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THE ROLE OF MICRO-INFLUENCERS FOR LUXURY FASHION BRANDS

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Lisbon, June 2023

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# Abstract

Recently, marketers have been turning to social media influencers as cost-effective and wide-reaching alternatives to traditional marketing, propelling the growth of influencer marketing. Nevertheless, brands are now shifting away from macro-influencers to micro-influencers, with less followers but higher engagement rates and perceived as credible and original. Luxury fashion brands, despite initial scepticism, are improving their digital presence by investing in influencers with common values. Notwithstanding some articles addressing influencers and fashion brands in general, given the topic's novelty, there are still plenty unanswered questions and a significant gap can be identified when it comes to connecting luxury fashion brands and micro-influencers in particular. Thus, this dissertation's purpose is to understand if partnerships with micro-influencers can be profitable for luxury fashion brands. More specifically, comprehending whether micro-influencers' characteristics, such as credibility, content quality and originality, have an impact on customer engagement, as well as assessing if this customer engagement subsequently influences luxury fashion brands' purchase intention and brand equity. The data collection and analysis have been performed through quantitative methodology, supported by an online questionnaire constructed based on previous research articles regarding the topic previously mentioned. Findings show that micro-influencers' credibility and originality positively impact customer engagement, which in turn has a positive influence on luxury fashion brands' purchase intention and brand equity. From this study's results, luxury fashion managers and marketers can recognize the importance of investing in partnerships with micro-influencers, given their significant influence on brands' purchase intention, brand equity and overall success.

**Keywords**: micro-influencers, influencer marketing, luxury fashion brands, customer engagement, purchase intention, brand equity

**JEL**: M31, M39

# Resumo

Recentemente, marketers têm visto influenciadores como alternativas rentáveis e de grande alcance ao marketing tradicional, impulsionando o crescimento do marketing de influenciadores. No entanto, as marcas estão agora a passar dos macro-influenciadores para os micro-influenciadores, com menos seguidores, mas com taxas de *engagement* mais altas e considerados credíveis e originais. As marcas de moda de luxo, apesar do ceticismo inicial, estão a melhorar a sua presença digital investindo em influenciadores com valores partilhados. Apesar de alguns artigos abordarem os influenciadores e as marcas de moda em geral, dada a novidade do tema, ainda existem perguntas sem resposta, podendo ser identificada uma lacuna quando se trata de relacionar marcas de moda de luxo e micro-influenciadores em particular. Logo, o propósito desta dissertação é perceber se parcerias com micro-influenciadores podem ser vantajosas para marcas de moda de luxo. Mais especificamente, compreender se as características dos micro-influenciadores, como credibilidade, qualidade do conteúdo e originalidade, têm impacto no *customer engagement*, bem como avaliar se esse *engagement* influencia posteriormente a intenção de compra e o valor das marcas de moda de luxo. A recolha e análise de dados foram realizadas através de metodologia quantitativa, suportada por um questionário online construído com base em artigos de diferentes autores sobre o tema referido. Os resultados demonstraram que a credibilidade e a originalidade dos micro-influenciadores têm um impacto positivo no *customer engagement* que, por sua vez, tem uma influência positiva na intenção de compra e no valor das marcas de moda de luxo. Com base nos resultados deste estudo, gestores e marketers de moda de luxo podem reconhecer a importância de investir em parcerias com micro-influenciadores, dada a sua significativa influência na intenção de compra, no *valor de marca* e no sucesso em geral.

**Palavras-chave**: micro-influenciadores, marketing de influenciadores, marcas de moda de luxo, *customer engagement*, intenção de compra, valor de marca

**JEL**: M31, M39

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# 1. Introduction

As a result of the rising distrust in traditional marketing, businesses find it increasingly challenging to attract and influence consumers. Marketers now turn to social media and online influencers, who are seen as a cost-effective and wide-reaching alternative to conventional paid advertising (Britt et al., 2020), to promote their brands on social media, boosting the growth of influencer marketing (Leung et al., 2022). This growth can be witnessed by the over 75% of marketers who plan to invest resources in influencer marketing and the related spending which was expected to reach $16.4 billion U.S. dollars by the end of 2022 (Geyser, 2022), with the global influencer marketing market size more than doubling since 2019. Lately, however, brands are shifting away from macro-influencers to micro-influencers with much smaller followings, as micro-influencers are frequently regarded as more "trustworthy and relatable" (Britt et al., 2020).

The fashion industry has increasingly been making the most of social media influencers. The luxury fashion segment of the global luxury goods market generated, by far, the highest revenue in 2021 of roughly 92.7 billion U.S. dollars. (Statista, 2022e), making up the majority of sales in the global personal luxury goods industry. Due to the contradiction between the digital world's accessibility and the luxury world's exclusivity, luxury firms first approached the online market with scepticism and reluctance. Nonetheless, as digital apps and new media converged, luxury brands started to grasp the inevitability of creating an online presence and have thus moved beyond debating it and are managing how to build and sustain a digital presence without compromising their core values (Godey et al., 2016). In the third quarter of 2021, leading luxury fashion firms invested around 1.4 billion U.S. dollars in influencer marketing in Europe; 681 million U.S. dollars in the United States; and 181 million U.S. dollars in China (Statista, 2022a; Statista, 2022b; Statista, 2022d).

While historically luxury brand marketing garnered limited attention in the academic literature, recent years have observed an increased curiosity among researchers and a rise in studies in this area fuelled by the expansion of the luxury market worldwide (Ko et al., 2019). Furthermore, considering the growing interest of brands in influencers, it is essential to expand current knowledge on influencer marketing. There is scarce literature to help understand this topic due to its recency in academia, nonetheless it has significant potential. Though some research addresses digital influencers, there are several topics that need to be further explored, such as their impact on customer engagement, purchase intention and brand equity (Gomes et

al., 2022). Despite the existent studies on how brands can take advantage of digital marketing and social media in general or even more specific studies on how influencers impact fashion brands, there is a significant research gap when it comes to connecting specifically luxury fashion brands and micro-influencer marketing, which justifies this study's purpose. Thus, since influencer marketing has become an essential tool for most companies, applying this topic to luxury fashion from the perspective of the increased interest on micro-influencers would be very useful and relevant for luxury fashion companies to gain insight on what is the best influencer marketing strategy for them in order to reach more consumers, generate engagement and grow purchase intention and brand equity.

The motivation to dive into this topic derived from the freshness of the subject, its potential for marketing application and a personal allure for both the luxury fashion industry and influencer marketing strategies. To help progress and create knowledge on these interconnected areas is an appealing prospect. Nevertheless, to accomplish this aspiration and to produce the best research work possible, some specific objectives must be attained:

1. Understand in which ways luxury fashion brands can benefit from partnerships with micro-influencers.

2. Determine whether micro-influencers influence purchase intention and brand equity of luxury fashion brands.

3. Ensure that this study offers useful and valuable insight for businesses and other researchers.

4. Add important new material and information to the limited literature in this field, propelling its advancement.

Given this topic's newness, there are plenty of unanswered questions and unresolved research problems to be tackled. Understanding whether or not it is profitable for luxury fashion brands to create and maintain partnerships with micro-influencers and comprehending if this type of influencers has an impact on these brands' purchase intention and brand equity are some of them. To successfully reach those conclusions, the following research questions must be addressed in this thesis:

1. Can luxury fashion brands profit from partnerships with micro-influencers?

2. Do micro-influencers have an impact on luxury fashion brands' purchase intention?

3. Do micro-influencers have an impact on luxury fashion brands' brand equity?

In order to achieve the objectives and answer the research questions, it is crucial to begin with primary data focused on clarifying the mains concepts of luxury fashion brands, micro-

influencers, customer engagement, purchase intention and brand equity. Afterward, relevant secondary data must be gathered (via an online questionnaire with pre-defined scales on the main constructs under study) and then examined, resulting in conclusions regarding the research problematic. This analysis will aid to achieve the research purpose of understanding whether micro-influencers impact purchase intention and brand equity of luxury fashion brands.

This dissertation is divided into five main sections, as described in Figure 1.1. Primarily, the introduction intends to introduce the research problem, the topic under study, its relevance and motivations. Secondly, the literature review establishes the foundation and context for the research problem, by comprehending the key study concepts. In the third part, the methodology, the research conceptual model and hypotheses are developed and the data collection method is presented. Next, the results appear in the fourth section, where the obtained data is analysed and discussed. Finally, in the fifth and last part, conclusions are drawn, summarizing theoretical and managerial contributions, as well as underlining limitations that serve as starting point for future research recommendations.
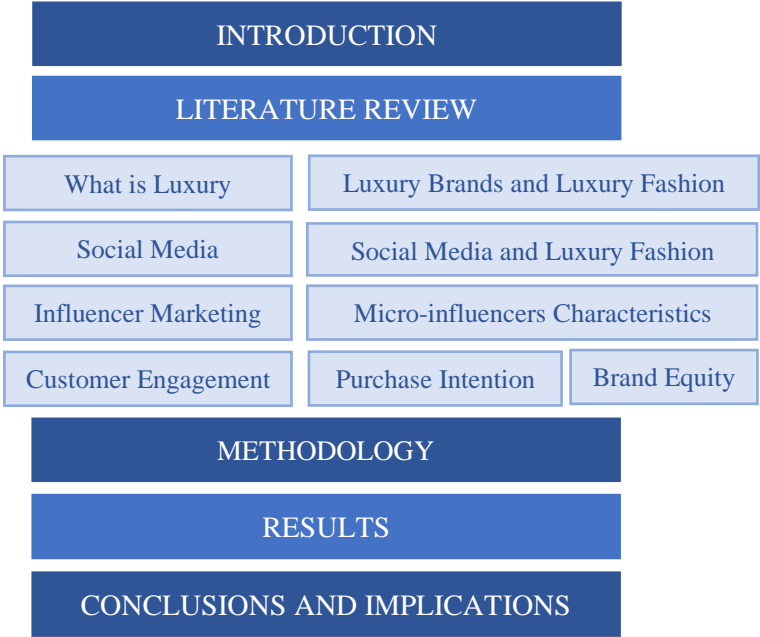


***Figure 1.1 Structure of the dissertation***
Source: own elaboration

## 2. Literature Review

### 2.1. What is Luxury

The word *luxury* derives from the Latin term *luxus*, which means superabundance, excess in the lifestyle, or a display of wealth aimed at fulfilling wishes that go beyond practical requirements (Dubois et al., 2001; Cabigiosu, 2020). As Sombart (1967) states, luxury is any expenditure that surpasses what is necessary. As a result, the idea of luxury is tied to human needs, and a specific definition of luxury differs based on the period under consideration. Thus, the concept of luxury is subjective and there is no single definition for it; rather, it takes on multiple forms and interpretations depending on the context of space, time, culture, religion, politics, economy, geography and generation, as well as the study's point of view (Cabigiosu, 2020; Caetano, 2022).

The ambivalence of the concept of luxury can be observed by the fluctuation of its meaning between two opposite polarities, being interpreted as both a positive and a negative term (Crane, 2001). On one side, the portrayal of wealth, justified acknowledgement of the economic and social success connected to the individual's abilities; on the flip side, poor taste and the lack of proportion resulting from the sole devotion to all that is unnecessary and material (Crane, 2001; Cabigiosu, 2020). Luxury is typically associated to experiences, objects and services characterized by a high symbolic value for which consumers are willing to spend astronomical amounts far beyond the average price of the product category (Dubois et al., 2001). Thus, the term implies a kind of deviation that mixes excess and distinction; describing an enthusiastic attitude regarding everything outside the norm (Cabigiosu, 2020; Bilro & Cunha, 2021).

The luxury term acquired a new connotation at the end of the 19th century, referring to complacency in what is wonderful and expensive, as well as the pleasure of enjoying something comfortable above what is strictly essential (Brun & Castelli, 2012). However, the advent of the industrial revolution fundamentally altered the meaning of and the approach to luxury. The industrialization resulted in tremendous productivity improvements and increased production volumes of conventional goods that could be marketed outside of local geographic limits, setting the groundwork for what are now global luxury brands (Danziger, 2005). As a result, during the 20th century, luxury became a word for defining a product, an industry, or an expensive and high-quality object that exudes elegance and sumptuousness (Danziger, 2005; Bastien & Kapferer, 2012). Furthermore, according to Danziger (2005), the new luxury label should not just be used to describe a more accessible luxury, but also how consumers define it

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as an experience or an emotion, rather than solely associating it with the democratization of luxury. The new luxury is focused on the entire customer experience, as opposed to the old luxury, which was only concerned with material possessions (Danziger, 2005). Consequently, the attention focus changes away from the product's inherent qualities towards what it stands for. Businesses are now being urged to imbue products with symbolic worth, despite traditional rarity and exclusivity constraints, since they are winning or losing customers depending on the company's creativity, innovation and brand strength (Cabigiosu, 2020).

