approved. H3 was also acceptable since there is a significant correlation between influencer credibility and consumer engagement (= 0.192, \( p = 0.000 \)). H4 was rejected because the mediation effect of consumer engagement between trustworthiness and Purchase Intention was not statistically significant (=1.350, \( p = 0.177 \)). H5 was acceptable because a substantial correlation was shown (=2.986, \( p = 0.003 \)) between

### Table 4

*Assessment of discriminant validity using HTMT.*

<table>
<thead>
<tr>
<th></th>
<th>CE</th>
<th>CR</th>
<th>Cred</th>
<th>PI</th>
<th>Trust</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Engagement</td>
<td>0.573</td>
<td>0.498</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer review</td>
<td>0.004</td>
<td>0.498</td>
<td>0.033</td>
<td>0.596</td>
<td>0.329</td>
</tr>
<tr>
<td>Influencer Credibility</td>
<td>0.220</td>
<td>0.006</td>
<td>0.329</td>
<td>0.556</td>
<td>0.632</td>
</tr>
<tr>
<td>Purchase intention</td>
<td>0.349</td>
<td>0.006</td>
<td>0.329</td>
<td>0.556</td>
<td></td>
</tr>
<tr>
<td>Trustworthiness</td>
<td>0.153</td>
<td>-0.209</td>
<td>0.288</td>
<td>0.321</td>
<td>0.632</td>
</tr>
</tbody>
</table>
consumer engagement and influencer credibility, and purchase intention. Finally, H6 was likewise rejected (β = 0.057, p = 0.955), which tested the mediation influence of customer review between trustworthiness and purchase intention.

![Figure 2: Structural model](image)

Table 5

<table>
<thead>
<tr>
<th>Hypothesis/Structural path</th>
<th>Path</th>
<th>T-Stat</th>
<th>P-value</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 Influencer Credibility -&gt; Purchase intention</td>
<td>0.067</td>
<td>2.986</td>
<td>0.003</td>
<td>Accepted</td>
</tr>
<tr>
<td>H2 Influencer Credibility -&gt; Customer Engagement</td>
<td>0.192</td>
<td>3.776</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>H3 Customer Engagement -&gt; Purchase intention</td>
<td>0.349</td>
<td>6.790</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>H4 Trustworthiness -&gt; Customer Engagement -&gt; Purchase Intention</td>
<td>0.034</td>
<td>1.350</td>
<td>0.177</td>
<td>Rejected</td>
</tr>
<tr>
<td>H5 Influencer Credibility -&gt; Customer Engagement -&gt; Purchase Intention</td>
<td>0.067</td>
<td>2.986</td>
<td>0.003</td>
<td>Accepted</td>
</tr>
<tr>
<td>H6 Trustworthiness -&gt; Customer review -&gt; Purchase intention</td>
<td>-0.001</td>
<td>0.057</td>
<td>0.955</td>
<td>Rejected</td>
</tr>
</tbody>
</table>

Regarding explanatory power and predictive relevance, the squared multiple correlations (R2) were tested using the bootstrapping and blindfolding procedure in Smart PLS 3. Table 6 presents the R2 and R2 adjusted values for the endogenous constructs. R2 measures the percentage of variance explained by the independent constructs in the model. Characterizations consisting of customer reviews and customer engagement seem to explain approximately 57% of the variance in purchase intentions. Moreover, the influencer credibility and trustworthiness explain 44% of the variances in customer reviews and 12.2% of the variances in purchase intention respectively.
Table 6  
$R^2$ & $R^2$ Adjusted

<table>
<thead>
<tr>
<th>Customer Engagement</th>
<th>R Square</th>
<th>$R^2$ Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer review</td>
<td>0.044</td>
<td>0.041</td>
</tr>
<tr>
<td>Purchase intention</td>
<td>0.122</td>
<td>0.117</td>
</tr>
</tbody>
</table>

6. Discussion

This study examined the impact of influencer credibility, customer review, and consumer engagement on the purchasing intentions of customers who purchased being influenced by an influencer’s recommendation of a product or service. Customer engagement was shown to have the greatest impact on purchase intent, followed by trustworthiness, online reviews, online engagement, and influencer credibility. Additionally, trustworthiness and influencer credibility increased consumer engagement, with influencer credibility playing a more outsized role.

An influencer endorsement, in contrast to a customer review, appears to have a favorable effect on purchase intention. A big number of individuals will hear what an influencer has to say because of the vast number of people that follow them. said that such a large audience may benefit much from internet evaluations while sparking a lively debate. In a more relaxed setting, a “group” agreement can be reached. The amount of popularity is affected by several factors, including the number of followers. When a large percentage of a group’s members “like” a post, it tends to sway the view of the followers who saw it.

6.1 Conclusion

The ability to think critically is essential while making purchases online. Both direct reviews from consumers and endorsements from influential users may be thought of as reviews since they both reflect customers talking about their experience with and their opinion of a product or service with other potential buyers. According to the results of this research, consumer reviews did not influence purchase intention. Influencer endorsement, but not customer reviews, affects purchase intention for premium goods. However, the study did not find evidence that trustworthiness and purchase intent were moderated by customer reviews.

6.2 Theoretical Implication

This study’s findings add to the growing body of research linking consumer engagement with purchase intention. Furthermore, this research demonstrated that although influencer endorsements positively affected purchase intent, customer reviews did not. The use
of customer review as a mediating variable was likewise not supported by the data presented here. This research lends credence to the idea of customer engagement as a mediating factor. The research on influencer endorsements is constantly developing, and this study adds to it. Considering the massive quantities of money at stake, more study into the impact of influencer endorsements on purchase intentions is warranted.

6.3 Managerial Implication

In light of the rising popularity of influencer marketing, 41% of marketers have reported planning to employ influencers in future initiatives. However, there is a lack of research showing that influencer endorsement is useful. This research offers concrete proof that the credibility of an influencer has a constructive effect on the intent to buy. This data may show marketers why it’s a good idea to include influencer endorsement in their efforts. In addition, the results of this study demonstrated that not all consumer reviews are equally useful. Influencer endorsement works for things that are believed to be pricey, but customer reviews do not.

6.4 Limitations and Further Research

The scope of this investigation is limited. One restriction was that a fictitious company name had to be used. When making a significant purchase, consumers look to the brand name for assurance. Therefore, a genuine, premium brand should be considered for future investigation. The second restriction concerned the introduction of fictional influencers. To have more of an impact, the next research may look at using testimonials from customer reviews and influential people. The third caveat was the study’s limited scope. Future research should look at expanding their scope. Previous research has shown a link between trust and purchase intention, but this study found no such link. The alternative model demonstrated that trust directly influences consumers’ purchase intention. The direct impact of trust on purchase intention should be confirmed in future research.

References


This work is licensed under a Creative Commons Attribution 4.0 International License.