The luxury business is a global market, with more than 1.1 million euros of sales in 2021 and more than 500 million customers, which includes various sectors - automotive, hospitality, accessories and personal goods, jets and yachts, cruises, furniture, art, drinks and fine food (Caetano, 2022). According to Allérès (1990), the luxury market is separated into three segments or categories: "inaccessible luxury, intermediate luxury, and affordable luxury". Custom-made products created in small quantities and delivered through a highly selected network define inaccessible luxury, which is characterized by exorbitant prices (Bastien & Kapferer, 2012). This class embodies the concept of luxury that existed before the "new luxury" and is associated with haute couture collections and valuable products (Allérès, 1990). Intermediate luxury goods are made in small batches and sold through a limited number of channels. They are sold at a price that, while high, does not approach the same levels of inaccessibility as upper-class items (Dubois & Laurent, 1995). This category comprehends ready-to-wear and prêt-à-porter designs that are more in line with the concept of "new luxury" (Allérès, 1990). Lastly, affordable luxury comprises products that enable a broader spectrum of customers to experience the emotional impact of purchasing luxury goods (Dubois & Laurent, 1995; Bastien & Kapferer, 2012). Even for people who are not able to spend big sums, the expansion of the luxury brand into sectors such as fragrance, eyewear and cosmetics is a common method to access the world of luxury (Allérès, 1990).

Although consumers are prepared to pay a premium for luxury goods, dwelling solely on the price factor to identify luxury items would be simplistic. Price is a prerequisite for luxury and one of its most relevant attributes, however it is not enough (Cabigiosu, 2020). There are certain other traits regarded as basic minimum conditions to define what constitutes luxury. The luxury brand experience is never characterized by a single characteristic; it is multifaced and the outcome of a blend of history and tradition mixed with creativity and innovation, enhanced by exceptional quality, elevated prices, selective distribution, exclusive communication, and visionary storytelling (Corbellini & Saviolo, 2015). Together with high prices excellent quality

is one of the most common luxury attributes and indicates the presence of rare and valuable raw materials or manufacturing techniques defined by high levels of professionalism and unique craftsmanship (Cabigiosu, 2020). Consumers develop a trusting attitude as a result of reliability and perceived durability. If taken to an extreme, it can be concluded that a luxury item evokes an image of perfection and eternity. These characteristics lead to iconic items that become legendary and represent exclusive, aspirational qualities (Kapferer, 1997). The way in which each of these characteristics is interpreted and mixed creates the *brand DNA*, also known as the *brand signature*, which is the essence of the business and promotes visibility, exclusivity, uniqueness and rarity, while giving customers a platform to express themselves. (Peters & Waterman, 1982; Cabigiosu, 2020).

### 2.1.1. Luxury Brands

As we have established, luxury is a subjective notion with shifting perspectives over time, thus it makes sense that there is also no universally acknowledged definition of what constitutes a luxury brand. So much so, the Marketing Association's dictionary lacks definitions for the terms "luxury" and "luxury brands" (Ko et al., 2019). Nevertheless, scholars from all over the world have attempted to define it, resulting in numerous different definitions and points of view when it comes to luxury brands.

Based on a review of the literature, some authors defined that a brand being regarded as luxury or not is ultimately determined by the consumer brand perceptions and/or by managerially factors, such as marketing initiatives and product attributes. Although premium pricing or superior quality can improve the probability of a brand being seen as luxurious by consumers, these strategic tactics do not automatically produce a luxury brand until consumers perceive it as such (Ko et al., 2019). Every definition contains at least one thing in common – they all use multiple dimensions (ranging from 2 to 10) to define a luxury brand. Some dimensions, such as "high quality, rarity, premium pricing, and a high level of aesthetics", are common to multiple definitions (Ko et al., 2019).

Four examples of luxury brands definitions are provided below:

- <u>Keller (2009)</u>: Luxury brands have ten defining characteristics: "(i) maintaining a premium image; (ii) creation of intangible brand associations; (iii) aligned with quality; (iv) several brand elements - logos, symbols, packaging are drivers of brand equity; (v) secondary associations from linked personalities, events, countries, and other entities; (vi) controlled

distribution with a selective channel strategy; (vii) premium pricing strategy; (viii) carefully managed brand architecture; (ix) broadly defined competition; and (x) legal protection of trademarks."

- Heine (2012): "Luxury brands are regarded as images in the minds of consumers that comprise associations about a high level of price, quality, aesthetics, rarity, extraordinariness and a high degree of non-functional association."

- Ko et al. (2019): Luxury brand as "a branded product or service that consumers perceive to: (i) be of high quality; (ii) offer authentic value via desired benefits, whether functional or emotional; (iii) have a prestigious image within the market built on qualities such as artisanship, craftsmanship, or service quality; (iv) be worthy of commanding a premium price; and (v) be capable of inspiring a deep connection, or resonance, with the consumer."

### 2.1.2. Luxury Fashion

Defining luxury within the context of fashion is a quite demanding chore. Due to their constant connections and parallel evolution throughout history, there is no clear and agreed-upon way to distinguish between the two notions (Wachenfeldt, 2018). Nonetheless, there are studies seeking to define luxury, fashion and luxury fashion. Concerning luxury, it was previously defined.

In regards to fashion, it is the social norm that, at one point in time, a particular social class acknowledged and supported. It has an effect on all society fields, particularly and more prominently in clothing (Ma et al., 2012). Fashion can be divided into more than two categories, including mass-market, ready-to-wear, high-end and luxury fashion (Wachenfeldt, 2018). Yet, when we consider fashion, we tend to just choose between two paths, one that is associated with luxury and one that is not. Following the first approach, we regard fashion as a creative industry profoundly connected to excess, opulence, and social status, with products contemplated as works of art lacking discernible purpose. In this context, fashion is considered a category of luxury and typically linked to the way of life of the wealthiest society members. The items must meet extremely high-quality standards and it is expected that each piece is carefully and authentically designed (Serdari, 2020). On the contrary, we can see fashion as an industry completely unrelated to luxury. From that perspective, fashion is universal and sought for its usefulness in satisfying our primary clothing demands. And in this case, we are thinking about mass-produced goods and continuously renewed collections, following the latest trends (Serdari, 2020).

Luxury Fashion is a subset of the fashion industry that is associated with high quality fabrics and materials; products that result from exquisite craftsmanship and meticulous attention to detail; and skilled fashion designers connected to the strong cultural history of the brand (Wachenfeldt, 2018). A luxury fashion firm needs to be visionary, trendy and modern in order to be successful (Miller & Mills, 2012). Fionda-Douglas and Moore (2009) developed the notion of luxury fashion brands by outlining key elements that support these firms' positioning. The first thing a luxury fashion label must do is invest in marketing and communication strategies, incorporating fashion shows, advertising, celebrity endorsement, public relations, sponsorship, and even direct marketing; in order to build brand awareness. Next, product integrity is crucial and the products must be innovative, functional and of high quality and craftsmanship. Moreover, iconic products, a distinctive creative direction, a brand uniform or a recognizable style should all be characteristics of luxury fashion labels' signature design. Then, in keeping with the luxury brands' concept, they need to have a premium price and be exclusive, which can be achieved, for example, through limited editions. Just as important, in order to preserve their authenticity, it is vital for luxury fashion companies to consider heritage and brand history. For these businesses, the in-store experience, including the unique environment and superior service, is substantially relevant. Finally, the last two key components are the culture, the internal and external commitment to the label, based on the right message, and a strong and clear comprehension of the brand identity and DNA (Fionda-Douglas & Moore, 2009).

The global luxury market grew by 13% in 2021 to 1.14€ trillion, with Asia as the top region of sales. Among the different sectors, clothing and footwear companies dominate the market of luxury with the highest number of companies (D'Arpizio et al., 2021; Deloitte, 2021). In today's world, luxury fashion brands are extremely powerful. According to a Deloitte report, the LVMH group (merger between Moët Hennessy and Louis Vuitton), who owns several luxury fashion labels, such as Christian Dior, Fendi, Celine, Givenchy and others, is the number one in luxury goods sales ranking, followed by the Kering Group, who possesses brands like Gucci, Bottega Veneta, Saint Laurent, Balenciaga and more (Deloitte, 2021).

## 2.2. Social Media

In the past, brands used direct marketing to cultivate customer loyalty as consumers were viewed as passive receivers. However, as social media networks emerged, consumers started to

interact more with brands and began to play a more active role in the consumer-brand relationship. As a result, social media became a powerful tool used by marketers everywhere, and today it is nearly mandatory. Nowadays, a brand not being present on social media is almost the same as if that brand died or did not exist. (Phan et al., 2011).

The term social media, which is based on the ideological and technical fundamentals of the Web 2.0 concept, has taken on multiple connotations and continues subject to interpretation, given the online environment's dynamic nature. Broadly speaking, it refers to online platforms (websites and applications) designed to facilitate interaction among users, including the creation, distribution and exchange of information, content and ideas (Kaplan & Haenlein, 2010; Aichner et al., 2021). According to Ellison and Boyd (2013), a social network site is "a networked communication platform in which participants (a) have uniquely identifiable profiles that consist of user-supplied content, content provided by other users, and/or system-level data; (b) can publicly articulate connections that can be viewed and traversed by others; and (c) can consume, produce, and/or interact with streams of user-generated content provided by their connections on the site."

In January 2022, there were 4.62 billion social media users globally and the average daily time spent on social media, worldwide, was two hours and twenty-seven minutes. The top 6 most used social networks are Facebook (the most popular with 2.91 billion users), Youtube, WhatsApp, Instagram, WeChat and TikTok. WhatsApp is in the lead when it comes to the favourite social media platform, followed by Instagram. TikTok was the most-downloaded mobile app in 2021 (DataReportal, 2022).

Thanks to the popularity of social media platforms, the marketing environment has undergone a significant transformation. Previous research revealed social media's capability of helping brands achieve their goals, such as boosting sales, growing brand awareness, improving brand image, driving visitors to the brand websites and encouraging communication and interactivity, with minimal financial investment (Creevey, et al., 2022). Social media functions as a "meeting point" where businesses may build online brand communities and two-way communications with customers in a fast and dynamic way (Jahn et al., 2013). The quick-moving and constantly shifting social media dynamic offers both advantages and disadvantages, since brands can almost immediately be aware of consumers' enthusiasm or dissatisfaction. This asks for special attention and ongoing adaptation and improvement of the social media communication, always bearing in mind that different social media networks serve different purposes and the same content should not be used across all platforms (Buzeta et al.,

2020).

### 2.2.1. Social Media and Luxury Fashion Brands

Social media is inclusive and accessible, whereas luxury brands are exclusive and restricted, therefore combining the two concepts is paradoxical. It implies a decision between exclusivity and inclusivity and these two poles are contradictory, since social media targets the general masses and luxury focuses on selected niche consumer groups. This is why initially luxury fashion brands were quite reluctant to embrace digital channels and are still cautiously integrating themselves into the online world. These companies doubted the value of the mass internet customer relationships for luxury, because they feared the accessibility brought by social media would undermine the meaning of exclusivity within a luxury fashion brand, compromising luxury core values of uniqueness and quality. Nevertheless, as the internet and social media became indispensable in people's lives these firms started to look at it as an inevitable evolution, thus the usage of social media by luxury fashion brands has been expanding globally. (Phan et al., 2011; Chandon et al., 2015; Quach & Thaichon, 2017).

Luxury brands need to understand what social media can do for them and how to use these platforms in their favour. Controlling how social media is utilized and what content is posted is one of the best methods to safeguard a brand's equity and DNA, much like these premium brands do when selecting the highest-quality items to produce, ensuring consistency. (Phan et al., 2011). However, social media presents both threats and opportunities for businesses and brands should be aware of them. The drawbacks of luxury fashion brands having social media are: the complexity and variety of digital channels to choose from; the potential to overlook brand developments in the social network, especially value creation; the challenge of maintaining the social profile updated and relevant, since inadequate social media management can damage the brand's image; and the fact that, despite offering opportunities for brand–consumer interaction, social media platforms are not a replacement for the in-store experience (Riley & Lacroix, 2003).

But social media can also have positive outcomes: enhance online word-of-mouth and awareness, which positively influences consumer's luxury purchase intentions (Godey et al., 2016; Park et al., 2021); it can be an efficient instrument in the consumer journey towards luxury firms (Phan et al., 2011); intending to promote sales and long-term success, brands may gain visibility and build relationships with consumers (Kim & Ko, 2010); manage omni-channel relations by optimizing synergies between digital and offline and saving on the rising

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rental costs of physical stores; and reach younger consumers who are the predominant demographic using social media (DataReportal, 2022) and a crucial market for luxury fashion businesses, since although they currently do not have the means to purchase luxury items, they are potential future clients (Creevey, et al., 2022).

Kim and Ko (2012) defined the five dimensions of social media marketing efforts for luxury brands as follows: entertainment, interaction, trendiness, customization, and word-of-mouth (WOM). Godey et al. (2016)'s research stated that all five elements help in creating brand equity and should be considered collectively when planning social media strategies. However, for consumers, entertainment, interaction, and trendiness, are the three most relevant components. In light of this, entertaining, interactive, and current content should receive special attention in luxury fashion brands' social media marketing activities.

Luxury brands' impulse to use social media arose in 2009 as Gucci launched a social network site to promote new sunglasses targeting the digital consumers generation (Kim & Ko, 2010). Moreover, Louis Vuitton, while using Facebook to share its catwalk presentations, was one of the first companies with a successful online strategy (Hennigs et al., 2012). Another example is how Burberry's social media plan, which included producing a catwalk show with both real live models and holograms, becoming the first luxury brand to broadcast a live and 3D fashion show simultaneously to five cities in 2010, aided the brand to reposition itself and gain a more fashionable and aspirational image amongst younger consumers. (Phan et al., 2011).

## 2.3. Influencer Marketing

A particularity of the luxury fashion industry is that, while having to play by the rules of the Internet viral and accessible content, it also must maintain the idea of exclusivity, quality, and sophistication in the minds of its customers (Bastien & Kapferer, 2012). For this reason, luxury fashion brands have started using influencers as a way to mediate their conversations with consumers online (Molpeceres, 2021). An example of a successful relationship and collaboration between a luxury fashion brand and an influencer is the case of the Italian Chiara Ferragni and Dior, which originated from the arrival of Italian designer Maria Grazia Chiuri to the fashion house in July 2016. They leveraged the increasingly popular storytelling strategies, which allow influencers to convey authenticity and brands to transmit their essence and values, reaching followers in an emotional way. Dior did this by accompanying Chiara in the most

important moments of her life, such as her wedding. The organic and intimate way in which this partnership was presented boosted followers' engagement as the perception of the posts as an advertising or official information was reduced by the emotional marketing approach (Molpeceres, 2021).

Influencer marketing, a "communication strategy in which a firm selects and incentivizes online influencers to engage their followers on social media in an attempt to promote the firm's offering", via product placements and endorsements, has emerged as one of the most popular and effective forms of digital and social media marketing (Leung et al., 2022). It is hardly surprising that marketers are harnessing the power of social media's most famous faces for promotion, given the millions of internet users who browse social media platforms daily for entertainment, inspiration, and product recommendations. Moreover, as per Hermanda et al. (2019), influencers on social media have a meaningful positive effect on purchase intention and brand image. With the realization that internet celebrities can increase brand visibility, foster customer engagement, and influence purchasing decisions for millions of consumers, influencer marketing investment is expected to grow even faster in the future. Indeed, a Leung et al., (2022) study revealed that a 1% increase in the influencer marketing budget can result in a 457% growth in customer engagement (Berger & Milkman, 2012).

Influencer marketing can appear in the form of blog posts, videos or images on the influencer's social media accounts and/or in the form of content with the influencer's name or picture for the company's marketing campaign (Biaudet, 2017). The partnerships between brands and influencers in the fashion industry can be presented in different ways: paid content partnerships (product placement on paid posts and/or stories); press kit offers (the brand sends gifts to be shared and reviewed if the influencer wants to, without paying for the mention); promo codes (the brand gives the influencer a discount code to be shared with the followers); giveaways (the influencer offers a collection of brand items or services to a randomly chosen follower, according to specific criteria, such as following the brand and the influencer's accounts, mentioning friends in the comments or sharing the post); collaborations (the brand and influencer work together to create collections and/or blog posts); and events promotion (invite the influencer to fashion shows or other brand events and ask them to share the event on their social media) (Biaudet, 2017; Bilro et al., 2023).

According to a recent survey, Instagram continues to be the most popular medium for influencer marketing globally, being used by almost 80% of the brands that engage in this kind of marketing (Geyser, 2022). For the first time, in 2020, the worldwide Instagram influencer

market size exceeded 2 billion dollars. Besides the photo-sharing app, video-based ones, such as TikTok, are gaining popularity. The number of influencers on TikTok skyrocketed in 2020, from 35.5 thousand to over 106 thousand (Statista, 2022c).

### 2.3.1. What is an Influencer

The fashion industry has embraced social media influencers as well-connected popular users who present a wide-reaching and cost-effective alternative to paid advertising (Britt et al., 2020). Influencers are the "opinion leaders of the new digital century" (Sesar et al., 2022). They fall under the opinion leadership concept since they influence and share information with the consumer, who considers them relevant information and advice sources (Goldsmith & Clark, 2008). They are a new category of impartial third-party endorsers (Freberg et al. 2010) who shape and influence audience attitudes and behaviours regarding a brand or a product, through posts shared on social media about specific areas, such as beauty, fashion, food, and travel (Godey et al., 2016; Gomes et al., 2022). Influencer marketing involves content producers who have a great number of followers, from bloggers and youtubers to public figures, and the effectiveness of each influencer type varies depending on the product being promoted and the target demographics (Paço & Oliveira, 2017; Bilro & Loureiro, 2023).

### 2.3.2. Differences between Macro and Micro Influencers

Several industry and academic definitions divide social media influencers into subcategories based on the number of followers or based on impact and presence in social media platforms (Britt et al., 2020). From smaller following to bigger following, there are the Nano-Influencers (from 1,000 to 10,000 followers), Micro-Influencers (between 10,000 and 100,000 followers), Mid-tier or Macro-Influencers (between 100,000 and 1 million followers), and Celebrity or Mega-Influencers (more than 1 million followers) (De Veirman et al, 2017; Santoral, 2022). Further, they can be separated into "celebrity influencers", who are publicly well known in traditional media due to their professional careers (actors, athletes, writers, politicians), and general "non-famous"/"non-celebrity" influencers, who were "regular people" that gained many followers and became "online celebrities" by sharing self-generated content (Lou & Yuan, 2019). To make it more straightforward, most studies join the influencer categories in two broader types – Micro and Macro. In this case, Micro-Influencers cover all individuals with small followings of between 5,000 and 100,000 followers, and Macro-

Influencers include all individuals with large followings of more than 100,000 followers. Macro-Influencers have massive reach and typically charge high amounts for a single post, whereas Micro-Influencers have limited reach but higher engagement rates and charge less for sponsored posts (Britt et al., 2020).

For a long time, most brands partnered with Macro-Influencers and their strategy was to choose the influencers with the higher number of followers. More recently, however, brands are leaving Mega-Influencers behind and turning to Micro-Influencers. Despite having less followers, these influencers are frequently considered more relatable, authentic and genuine (Britt et al., 2020), which facilitates a personal connection and creates empathy with followers (Hosie, 2019), as opposed to Macro-Influencers, who are increasingly vulnerable to consumer scepticism concerning their endorsement's sincerity (Coursaris et al., 2018). A recent Influencer DB study supports this decision by demonstrating that influencers with between 5,000 and 10,000 followers produced a noticeably higher engagement rate (6.3%) than those with more than 10,000 followers (3.6%) (Williams, 2019).

Nevertheless, many companies continue to base their collaborations with influencers on the quantity of their followers rather than their quality, which does not always produce the most effective outcomes. In fact, it was agreed upon in all of the interviews with digital influencers conducted by Gomes et al. (2022) that their number of followers does not necessarily indicate that they perform their job effectively. Rather the connection between the influencer and their audience, the consistency in what they communicate, transparency, and creativity were considered to be their most crucial qualities (Gomes et al., 2022).

However, finding relevant micro-influencers might be demanding and, as more individuals are growing their social media followers, choosing the right influencer becomes vital for brands (Gan et al., 2019). That is why 75% of businesses believe that identifying the influencer that is the most in line with the company's goals is their biggest challenge (Woods, 2016).

### 2.3.3. Micro-Influencers' Credibility

According to prior research, micro-influencers present certain characteristics that differentiate them, such as their credibility, content quality and originality (Gomes et al., 2022).

Source credibility is the key to generate and grow influencers' value on social media (Tsen & Cheng, 2021), as credible sources have a significant influence on consumers' beliefs, opinions, attitudes, and behaviours (Erdogan, 1999). Therefore, previous research demonstrated

that micro-influencers' credibility, which is dependent on their trustworthiness, expertise, similarity and attractiveness (Gomes et al., 2022), impacts followers' purchasing intentions and builds brand awareness (Lou & Yuan, 2019).

Regarding trustworthiness, it relates to the source and content's sincerity, truthfulness and honesty (Munnukka et al., 2016), or, to put it another way, the follower's degree of trust and perception of the likelihood that an influencer shares claims and ideas that he/she believes to be the most truthful. This is especially important to managers when brands advertise their products and offer influencers instructions regarding what they should say, given that trustworthiness is negatively affected if the public discovers that the endorser, by recommending the goods or services, receives compensation (Munnukka et al., 2016).

When it comes to expertise, it means a source's perceived ability and competence to make a claim while promoting products or services, such as the endorser's knowledge, skills and experience. Past research has exposed that consumer perception of an endorser's expertise is more relevant than their actual expertise (Erdogan, 1999). Certain micro-influencers are considered to know what they are talking about, due to having proper background knowledge and practice (McCracken, 1989; van der Waldt et al., 2009), hence rather than sounding forced or externally influenced, their message sounds effortless and sincere. Lim et al. (2017) revealed that a major variable determining purchase intention is influencer expertise. As such, customers are more inclined to consider the content shared by influencers who are thought of as experts in the field (Gomes et al., 2022).

Concerning similarity, it refers to similarities amongst individuals who share beliefs, values and other characteristics (Eyal & Rubin, 2003). People are more likely to sustain a regular interaction when they identify parallels, familiarity, and likeability between their opinions and those that media personalities convey (Lee & Watkins, 2016). This relatability is a credibility feature that represents intimacy, accessibility and imitability, meaning that when an influencer exposes personal experiences or feelings, followers might identify with them to some degree, which subsequently fosters a sympathetic bond. (Hassan et al., 2021). According to studies, the more similar and congruent consumers' values and influencers' content are, the more likely consumers are to follow recommendations from influencers, generating customer engagement and purchase intentions (Magno, 2017; Casaló et al., 2020).

In regards to attractiveness, it is connected with likeability and familiarity of the source (McGuire, 1985). Earlier evidence establishes that, depending on the context, the impact of attractive influencers on the communication credibility may vary (Bower and Landreth, 2001).

It has been observed that an endorser's attractiveness only has a positive influence on advertising credibility when the product is related to physical appearance (Till & Busler, 2000; Munnukka et al., 2016). Therefore, particularly beauty and fashion influencers tend to be people who their followers find attractive (Kamins et al., 2013).

### 2.3.4. Micro-Influencers' Content Quality

When the content of a social media marketing message is accurate, authentic, and believable, it is considered credible and of high quality (Appelman & Sundar, 2016). According to Esteban-Santos et al. (2018), consumers' assessment of the credibility of influencers depends on the dimensions of source credibility, but also message credibility. From this perspective, the relevance of content quality is highlighted. Findings showed that when high-quality content is perceived, it is likely to foster strong customer engagement and boost purchase intention for the recommended products (Magno, 2017). Furthermore, the quality, originality, and uniqueness of the posts were found by Casaló et al. (2020) to be crucial elements in the development of opinion leadership. Additionally, Djafarova and Rushworth (2017) established the images' composition, quality and attractiveness as critical factors in a user's decision to follow an influencer (Gomes et al., 2022).

### 2.3.5. Micro-Influencers' Originality

On their social media profiles, influencers share content produced by themselves or created by others (Leung et al., 2022). The propensity to publish one form of material over another is a reflection of influencer originality, which is the extent to which influencers create unique content for social media and, as a result, stand out in the minds of followers (Casaló, et al., 2020). Influencer originality is a defining characteristic of authenticity and a crucial quality of today's successful micro-influencers. Original influencers develop material using personalized methods with their own words and style, achieving differentiation in a crowded influencers market. Consumers enjoy discussing and reading about topics that surprise or interest them, thus influencers who provide more original content should garner more attention than those who are less original. Moreover, followers prefer to interact with influencers who offer original ideas, since these are more likely to be regarded as knowledgeable, credible, and trustworthy sources (Leung et al., 2022; Loureiro et al., 2023).

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## 2.4. Customer Engagement

Vivek et al. (2012) describe customer engagement as the degree of intensity to which an individual participates in and connects with an organization's products, services and/or activities. The study's customer engagement conceptual model establishes "value, trust, affective commitment, word-of-mouth, loyalty, and brand community involvement" as potential consequences of the antecedents of customer engagement, which are "participation and involvement of current or potential customers" (Vivek et al., 2012).

Customer engagement behaviours are manifestations toward a brand that go beyond purchasing and are driven from motivational factors (van Doorn et al., 2010), which can be materialized in direct and/or indirect contributions, through which customers bring value to the firm. Customer purchases constitute direct contributions, whereas indirect contributions include incentivized customer referrals and recommendations, customer feedback, conversations customers have about the brand on social media, word-of-mouth activity, blog posts, written reviews, and even engaging in legal action (Pansari & Kumar, 2017). Excepting purchases, these behavioural manifestations may be categorised as either positive or negative. Actions that have favourable short- and long-term (financial or non-financial) implications for the business are considered positive customer engagement, such as writing a supportive blog post about the company. On the other hand, negative customer engagement refers to behaviours that will likely damage the business and generate unfavourable outcomes, such as organising public protests against a brand (van Doorn et al., 2010; Loureiro et al., 2020).

Hollebeek et al. (2014) propose three customer engagement dimensions, which are consistent with the general cognitive, emotional and behavioural nature of customer engagement:

1. Cognitive Processing is "a consumer's level of brand-related thought processing and elaboration in a particular consumer/brand interaction" (cognitive dimension);

2. Affection is "a consumer's degree of positive brand-related affect in a particular consumer/brand interaction" (emotional dimension);

3. Activation is "a consumer's level of energy, effort and time spent on a brand in a particular consumer/brand interaction" (behavioural dimension) (Hollebeek et al., 2014).

Customer engagement on social media specifically can be operationalized as a group of

measurable consumer actions, such as liking, commenting, or sharing, in response to online content (Leung et al., 2022). These forms of interaction and engagement generate a domino effect by encouraging other people to also engage, thus improving business performance (Pansari & Kumar, 2017). Among the customer engagement behaviours, the number of reposts is the most significant metric, since it implies users to voluntarily publicise the content on their own networks, which shows a deeper form of customer engagement than simply clicking on a like button (Malhotra et al., 2013).

The growing levels of customer engagement are predicted to aid organizations in achieving better performance results in terms of sales growth, cost savings, brand referrals, improved collaborative consumer contributions on product development, stronger co-creative experiences, and higher profitability (Hollebeek et al., 2014; Marques et al., 2022).

## 2.5.   Purchase Intention

Purchase intention designates the likelihood that consumers have a deliberate plan to purchase a particular product or service from a certain brand in the future. In other words, purchase intention, including the consumer's attitude and preference toward a specific buying behaviour and the consumer's degree of willingness to pay, is the source of the demonstrated purchasing behaviour. Consumers are more likely to actually make a purchase when they have a positive purchase intention, which forms a positive brand commitment (Ceyhan, 2019).

According to Ceyhan (2019), the purchase trend is positively affected by social media perception, that is to say, as customers' positive perceptions of a company on social media grow, so does their propensity to buy that brand's products. Furthermore, social media's encouraged trust has a relevant impact on purchase intention, meaning that the possibility of buying a product will be higher when potential consumers trust in the seller and the social network (Hajli, 2014; Bilro & Dias, 2022).

In addition, social media influencers are known to impact purchase intention through the variables of trustworthiness, expertise, similarity, attractiveness, content quality, and originality. Each of these dimensions influence purchase intention, yet just one of them by itself is not sufficient condition. The influencer must be able to combine and incorporate all the components for an effective purchase intention increase (Gomes et al., 2022).

## 2.6.  Brand Equity

Customers' perceptions and attitudes about a brand can be influenced by the brand itself in various ways, including brand awareness, image perceptions and brand preference (Godey et al., 2016). The brand concept experienced substantial changes as an outcome of the development of the brand equity concept. The dominant model for brand equity was the one proposed by Keller (1993), which offers a connection between two dimensions – brand awareness and brand image.

The aforementioned author established the term "customer-based brand equity", defining it as "the differential effect of brand knowledge on consumer response to the marketing of the brand" (Keller, 1993). According to the model, when customers respond more (less) favourably to a component of the brand's marketing mix than they do to the same component when it is associated with a fictitiously named or unnamed version of the product or service, the brand is considered to have positive (negative) customer-based brand equity. Thus, if a consumer is familiar with a brand and has favourable, strong, and unique brand associations in their minds, customer-based brand equity may occur (Keller, 1993).

Brand awareness relates to the brand trace's strength in memory, as reflected by consumers' capability to identify the brand across diverse situations. Brand name awareness, in particular, refers to how likely and how easily it is for a brand name to spring to mind (Keller, 1993).

Brand awareness comprises brand recognition and brand recall. Recognition is referred to as the capability to confirm previous exposure to the brand. That is, for a brand to be recognised, consumers must accurately identify it as something they have previously seen or heard. Recall relates to the ability to evoke the brand from the product category, the needs fulfilled by the category, or some other clue. Meaning that for a brand to be recalled, consumers must precisely remember it from memory (Keller, 1993).

Brand image is the perception regarding a brand which the collection of brand associations in the consumer's memory reflects. Brand associations are "information nodes" which are connected to the "brand node" in memory and convey the brand meaning for consumers. Brand associations occur in a variety of forms and fall into one of three categories: attributes, benefits and attitudes (Keller, 1993).

Attributes, which may be product-related or non-product-related, are a product or service's descriptive features and characteristics, that is what a consumer believes the product or service to be, have, or entail in its purchase or consumption. Benefits are the value attached by

consumers to the product or service attributes, meaning what consumers believe the product or service can achieve for them. Depending on the underlying motivations, benefits can be functional, experiential or symbolic. Brand attitudes are a function of the attributes and benefits associated to the brand. These attitudes are described as customers' general assessments of a brand and frequently act as the foundation for consumer behaviour (Keller, 1993).

# 3.   Methodology

The purpose of this thesis is to determine whether or not it is profitable for luxury fashion brands to establish and sustain partnerships with micro-influencers, as well as assess the impact of such influencers on consumers' purchase intention and brand equity. In order to gain a better understanding of the various research topics, a literature review was built using secondary data regarding influencer marketing and luxury fashion brands. This data was collected from a range of external sources, such as academic articles, marketing and business journals, magazines, books, reports, blogs and websites relevant to the research goal.

For the primary data collection, this study used a descriptive research design, based on the prior formulation of specific research questions and hypotheses. Hypotheses, established from the literature review, were further developed and tested via an online survey with predefined scales. Thus, this part of the study consists of empirical research, where the final conclusions will be theorized from the available data using SPSS analysis.

## 3.1.   Research Conceptual Model

For the empirical section of the research, a conceptual model was developed (Figure 3.1). This conceptual model is crucial to synthesize the research problem's essence and systematize the variables that affect the impact of micro-influencers on luxury fashion brands. Conceptual models previously created by other studies on luxury fashion and influencer marketing served as inspiration and were adjusted to fit the context of the study, forming a new conceptual model.

In the proposed model, Credibility, Content Quality and Originality were the independent variables considered to represent micro-influencer's characteristics. Additionally, Credibility is assumed to be composed by four dimensions: Trustworthiness, Expertise, Similarity and Attractiveness. The mediating variable is Customer Engagement, which is interpreted as a multidimensional construct comprising three principal dimensions: Cognitive Processing, Affection and Activation. The dependent variables chosen to assess the benefits of micro-influencers for luxury fashion brands were Purchase Intention and Brand Equity, the latter including two dimensions: Brand Awareness and Brand Image.
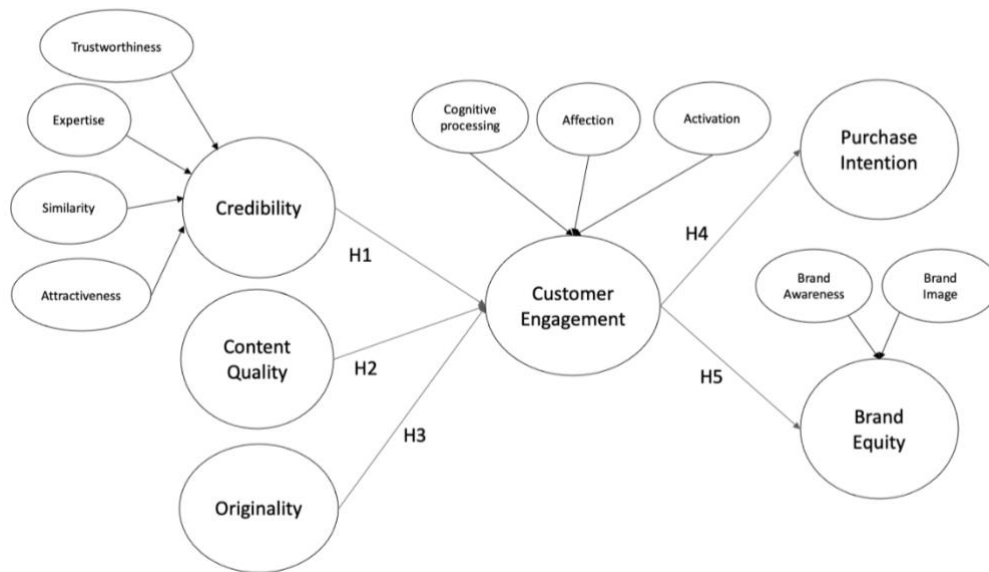
*Figure 3.1 Research Conceptual Model*
Source: own elaboration

The following hypotheses can now be established based on prior literature and the conceptual model. Previous studies have shown that micro-influencers' credibility, which is based on their trustworthiness, expertise, similarity, and attractiveness (Gomes et al., 2022), influences purchase intentions and increases brand equity, because the more credible the source, the more engaged the followers become (Lou & Yuan, 2019). Therefore, for this study, the first hypothesis is:

**H1: Credibility positively influences Customer Engagement.**

According to research, the perception of high-quality content is likely to generate strong customer engagement and increase purchase intention for the recommended products (Esteban-Santos et al., 2018). So, the following hypothesis can be identified:

**H2: Content Quality positively influences Customer Engagement.**

As indicated in the literature review, consumers prefer differentiated and innovative content that surprises or interests them, thus influencers who provide more original content attract more attention and customer engagement (Leung et al., 2022). Based on this, we posit that:

**H3: Originality positively influences Customer Engagement.**

As it was previously established, consumers have greater intentions to purchase a product when they are committed and engaged with the brand (Ceyhan, 2019). Thus, the growing levels of customer engagement, which are stimulated by the influencer's credibility, content quality and originality, are predicted to lead to improved performance results (Hollebeek et al., 2014). The hypothesis driven from this is:

**H4: Customer Engagement positively influences Purchase Intention.**

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As aforementioned, when followers are involved and engaging with micro-influencers, they create strong and favourable brand associations in their minds, increasing their awareness and image regarding both the influencer and the brand he/she advertises, which means brand equity may occur (Keller, 1993). Thus, the following hypothesis will be taken into consideration:

**H5: Customer Engagement positively influences Brand Equity.**

### 3.2. Scale Analysis

In order to measure the constructs, the variables utilised in this study were based on and adapted from those found in previously published articles. Hence, to create the questionnaire, a variety of validated scales were taken into account. Some alterations had to be done for the variables to be adjusted and remain valid to fit the research context.

The measurement of Credibility is evaluated by the proposed scales on the studies of Gomes et al. (2022), Munnukka et al. (2016) and Sesar et al. (2022), which conceptualize the construct by dividing it into Trustworthiness (6 items), Expertise (6 items), Similarity (6 items) and Attractiveness (4 items). The scale for Content Quality has 4 items and was established by Gomes et al. (2022). Originality was built from a Lee and Eastin (2021) scale of 3 items. The Customer Engagement concept was measured with ten statements related with the dimensions previously developed by Hollebeek et al. (2014) of Cognitive Processing (3 items), Affection (4 items) and Activation (3 items). The Purchase Intention scale was based on Gomes et al. (2022) 4-items scale. The scale of Brand Equity was founded on a Godey et al. (2016) study, where the construct is divided into two dimensions - Brand Awareness (3 items) and Brand Image (4 items). These items were all measured based on a 7-Point Likert Scale. Appendix A contains a summary table listing all the scales and sources used.

### 3.3. Primary Data Collection and Questionnaire Design

It is important to gather more data to draw conclusions in order to develop the empirical study and accurately test the conceptual model. Here is where the primary data comes in and the quantitative approach (questionnaire) was the selected method to collect this data. The best way to describe, interpret, contextualise, and obtain in-depth insight into specific concepts is to use this kind of methodology, which is a solid approach to answer this thesis' research questions.

Moreover, the fact that the survey was online has various benefits, including fast data collection, low costs, availability of a larger sample, higher quality responses, elimination of interviewer bias, and being a comfortable way for participants to respond (Malhotra et al., 2016).

The anonymous online survey built in the Qualtrics platform was conducted to gather and analyze the necessary data. The aim was to conduct a survey with at least 300 respondents who preferably purchase luxury fashion brands and follow micro-influencers on social media. It consisted of a total of 24 questions and took about 10 minutes to complete, wherein respondents had to answer to 12 questions with a 7-Point Likert scale, 8 close-ended questions and 4 demographic questions. By using a standardised questionnaire with pre-defined scales and fixed-response alternative questions in the form of Likert scales, which require respondents to choose from a set of limited responses to the alternatives stated, the variability in the results is reduced and it becomes easier to code, analyse, and interpret the data (Malhotra et al., 2016).

Concerning the survey structure, the questionnaire was separated in five blocks. In the first one, respondents were introduced to the questionnaire and given assurances regarding the privacy of their data. Here the purpose of the research was explained and some important concepts for proper completion of the survey were defined. The second block was composed of short questions to assess the respondents' knowledge about and habits with social media, micro-influencers and luxury fashion brands. The 7-Point Likert scale questions were inserted in the third and fourth blocks. The third one contained 6 questions regarding the variables of credibility (trustworthiness, expertise, similarity and attractiveness), content quality and originality. The fourth one also contained 6 questions but concerning the variables of customer engagement (cognitive processing, affection and activation), purchase intention and brand equity (brand awareness and brand image). The last block of the questionnaire comprised demographic data requests: age, gender, nationality and education level. The full survey can be seen in Appendix B.

A pre-test with 13 respondents was carried out before the final version of the survey was made available online to receive feedback on its structure, understandability, feasibility, and the items being analysed. This test exposed some minor issues, consequently alterations were made and the final version was launched. The questionnaire was shared and distributed online via personal social media platforms (Facebook, Instagram, and LinkedIn), in addition to being sent to friends and family via private message, who then forwarded it to their contacts. Moreover, the online research platform SurveyCircle was used for the recruitment of survey respondents through the participation on other surveys (Survey Circle, 2023). We resort to

Amazon Mechanical Turk to collect the data and respondents were paid (0,10€) for their participation. The questionnaire was accessible to the public from 28th January 2023 to 03rd March 2023 and a total of 322 valid responses were obtained.

## 3.4. Data Treatment

For the first stage of the data treatment, sample data from the questionnaire was exported from the Qualtrics website into an Excel file. Afterward, the information was loaded into the IBM SPSS Statistics Version 28 software. Through the use of this software, additionally to simple descriptive statistics, exploratory, single and multiple regression analyses and models were developed.

The appropriate measure level for each variable under consideration was previously selected in order to conduct an accurate analysis of the data. Gender, Nationality, Education Level and the questions regarding social media, micro-influencers and luxury fashion brands knowledge (Q1, Q2, Q3, Q4, Q5, Q6, Q7, Q8) were treated as nominal variables. Age was inserted as an ordinal variable, since it was divided into different ranges. A scale variable was indicated for the remaining items, which employed a 7-Point Likert Scale.

## 3.5. Sample Design and Respondent Profile

The target of the questionnaire did not have restrictions regarding gender, age group or nationality. However, only the respondents who followed micro-influencers on social media and who owned luxury fashion products were able to complete the questionnaire and considered valid participants. Whenever a respondent answered that they do not follow micro-influencers and/or do not own luxury fashion products, the survey was programmed to not show the remaining questions and those answers were deleted. Non-random convenience and snowball sampling were used since the sample was chosen according to the researcher's accessibility. The minimum sample size was established as 300 participants and the final sample contained 322 respondents.

The analysis of the variable Gender results in a sample composed by a female majority, with 179 female respondents (56%) and 143 male participants (44%) (Figure 3.2).
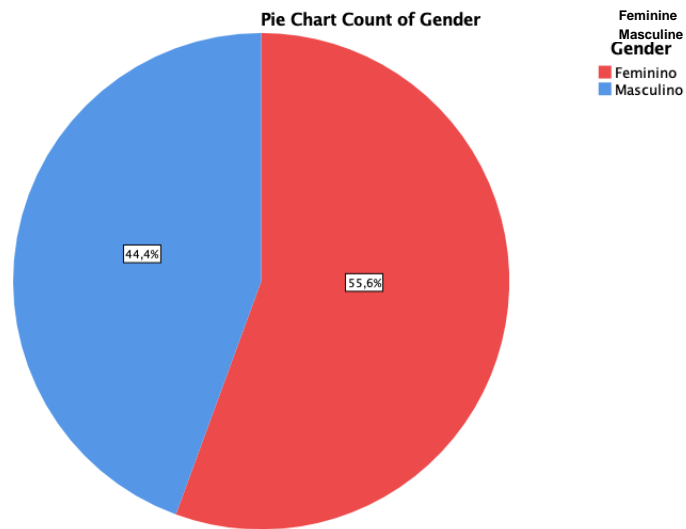


*Figure 3.2 Gender Distribution Chart*
Source: SPSS data

Six different age groups were created for the variable Age: 18 to 24 years old; 25 to 34 years old; 35 to 44 years old; 45 to 54 years old; 55 to 64 years old; and more than 65 years old. Analyzing this variable leads to a significant majority of 187 (58 %) respondents of the ages of 25 to 34 years old. The age sectors 18 - 24 and 35 - 44 are the second most relevant ones with, respectively, 53 (17%) and 54 (17%) respondents. Additionally, there are 19 respondents (6%) in the 45 to 54 years old group, 7 respondents (2%) in the 55 to 64 years old group, and 2 respondents (0,6%) are more than 65 years old (Figure 3.3).



*Figure 3.3 Age Groups Distribution Chart*
Source: SPSS data

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For the analysis of the level of education, seven different options were established: primary school, elementary education, basic education, secondary education, bachelor's degree, master's degree, and doctorate. 226 (70%) respondents have a Bachelor's degree and 69 (21%) participants are Master graduates, resulting in a very well-educated sample. Only 7% (21 respondents) have only secondary education or less and 2% (5 respondents) have a doctorate degree (Figure 3.4).



**Pie Chart Count of EducationLevel**
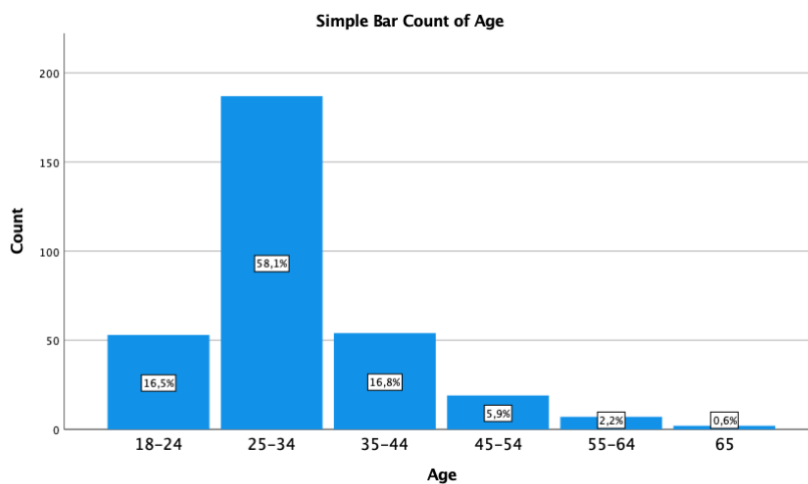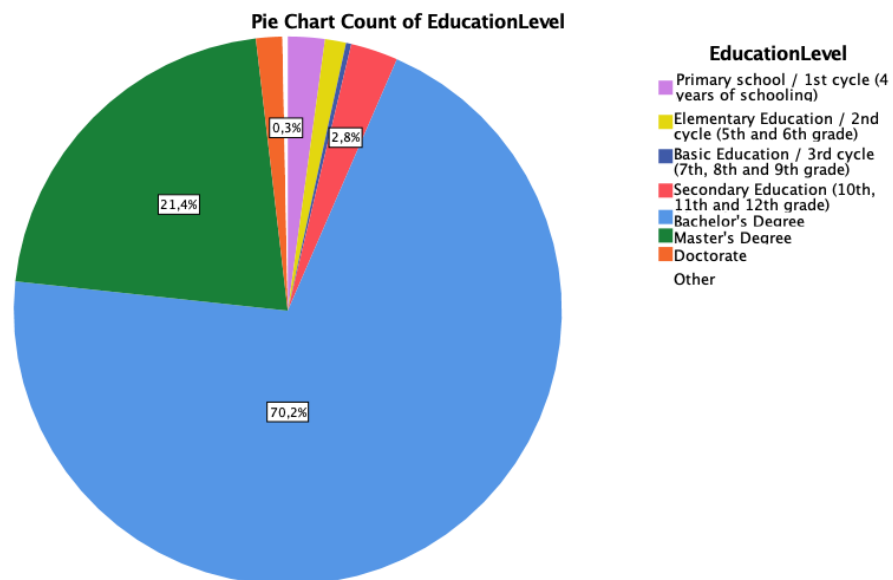
**EducationLevel**
- Primary school / 1st cycle (4 years of schooling)
- Elementary Education / 2nd cycle (5th and 6th grade)
- Basic Education / 3rd cycle (7th, 8th and 9th grade)
- Secondary Education (10th, 11th and 12th grade)
- Bachelor's Degree
- Master's Degree
- Doctorate
- Other

*Figure 3.4 Education Level Distribution Chart*
Source: SPSS data

Regarding the participants social media usage, the most used sites are Instagram (90%) and Facebook (74%). The third most used social media network is Youtube (50%), followed by Twitter (44%) and TikTok (42%). Some of the micro-influencers named by the respondents were Alex Callahan, Nana Agyemang, Christian Caro, Miriam Melenchon, Mariana Gomes, Carolina Menezes, Mariana Galhardas, and Inês Gonçalves.

Concerning the luxury fashion products purchase frequency of the participants, most purchase this type of product once a month (35%). 30% of the respondents purchase luxury weekly, with 21% being once a week and 9% more than once a week. Moreover, 15% buy luxury fashion once every three months, 6% once every six months, 11% once a year, and only 3% consume luxury fashion twice or more times a year (Figure 3.5). The majority of the individuals stated that they have been influenced by someone on social media to purchase or to want to purchase luxury fashion products (90%) (Figure 3.6). When it comes to naming luxury fashion brands, the more repeated names were Gucci, Dior, Chanel, Michael Kors, Louis Vuitton, Hermès, Prada, Calvin Klein and Burberry.
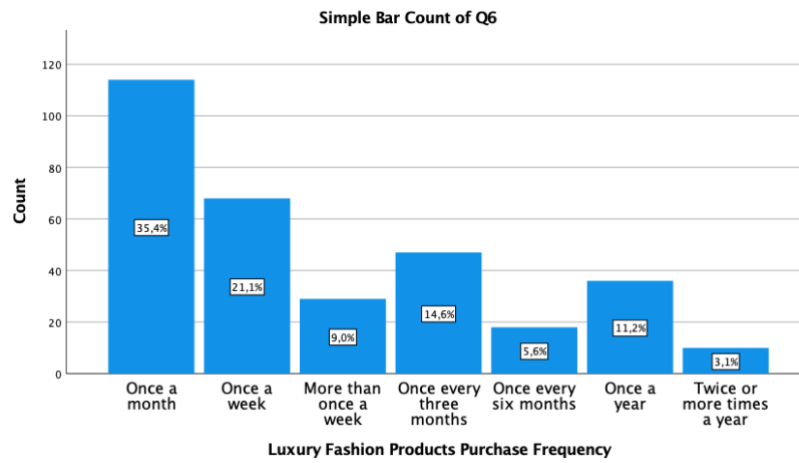
***Figure 3.5 Luxury Fashion Products Purchase Frequency Chart***
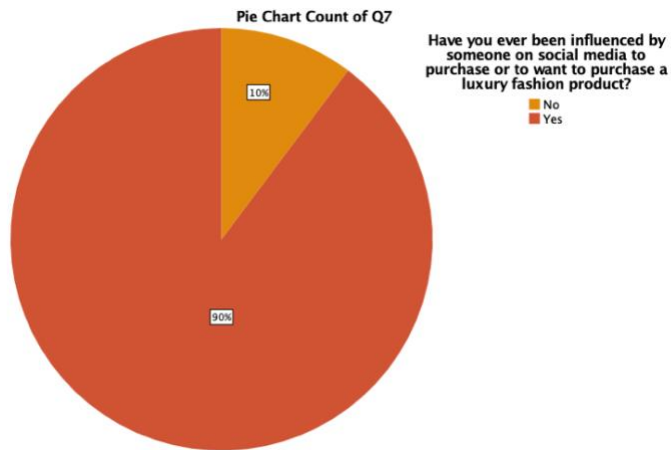
Source: SPSS data



***Figure 3.6 Percentage of people who have been influenced to purchase luxury fashion products by someone on social media***

Source: SPSS data

# 4. Results and Discussion

## 4.1. Descriptive Statistics

The results of the Descriptive Analysis calculated through SPSS Statistics 28 are explored in the section that follows.

The Mean, the Standard Deviation and the Maximum and Minimum values were computed for each item and for the subscales represented as Constructs that were previously mentioned and computed accordingly. The list of the complete analysis can be found on Appendix C.

**Credibility (C)**

Credibility was measured in 22 different items, which correspond to the four dimensions assumed before: Trustworthiness, Expertise, Similarity, and Attractiveness. The values for the Minimum, the Maximum, the Mean and the Standard Deviation are presented in the Table 4.1.

The values for the four variables that are exhibited in the table below were created by computing the mean of the items referring to each of variable. The construct TRU representing Trustworthiness was obtained from the items TRU1, TRU2, TRU3, TRU4, TRU5 and TRU6; the construct EXP representing Expertise was obtained from the items EXP1, EXP2, EXP3, EXP4, EXP5 and EXP6; the construct SIM representing Similarity was obtained from the items SIM1, SIM2, SIM3, SIM4, SIM5 and SIM6; and the construct ATT representing Attractiveness was obtained from the items ATT1, ATT2, ATT3, and ATT4.

Trustworthiness is the variable with the highest mean ($\bar{x} = 5,67$), with a Standard Deviation of 5,647. Additionally, observing TRU, the item with higher mean value, 5,75, was TRU6 - *I think this micro-influencer cares about his/her followers*. Due to both means being higher than 4 (the medium value of the Likert Scale from 1 to 7), it can be established that the respondents have a tendency to consider micro-influencers trustworthy, mostly because they believe the micro-influencer cares about the followers.

On the other side, getting a better look into the items, it can also be affirmed that the lowest mean value is the one for SIM3 ($\bar{x} = 5,41$) – *This micro-influencer has a lot in common with me*. Actually, Similarity has the lowest mean overall, which is equal to 5,51, however this value is still higher than the middle value in the Likert Scale. Hence, it can be concluded that respondents tend to slightly agree that they share similarities with the micro-influencers, however they do not agree as strongly that the micro-influencers have a lot in common with them.

Globally, the mean for Credibility is equal to 5,59 with a Standard Deviation of 19,352 – which implies that the respondents are more leaning to agree that micro-influencers are

credible, trustworthy, expert, similar and attractive sources.

*Table 4.1 Descriptive Statistics for Credibility*

Source: own elaboration; data obtained using SPSS

| | | Min | Max | Mean | Std. Deviation |
|---|---|---|---|---|---|
| TRU1 | I think I can trust this micro-influencer's social media posts. | 1 | 7 | 5,56 | |
| TRU2 | I think this micro-influencer is honest. | 1 | 7 | 5,72 | |
| TRU3 | I think this micro-influencer is trustworthy. | 1 | 7 | 5,66 | |
| TRU4 | I think this micro-influencer is truthful. | 1 | 7 | 5,69 | |
| TRU5 | I think this micro-influencer is earnest. | 1 | 7 | 5,66 | |
| TRU6 | I think this micro-influencer cares about his/her followers. | 1 | 7 | 5,75 | |
| | TRUSTWORTHINESS | 1,00 | 7,00 | 5,67 | 5,647 |
| EXP1 | I consider this micro-influencer expert in his/her domain. | 1 | 7 | 5,43 | |
| EXP2 | I consider this micro-influencer knows a lot about the products promoted. | 1 | 7 | 5,57 | |
| EXP3 | I consider this micro-influencer to be experienced. | 1 | 7 | 5,63 | |
| EXP4 | I consider this micro-influencer to be efficient in his/her job. | 1 | 7 | 5,68 | |
| EXP5 | I consider this micro-influencer competent to make claims about products or services. | 1 | 7 | 5,57 | |
| EXP6 | I consider this micro-influencer sufficiently experienced to make assertions about products or services. | 1 | 7 | 5,66 | |
| | EXPERTISE | 1,00 | 7,00 | 5,59 | 5,807 |

| | | | | | |
|---|---|---|---|---|---|
| SIM1 | I can easily identify with this micro-influencer. | 1 | 7 | 5,58 | |
| SIM2 | This micro-influencer and I are a lot alike. | 1 | 7 | 5,42 | |
| SIM3 | This micro-influencer has a lot in common with me. | 1 | 7 | 5,41 | |
| SIM4 | This micro-influencer shares my values. | 1 | 7 | 5,64 | |
| SIM5 | This micro-influencer behaves like me. | 1 | 7 | 5,43 | |
| SIM6 | This micro-influencer has thoughts and ideas similar to mine. | 1 | 7 | 5,59 | |
| | SIMILARITY | 1,00 | 7,00 | 5,51 | 5,890 |
| ATT1 | I find this micro-influencer very attractive. | 1 | 7 | 5,45 | |
| ATT2 | I find this micro-influencer very stylish | 1 | 7 | 5,76 | |
| ATT3 | I find this micro-influencer good looking. | 1 | 7 | 5,59 | |
| ATT4 | I find this micro-influencer sexy. | 1 | 7 | 5,49 | |
| | ATTRACTIVENESS | 1,00 | 7,00 | 5,57 | 4,042 |
| | CREDIBILITY | 1,00 | 7,00 | 5,59 | 19,352 |

**Content Quality (CQ)**

Content Quality was composed by 4 variables. The Minimum, the Maximum, the Mean and the Standard Deviation values are displayed in the Table 4.2.

The construct CQ representing Content Quality was obtained by computing the mean of the items CQ1, CQ2, CQ3 and CQ4. The item with higher mean value, 5,80, was CQ2 - *The information and suggestions published by this micro-influencer is reliable*. CQ has Mean value of 5,72 and Standard Deviation of 3,494. The Mean value is higher than the middle value in the Likert Scale from 1 to 7, indicating that according to the respondents, micro-influencers tend to publish quality and reliable content.

*Table 4.2 Descriptive Statistics for Content Quality*

Source: own elaboration; data obtained using SPSS

|  |  | Min | Max | Mean | Std. Deviation |
|---|---|---|---|---|---|
| CQ1 | The information provided by this micro-influencer's posts is accurate. | 1 | 7 | 5,61 |  |
| CQ2 | The information and suggestions published by this micro-influencer is reliable. | 1 | 7 | 5,80 |  |
| CQ3 | The content provided by this micro-influencer is updated. | 1 | 7 | 5,70 |  |
| CQ4 | This micro-influencer provides high-quality information in his/her posts. | 1 | 7 | 5,75 |  |
| | CONTENT QUALITY | 1,00 | 7,00 | 5,72 | 3,494 |

## Originality (O)

Originality was evaluated through 3 question items. The values for the Minimum, the Maximum, the Mean and the Standard Deviation are exhibited in the Table 4.3.

The construct O representing Originality was obtained by computing the mean of the items O1, O2 and O3. The item with higher mean value, 5,72, was O3 - *The micro-influencer's content is original and not a copy of someone else*. Originality has Mean value of 5,61 and Standard Deviation of 3,203. The Mean value is higher than the middle value in the Likert Scale from 1 to 7, meaning that according to the respondents, micro-influencers have a tendency to show high levels of originality.

*Table 4.3 Descriptive Statistics for Originality*

Source: own elaboration; data obtained using SPSS

|  |  | Min | Max | Mean | Std. Deviation |
|---|---|---|---|---|---|
| O1 | I think this micro-influencer is unique. | 1 | 7 | 5,51 |  |
| O2 | I think this micro-influencer has distinctive characteristics. | 1 | 7 | 5,61 |  |
| O3 | The micro-influencer's content is original and not a copy of someone else. | 1 | 7 | 5,72 |  |
| | ORIGINALITY | 1,00 | 7,00 | 5,61 | 3,203 |

**Customer Engagement (CE)**

Customer Engagement was measured in 9 different items, corresponding to the three dimensions formerly assumed: Cognitive Processing, Affection, and Activation. The values for the Minimum, the Maximum, the Mean and the Standard Deviation are shown in the Table 4.4.

The values for the three variables that are displayed in the table below were originated by computing the mean of the items referring to each of variable. The construct CP representing Cognitive Processing was obtained from the items CP1, CP2 and CP3; the construct AFF representing Affection was obtained from the items AFF1, AFF2, AFF3 and AFF4; and the construct ACT representing Activation was obtained from the items ACT1 and ACT2.

The highest mean is the one for Affection ($\bar{x} = 5,69$), with a Standard Deviation of 3,727, which is also the highest among the three computed variables. Moreover, observing AFF, the item with higher mean value, 5,76, was AFF4 - *I'm proud to use this brand*. Since both means are higher than 4 (the medium value of the Likert Scale from 1 to 7), it can be concluded that respondents tend to be affectionate towards luxury fashion brands, particularly by being proud to use them.

However, looking closer to the items, it can also be assessed that the lowest mean values are the ones for CP1 and CP3 ($\bar{x} = 5,43$) – *Using this brand gets me to think about it* and *Using this brand stimulates my interest to learn more about it*. In fact, Cognitive Processing has the lowest mean overall, which is equal to 5,45, nonetheless this value is still higher than the middle value in the Likert Scale. From this, it can be assumed that respondents tend to reflect, although not too much on the brand itself while using it, but when asked they tend to slightly agree that the brand makes them feel good.

Overall, the mean for Customer Engagement is equal to 5,57 with a Standard Deviation of 8,804 – which means that the respondents are more inclined to agree that they are engaged with luxury fashion brands.

*Table 4.4 Descriptive Statistics for Customer Engagement*
Source: own elaboration; data obtained using SPSS

| | | Min | Max | Mean | Std. Deviation |
|---|---|---|---|---|---|
| CP1 | Using this brand gets me to think about it. | 1 | 7 | 5,43 | |
| CP2 | I think about this brand a lot when I'm using it. | 1 | 7 | 5,49 | |
| CP3 | Using this brand stimulates my interest to learn more about it. | 1 | 7 | 5,43 | |
| | COGNITIVE PROCESSING | 1,00 | 7,00 | 5,45 | 3,676 |
| AFF1 | I feel very positive when I use this brand. | 1 | 7 | 5,62 | |
| AFF2 | Using this brand makes me happy. | 1 | 7 | 5,65 | |
| AFF3 | I feel good when I use this brand. | 1 | 7 | 5,73 | |
| AFF4 | I'm proud to use this brand. | 1 | 7 | 5,76 | |
| | AFFECTION | 1,00 | 7,00 | 5,69 | 3,727 |
| ACT1 | I spend a lot of time using this brand, compared to other luxury fashion brands. | 1 | 7 | 5,51 | |
| ACT2 | Whenever I'm using luxury fashion, I usually use this brand. | 1 | 7 | 5,61 | |
| | ACTIVATION | 1,00 | 7,00 | 5,56 | 2,245 |
| | CUSTOMER ENGAGEMENT | 1,00 | 7,00 | 5,57 | 8,804 |

**Purchase Intention (PI)**

In the questionnaire, there were 4 question items intended to the Purchase Intention analysis. The Minimum, the Maximum, the Mean and the Standard Deviation values are demonstrated in the Table 4.5.

The construct PI representing Purchase Intention was obtained by computing the mean of the items PI1, PI2, PI3 and PI4. The item with higher mean value, 5,56, was PI3 - *I would follow luxury fashion brand recommendations from this micro-influencer*. PI has Mean value of 5,52 and Standard Deviation of 4,182. The Mean value is higher than the middle value in the Likert Scale from 1 to 7, suggesting that the respondents are more incline to want to purchase products that were recommended by micro-influencers.

*Table 4.5 Descriptive Statistics for Purchase Intention*
Source: own elaboration; data obtained using SPSS

|  |  | Min | Max | Mean | Std. Deviation |
|---|---|---|---|---|---|
| PI1 | I would purchase the luxury fashion products promoted by this micro-influencer in the future. | 1 | 7 | 5,52 | |
| PI2 | I would purchase a luxury fashion brand based on the advice I am given by this micro-influencer. | 1 | 7 | 5,55 | |
| PI3 | I would follow luxury fashion brand recommendations from this micro-influencer. | 1 | 7 | 5,56 | |
| PI4 | I would encourage people close to me to buy the luxury fashion products promoted by this micro-influencer. | 1 | 7 | 5,45 | |
| | PURCHASE INTENTION | 1,00 | 7,00 | 5,52 | 4,182 |

**Brand Equity (BE)**

Brand Equity was measured in 7 different items, which match the two dimensions previously assumed: Brand Awareness and Brand Image. The values for the Minimum, the Maximum, the Mean and the Standard Deviation are revealed in the Table 4.6.

The values for the two variables present in the table below were created by computing the mean of the items referring to each of variable. The construct BA representing Brand Awareness was achieved from the items BA1, BA2 and BA3; and the construct BI representing Brand Image was achieved from the items BI1, BI2, BI3 and BI4.

Brand Image has the highest mean value ($\bar{x} = 5,75$) and a Standard Deviation of 3,321, which is also the highest among the two computed variables. Furthermore, observing BI, the item with higher mean value, 5,86, was BI2 - *This brand has extensive experience.* Given the fact that both means are higher than 4 (the medium value of the Likert Scale from 1 to 7), it can be determined that respondents tend to have a positive brand image of the luxury fashion brands, specifically due to these brands' experience.

On the other hand, taking a closer look into the items, it can also be stated that the lowest mean value is the one for BA1 ($\bar{x} = 5,47$) – *I am always aware of this brand*. Indeed, Brand Awareness has the lowest mean overall, which is equal to 5,62, nevertheless this value is still

higher than the middle value in the Likert Scale. Thus, it can be established that although respondents are aware of the brands, they are not constantly conscious about it, and they have a stronger brand image, influenced by the brands' experience.

In general, the mean for Brand Equity is equal to 5,69 with a Standard Deviation of 5,947 – which indicates that the respondents tend to agree that they are aware of luxury fashion brands and that they have a positive brand image of them.

*Table 4.6 Descriptive Statistics for Brand Equity*
Source: own elaboration; data obtained using SPSS

|  |  | Min | Max | Mean | Std. Deviation |
|---|---|---|---|---|---|
| BA1 | I am always aware of this brand. | 1 | 7 | 5,47 | |
| BA2 | Characteristics of this brand come to my mind quickly. | 1 | 7 | 5,63 | |
| BA3 | I can quickly recall the symbol or logo of this brand. | 1 | 7 | 5,76 | |
| | BRAND AWARENESS | 1,00 | 7,00 | 5,62 | 2,996 |
| BI1 | This brand is a leading luxury fashion company. | 1 | 7 | 5,65 | |
| BI2 | This brand has extensive experience. | 1 | 7 | 5,86 | |
| BI3 | This brand is a representative of the luxury fashion industry. | 1 | 7 | 5,74 | |
| BI4 | This brand is a customer-oriented company. | 1 | 7 | 5,75 | |
| | BRAND IMAGE | 1,00 | 7,00 | 5,75 | 3,321 |
| | BRAND EQUITY | 1,00 | 7,00 | 5,69 | 5,947 |

## 4.2. Exploratory Analysis

In this stage, using SPSS 28, an exploratory analysis was carried out and it was composed by the following tests: reliability analysis, validity analysis and single and multiple regression analysis. Subsequently, aiming to establish statistical ground for conclusions, the output was examined and explained.

### 4.2.1. Reliability and Validity Analysis

With the aim of assessing the reliability and validity of the sample, a reliability test was conducted. This test illustrates how precise a methodology or technique is at measuring something. Reliability deals with a measure's consistency, whereas validity is concerned with a measure's accuracy. Thus, in order to evaluate the study's reliability, the Cronbach's Alphas were computed for each construct. This statistical measure aims to provide a numerical value for the internal consistency of a collection of data, by measuring the extent to which all items are effectively the same concept. Although the Cronbach's Alpha can assume any value between 0 and 1, a high level of the inter-item correlation is required to obtain a reliable scale. Therefore, given the fact that the higher the value of the alpha, the higher is the reliability, alpha values below 0,5 are not acceptable, while scores between 0,6 and 0,7 are acceptable. Moreover, values between 0,7 and 0,8 are considered good, scores between 0,8 and 0,9 are very good and indicate that the consistency is right, and values equal or above 0,9 are regarded as excellent.

The analysis results are listed in Table 4.7 below. These outcomes demonstrate that all main constructs examine a Cronbach's Alpha higher than 0,7, indicating good to excellent values with high reliabilities and internal consistencies The construct with the highest value is Credibility (0,918) followed by Customer Engagement (0,872). Looking into the sub-constructs, it can be observed that all present a value higher than 0,6, hence they can all be accepted as reliable. Additionally, the majority displays values higher than 0,7, which means they can be regarded good values. Activation is the sub-construct with the lowest value (Cronbach's Alpha = 0,569), however it is near the threshold of 0,6 so it is also acceptable.

*Table 4.7 Reliability Analysis for all constructs*
Source: own elaboration; data obtained using SPSS

| Main Construct | Sub-construct | Cronbach's Alpha | |
|---|---|---|---|
| *Credibility* | Trustworthiness | 0,856 | |
| | Expertise | 0,861 | 0,918 |
| | Similarity | 0,846 | |
| | Attractiveness | 0,762 | |
| *Content Quality* | | | 0,737 |
| *Originality* | | | 0,774 |
| *Customer Engagement* | Cognitive Processing | 0,789 | |
| | Affection | 0,768 | 0,872 |
| | Activation | 0,569 | |
| *Purchase Intention* | | | 0,793 |
| *Brand Equity* | Brand Awareness | 0,625 | 0,869 |
| | Brand Image | 0,698 | |

### 4.2.2. Linear Regression Analysis

With the purpose of comprehending the connections between the various constructs and effectively assessing the conceptual model previously established, single and multiple regression analyses were performed. These tests are designed to determine the amount of variance in the dependent variable that can be explained by changes in the independent variable or variables. While single regression only involves one independent variable, multiple regression includes two or more independent variables.

### 4.2.2.1. Assumption of the Multiple Regression

The research conceptual model under investigation was studied through three distinct analyses

subjected to the same assumptions. This is feasible since the conceptual model's independent variables and mediators are the same in all configurations and are valid in each model, making them present in each configuration. For all intervals, the confidence level is 95.000. To proceed with the multiple regression analysis, basic assumptions must be tested. These will be detailed in the next paragraphs. In the case that all requirements hold, the model may be used for statistical inference, otherwise, it is only valid for this sample.

**Assumption 1: Linearity of the model**

Since, by construction, the theoretical model assumes linearity between independent and dependent variables, the linearity assumption holds.

**Assumption 2: Random sample**

The method used in this thesis was convenience sampling.

**Assumption 3: Linear independence (no multicollinearity)**

Multicollinearity is a strong relationship between the independent variables, which can result in research issues. As a means to ensure no multicollinearity between predictors, an inquiry using the tolerance and VIF values through the collinearity statistics can be executed. A clear sign of multicollinearity is when one of the tolerance values is below 0.1 or when one of the VIF values is above 10. As shown in Table 4.8, all tolerance values are above 0.1 and all VIF values are below 10, meaning no multicollinearity. To be more precise, there is no correlation among the explanatory variables, hence the assumption holds.

*Table 4.8 Collinearity Statistics*
Source: own elaboration; data obtained using SPSS

|                     | *Tolerance* | *VIF* |
|---------------------|-------------|-------|
| **Credibility**     | 0,209       | 4,786 |
| **Content Quality** | 0,275       | 3,638 |
| **Originality**     | 0,402       | 2,488 |

**Assumption 4: Exogeneity of the independent variables**

Multiple regression is predicated on the assumption that independent variables are unrelated to residual terms. According to Table 4.9, every construct displays a Pearson correlation value of 0.000 with the residuals, indicating that they are not correlated, therefore the assumption holds.

*Table 4.9 Correlation between Independent Variables and Residual Terms*
Source: own elaboration; data obtained using SPSS

| | Credibility | Content Quality | Originality | Customer Engagement | **Residual** |
|---|---|---|---|---|---|
| Credibility | 1 | 0,844 | 0,744 | 0,725 | 0,000 |
| Content Quality | - | 1 | 0,705 | 0,626 | 0,000 |
| Originality | - | - | 1 | 0,650 | 0,000 |
| Customer Engagement | - | - | - | 1 | 0,000 |

**Assumption 5: Constancy of the residual variance across predicted values (homoscedasticity)**

Given the fact that it should be assumed that a model would make equally effective predictions across all values, homoscedasticity of residuals is a fundamental condition for regression models. Thus, the residual variance must remain constant across the predicted values. The scatterplot's points must be distributed uniformly over the horizontal axis in order for equality of variance to exist. The residuals from the scatterplots observed in Appendix D don't appear to be evenly scattered, therefore this assumption fails.

**Assumption 6: Normally distributed error component**

The histograms of the standardized residuals can be useful to visually verify the distribution's normality. In this case, the histograms on Appendix E are bell-shaped and centered around zero, indicating the residuals would be normally distributed, however, not all the bars fit inside the curve, which suggests that the normality assumption of the residuals might be slightly disturbed.

The expected against the observed cumulative probability is illustrated by the Normal P-P Plots. Data that falls exactly on the sketched diagonal is considered perfectly normally distributed data. The less normally distributed the data is, the farther it will be from the diagonal. Hence, the P-P Plot is another visual method for normal distribution assessment. The points in the plots present in Appendix F do not lie quite exactly on the diagonal, nonetheless the curves that the lines creates do not significantly deviate from the diagonals' trajectories. This implies that the residuals are roughly normally distributed, albeit there might be some minor deviations from normality.

In sum, the normality assumption is not entirely fulfilled. Nevertheless, the minor normality deviations encountered in both graphs are not necessarily cause for concern, particularly due to the large sample size. Generally, with a sufficiently large sample, the validity of the statistical analyses is not significantly impacted by these small deviations.

**Assumption 7: Correlation of the Residual Terms**

To appropriately analyze multiple regression, the residuals must be independent, otherwise, there will be autocorrelation, meaning a variable will correlate with itself at another time. The Durbin-Watson statistic can be used to test the residuals' independence. Its values vary from 0 to 4, with 2 denoting the absence of autocorrelation; values under 2 indicating positive autocorrelation and values over 2 meaning negative autocorrelation. The dependent variables Customer Engagement, Purchase Intention and Brand Equity show Durbin-Watson values of 1,977, 1,705 and 2,149, respectively (Table 4.10). This assumption holds because both values are close to and can be rounded to 2, thus there are no correlated residuals.

*Table 4.10 Durbin-Watson Statistic for the Dependent Variables*
Source: own elaboration; data obtained using SPSS

|  | ***Durbin-Watson*** |
|---|---|
| Customer Engagement | 1,977 |
| Purchase Intention | 1,705 |
| Brand Equity | 2,149 |

**Evaluation of the Model**

Upon having checked off all the multiple regression requirements, the suitability of the model can finally be determined, including how accurately the model can predict the observed values. The multiple correlation coefficients in Table 4.11 result in 0,744; 0,843; and 0,797, suggesting there is a significant correlation between predicted and actual values. The overall model's adjusted $R^2$ was 0,549; 0,708; and 0,631, indicating a high degree of goodness-of-fit according to Cohen (1988).

*Table 4.11 Modell Summary of the Dependent Variables CE, PI and BE*
Source: own elaboration; data obtained using SPSS

|  | ***R*** | ***R²*** | ***Adjusted R²*** |
|---|---|---|---|
| ***Customer Engagement*** | 0,744 | 0,533 | 0,549 |
| ***Purchase Intention*** | 0,843 | 0,711 | 0,708 |
| ***Brand Equity*** | 0,797 | 0,636 | 0,631 |

To determine whether the predictors significantly predict the criterion, the ANOVA table can be observed (Table 4.12). Statistically, customer engagement, purchase intention and brand equity can be predicted, $F_{(3,318)} = 131,309$, $p < 0,001$; $F_{(4,317)} = 195,429$, $p < 0,001$; F

(4,317) = 138,438, p < 0,001.

Table 4.12 Significance of the Model via ANOVA
Source: own elaboration; data obtained using SPSS

|  |  | df | F | Sig. |
|---|---|---|---|---|
| **Customer Engagement** | Regression | 3 | 131,309 | <0,001[b] |
|  | Residual | 318 | - | - |
|  | Total | 321 | - | - |
| **Purchase Intention** | Regression | 4 | 195,429 | <0,001[b] |
|  | Residual | 317 | - | - |
|  | Total | 321 | - | - |
| **Brand Equity** | Regression | 4 | 138,438 | <0,001[b] |
|  | Residual | 317 | - | - |
|  | Total | 321 | - | - |

Because three out of seven assumptions are not fulfilled, only a characterization of the sample can be provided by the multiple regression analysis. The population cannot be generalized, and no inferences can be drawn using the model.

### 4.2.2.2. Multiple Regression – CE as the dependent variable; C, CQ and O as independent variables

Having the conceptual model in mind, it is possible to precisely determine which role each variable plays. The first regression analysis was used to evaluate the hypothesis that the independent variables Credibility, Content Quality and Originality positively affect the dependent variable Customer Engagement (H1, H2, H3). From the regression coefficients it is now possible to calculate the adjusted regression equation (Table 4.13):

$$CE = 8,965 + 0,252 \times C + -0,045 \times CQ + 0,691 \times O + \varepsilon$$

In this model we have the three predictors C, CQ and O with the criterion E. The independent variable with the largest standardized coefficient is Credibility, thus this variable is the most important predictor of the dependent variable Customer Engagement. The variable Credibility has a standardized regression coefficient of 0,553, meaning that for every increase in C, Customer Engagement rises by 0,553. The variable Originality has a lower regression coefficient of 0,251, thus every increase in O leads to a 0,251 rise in Customer Engagement. Contrarily, the variable Content Quality has a coefficient of -0,018, indicating a negative linear relationship between the independent variable and the dependent variable, that is, for every increase in CQ, Customer Engagement decreases by 0,018.

Regarding the significance, if the p-value is less than 0.05, the results can be considered statistically significant. This means the coefficient is significantly different from zero, thus

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indicating a significant effect of the independent variable on the dependent variable. Both Credibility and Originality display a strong and highly significant result, with significance levels of < 0,001, suggesting that the p-values are much smaller than the standard limit of 0.05 for statistical significance (sig = < 0,001 < 0,05). On the other hand, the variable Content Quality presents a p-value much higher than 0,05, concluding that the result cannot be considered statistically significant (sig = 0,803 > 0,05).

In brief, the effects of C and O are always positive, while the effects of CQ are negative. Hence, while hypotheses number 1 and 3 are supported by the results, hypothesis number 2 is not:

- *H1: Credibility positively influences Customer Engagement;*
- *H2: Content Quality positively influences Customer Engagement;*
- *H3: Originality positively influences Customer Engagement.*

*Table 4.13 Coefficients of the Multiple Regression, CE as Dependent Variable*

Source: own elaboration; data obtained using SPSS

| | | Unstandardized Coefficients | | Standardized Coefficients | | | 95,0% Confidence interval for B | |
|---|---|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | t | Sig. | Lower Bound | Upper Bound |
| **Dependent Variable CE** | (Constant) | 8,685 | 2,245 | | 3,868 | < 0,001 | 4,268 | 13,101 |
| | C | 0,252 | 0,035 | 0,553 | 7,289 | < 0,001 | 0,184 | 0,320 |
| | CQ | -0,045 | 0,180 | -0,018 | -0,250 | 0,803 | -0,399 | 0,309 |
| | O | 0,691 | 0,158 | 0,251 | 4,376 | < 0,001 | 0,380 | 1,001 |

### 4.2.2.3. Single Regression – PI as the dependent variable; CE as the independent variable

The next regression analysis was used to evaluate the hypothesis that the independent variable Customer Engagement positively affects the dependent variable Purchase Intention (H4). From the regression coefficients it is now possible to calculate the adjusted regression equation (Table 4.14):

$$PI = 3,078 + 0,378 \ x \ CE + \varepsilon$$

In this model there are the predictor E and the criterion PI. The variable Customer Engagement has a standardized regression coefficient of 0,796, meaning that for every increase

in E, Purchase Intention rises by 0,796. Furthermore, Customer Engagement exhibits a highly significant result, with a significance level of < 0,001, which indicates that the p-values are much smaller than the standard limit of 0.05 for statistical significance (sig = < 0,001 < 0,05). This means that Customer Engagement has a significant positive effect on Purchase Intention, therefore this result supports hypothesis number 4:

- *H4: Customer Engagement positively influences Purchase Intention.*

*Table 4.14 Coefficients of the Multiple Regression, PI as Dependent Variable*
Source: own elaboration; data obtained using SPSS

| | | Unstandardized Coefficients | | Standardized Coefficients | | | 95,0% Confidence interval for B | |
|---|---|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | t | Sig. | Lower Bound | Upper Bound |
| Dependent Variable PI | (Constant) | 3,078 | 0,819 | | 3,757 | < 0,001 | 1,466 | 4,690 |
| | E | 0,378 | 0,016 | 0,796 | 23,540 | < 0,001 | 0,347 | 0,410 |

### 4.2.2.4. Single Regression –BE as the dependent variable; CE as the independent variable

The last regression analysis was used to evaluate the hypothesis that the independent variable Customer Engagement positively affect the dependent variable Brand Equity (H5). From the regression coefficients it is now possible to calculate the adjusted regression equation (Table 4.15):

$$BE = 12,993 + 0,535 \ x \ CE + \varepsilon$$

This model covers the predictor E with the criterion BE. The variable Customer Engagement has a standardized regression coefficient of 0,792, denoting that every increase in E leads to a 0,792 rise in Brand Equity. Moreover, Customer Engagement reveals a strong significant result, with a significance level of < 0,001, which implies that the p-values are much smaller than the standard limit of 0.05 for statistical significance (sig = < 0,001 < 0,05). This suggests that Customer Engagement has a significant positive effect on Brand Equity, thus this result supports hypothesis number 5:

- *H5: Customer Engagement positively influences Brand Equity.*

*Table 4.15 Coefficients of the Multiple Regression, BE as Dependent Variable*

Source: own elaboration; data obtained using SPSS

| | | Unstandardized Coefficients | | Standardized Coefficients | | | 95,0% Confidence interval for B | |
|---|---|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | t | Sig. | Lower Bound | Upper Bound |
| **Dependent Variable BE** | (Constant) | 12,993 | 1,176 | | 11,051 | < 0,001 | 10,680 | 15,306 |
| | E | 0,535 | 0,023 | 0,792 | 23,201 | < 0,001 | 0,490 | 0,580 |

An overview of the research hypotheses and the degree to which the present study contributed to validate them can be found in the table below.

*Table 4.16 List of the hypotheses and validation*

Source: own elaboration

| *Hypothesis* | *Validated?* |
|---|---|
| **H1:** *Credibility positively influences Customer Engagement* | Yes |
| **H2:** *Content Quality positively influences Customer Engagement* | No |
| **H3:** *Originality positively influences Customer Engagement* | Yes |
| **H4:** *Customer Engagement positively influences Purchase Intention* | Yes |
| **H5:** *Customer Engagement positively influences Brand Equity* | Yes |

## 5.    Conclusion

Influencer marketing and the way brands can take advantage from partnerships with influencers to reach wider audiences at a lower cost has recently become a topic of interest in the literature. Nevertheless, given this subject's recency, most studies take a broad approach of influencers and brands in general, exposing an absence of more specific research, such as exploring the relationship between micro-influencers and luxury fashion brands in particular. This thesis attempts to make a contribution in filling this gap, more specifically by investigating the influence of the micro-influencers' credibility, content quality and originality on customer engagement and by measuring the impact of these variables on luxury fashion brand's purchase intention and brand equity.

In the conclusion, the dissertation's research objectives will be revisited by summarizing the findings drawn from the literature review and investigated in the empirical section, which will then result in conclusions regarding the hypotheses and research questions under consideration, along with theoretical and managerial implications conveyed by the present study. Furthermore, the limitations faced during the thesis' elaboration and possible approaches to further develop the studied areas in future investigation will be presented here.

### 5.1.    Theoretical Contributions

In regards to the theoretical contributions delivered by this research, it is essential to contemplate the research questions initially posed:

(i) Determine whether micro-influencers impact the purchase intention of luxury fashion brands.

This study is sustained by hypotheses under which the credibility, content quality and originality of the micro-influencers are predictors of customer engagement, and in turn, customer engagement predicts purchase intention for luxury fashion brands.

The findings provided evidence that credibility is the most important predictor of customer engagement, followed by originality, indicating that both variables have a positive effect on customer engagement. This means that the more credible and original a micro-influencer is, the more customer engagement he/she will generate among followers. This confirms the academic view that influencer's credibility, particularly due to its dimensions of trustworthiness, expertise and similarity, generates customer engagement and purchase intention (Magno, 2017; Casaló et al., 2020). Besides, the results support the statements of Leung et al (2022), who

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found that influencers who provide more original content attract more attention and customer engagement than those who are less original, since followers prefer to interact with influencers who offer original ideas and are regarded them as more credible sources. Regarding credibility, the descriptive findings demonstrate that respondents show a tendency to consider micro-influencers trustworthy, mostly because they believe micro-influencers care about their followers. Concerning originality, according to the respondents, micro-influencers' content tends to be highly original and not a copy of someone else.

Conversely, a positive relationship has not been validated for content quality, which was found to not be a predictor of customer engagement (and consequently of purchase intention). This occurred because the variable content quality displayed a negative effect on customer engagement. This result somehow delivers a reverse conclusion to the scholar Magno (2017), whose findings indicated that when quality content is perceived, it is expected to promote strong customer engagement and enhance purchase intention for the recommended products.

In regards to customer engagement, it was proven to have a positive effect in predicting purchase intention. Therefore, it can be concluded that when micro-influencers are credible and original, their followers become engaged with them, which then leads to an increased purchase intention of the luxury fashion brands recommended by these influencers. As specified by the descriptive results, respondents' purchase intention is influenced by micro-influencers' recommendations as they tend to follow their suggestions. This could already be expected since previous literature shows that as customers' positive perception of a company on social media grows, so does their predisposition to purchase the brand's products (Ceyhan, 2019). Hence, when followers engage with influencers associated to luxury fashion brands, they perceive the brand positively and their intention to buy increases. In addition, as stated by Hollebeek et al (2014), growing levels of customer engagement are predicted to help achieve better performance results in terms of sales growth, which come from the purchase intention boost.

(ii) Define whether micro-influencers impact the brand equity of luxury fashion brands.

Based on this study's hypotheses, micro-influencers' credibility, content quality and originality are predictors of customer engagement, and in turn, customer engagement predicts brand equity for luxury fashion brands. As mentioned above, credibility and originality were confirmed to positively influence customer engagement, while content quality does not influence it. Furthermore, customer engagement was established as having a positive effect in predicting brand equity. Hence, it can be inferred that credible and original micro-influencers have engaged followers, which subsequently results in an improvement of brand equity,

including brand image and awareness, for the luxury fashion brands endorsed by these influencers. This is in accordance with previous literature, given the fact that when followers are engaged with an influencer who promotes a certain brand, they create an image of the brand and become more aware of it. The generated customer engagement produces a differential positioning of the brand in the consumer's mind, which results in brand equity (Keller, 1993). In general, respondents tend to agree that they are aware of luxury fashion brands and that they have a positive brand image of them. As per the results from the descriptive analysis, it is possible to understand that respondents create this brand image, specifically due to the luxury fashion brands' extensive experience, and they are aware of these brands due to being able to quickly recall their symbol or logo.

## 5.2. Managerial Implications

Having in mind the fact that influencer marketing has become an essential tool for most companies and given the increased interest on micro-influencers, this study has come up with some useful and relevant insights for marketing managers of luxury fashion brands on what is the best influencer marketing strategy for them in order to reach more consumers, grow purchase intention and brand equity.

The first step most luxury fashion brands are already implementing, as they have understood the relevance of a social media presence and the helpful ally that influencers can be in their social media strategy. Furthermore, lately some marketers have been shifting away from the influencer marketing strategy that only looks at the big following numbers and chooses celebrity influencers, who sometimes might not even be aligned with the brand values, and moving towards the micro-influencer approach, betting on influencers with fewer followers but who are regarded as more relatable, unique and reliable. Nevertheless, for some brands there still seems to be a lack of understanding of the best criteria to choose an influencer and which kind of influencers offer the most benefits to the brand.

Based on the study, it is recommended that luxury fashion brands focus on selecting micro-influencers that are perceived as credible and original, since it was established that micro-influencers who present this type of characteristics are the ones who produce higher customer engagement levels and lead to purchase intention and brand equity. Managers should try to find micro-influencers who transmit credibility through trustworthiness because they care about their followers, and also who are viewed as original due to their content being innovative and

not copied.

As a complement to the academic insights, in order to learn which micro-influencers are credible and original, it is crucial for marketers to conduct research into their consumers' perceptions. This will aid in identifying which influencers consumers engage with the most on social media and what are the characteristics of those influencers that have a greater impact on their willingness to keep following them and taking their recommendations into account.

Despite some existing articles that describe content quality as another characteristics of micro-influencers to bear in mind, in compliance with the present research, this feature should not be considered as significant as the previous ones, on account of content quality not having an influence on customer engagement.

Once the luxury fashion brand has selected which micro-influencers they want to partner with, an important anchor point for marketers to contemplate is the way the brand wants to showcase their partnership to consumers. For the micro-influencer campaign to be effective, the brand and the influencer must join forces and work to make sure the content stays credible and original. In co-creation with the influencer, marketers need to find techniques to create unique and innovative content, which at the same time must convey trustworthiness, expertise, similarity and attractiveness. In doing so, the brand should guarantee that the product or service being promoted by the micro-influencer is something he/she truly believes in and uses in his/her daily life in order for the campaign to not be perceived as irrelevant paid publicity.

To sum up, luxury fashion brands should invest in effective partnerships with micro-influencers. This seemingly smaller influencers, on account of their credibility and originality, present a great opportunity for the luxury fashion industry to capture consumers' attention and interest, which then translates in high levels of customer engagement, thus leading to purchase intention and brand equity.


## 5.3.    Limitations and Future Research

Due to research design, methodology, time and cost constraints every study has its limitations and flaws, despite efforts to avoid bias whenever possible. Therefore, the results must be examined while bearing in mind these boundaries and shortcomings. Overall, in the case of this research, the limitations drive from the target sample restrictions, the quality of the sample and the chosen methodology.

The first issue to arise was the struggle to gather questionnaire responses. This occurred

due to the restricted survey completion requirements, which conditioned respondents to own a luxury fashion product and follow a micro-influencer in order to respond to the all the questions and for their answer to be considered valid. This caused a delay in the research as it took roughly one month to attain the minimum required number of 300 responses, whereas surveys with less restrictions can do so in a shorter period of time.

Results from quantitative research are based on numerical responses and consequently do not provide much insight into thoughts and behaviours, which might result in a lack of context. Besides, using pre-set Likert scale questions adapted from prior researchers, may disguise participants' real behaviours or thoughts. Furthermore, because there is no one observing which answers are selected, conducting the questionnaire online reduces the respondents' degree of accuracy and honesty. Additionally, the survey might be carried out in an unnatural environment without settings control, which could cause results to deviate from "real world" findings. Therefore, in addition to or in substitution of the survey, a qualitative methodology, composed by interviews with micro-influencers and marketing professionals working in the luxury fashion industry, would possibly have led to more accurate and detailed conclusions. Nonetheless, in this case this methodology was not possible given the limited access to professionals from this area.

Another factor to take into consideration is that this thesis was written in 2023, a year in which the world was and is still going through an economic crisis brought on by the conflict in Ukraine and characterized by rising inflation. One can deduce that this conjuncture disrupts all industries, including the fashion industry. Basic necessities are reaching all-time high prices, which forces consumers to reduce their consumption of nonessential products, such as clothes. Moreover, the cost of materials and distribution within the fashion business itself has increased, leading to higher selling prices that the majority of consumers are no longer able to afford. In this context it is harder to find respondents who own and purchase luxury fashion products often, thus the purchase intention construct and inquiries about purchase frequency may be affected.

In light of this thesis and the prior acknowledge limitations, future explorations should involve other research techniques, such as qualitative interviews, to gain a detailed and deeper insight into the luxury fashion market and into the perspective of the micro-influencers.

Moreover, narrowing down the scope of the research, it could be interesting to focus on a specific geographical area and generation. This way it would be possible to assess whether culture and age play a role in the perception of the benefits of micro-influencers for luxury

fashion brands.

Another possible research path would be to apply the study either to other types of influencers, for example the nano- and the macro-influencers, and also to other industries and sectors.

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# Appendix A: List of scales and sources used

| Author | Construct | Code | Scales |
|---|---|---|---|
| Gomes et al. (2022)<br><br>Munnukka et al. (2016)<br><br>Sesar et al. (2022) | Credibility | **Trustworthiness** | |
| | | TRU1 | I think I can trust this influencer's social media posts. |
| | | TRU2 | I think this influencer is honest. |
| | | TRU3 | I think this influencer is trustworthy. |
| | | TRU4 | I think this influencer is truthful. |
| | | TRU5 | I think this influencer is earnest. |
| | | TRU6 | I think this influencer cares about his/her followers. |
| | | **Expertise** | |
| | | EXP1 | I consider this influencer expert in his/her domain. |
| | | EXP2 | I consider this influencer knows a lot about the product. |
| | | EXP3 | I consider this influencer to be experienced. |
| | | EXP4 | I consider this influencer to be efficient in his/her job. |
| | | EXP5 | I consider this influencer competent to make claims about [product/service]. |
| | | EXP6 | I consider this influencer sufficiently experienced to make assertions about [product/service]. |
| | | **Similarity** | |
| | | SIM1 | I can easily identify with this influencer. |
| | | SIM2 | This influencer and I are a lot alike. |
| | | SIM3 | This influencer has a lot in common with me. |
| | | SIM4 | This influencer shares my values. |
| | | SIM5 | This influencer behaves like me. |
| | | SIM6 | This influencer has thoughts and ideas similar to mine. |
| | | **Attractiveness** | |
| | | ATT1 | I find this influencer very attractive. |
| | | ATT2 | I find this influencer very stylish |
| | | ATT3 | I find this influencer good looking. |
| | | ATT4 | I find this influencer sexy. |
| Gomes et al. (2022) | **Content Quality** | CQ1 | The information provided by this influencer's posts is accurate. |
| | | CQ2 | The information and suggestions published by this influencer is reliable. |
| | | CQ3 | The content provided by this influencer is updated. |
| | | CQ4 | This influencer provides high-quality information in his/her posts. |
| Lee and Eastin (2021) | **Originality** | O1 | I think this influencer is unique. |
| | | O2 | I think this influencer has distinctive characteristics. |
| | | O3 | The influencer's content is original and not a copy of someone else. |
| Hollebeek et al. (2014) | **Customer Engagement** | **Cognitive Processing** | |
| | | CP1 | Using [brand] gets me to think about [brand]. |
| | | CP2 | I think about [brand] a lot when I'm using it. |
| | | CP3 | Using [brand] stimulates my interest to learn more about [brand]. |
| | | **Affection** | |
| | | AFF1 | I feel very positive when I use [brand]. |

| | | AFF2 | Using [brand] makes me happy. |
|---|---|---|---|
| | | AFF3 | I feel good when I use [brand]. |
| | | AFF4 | I'm proud to use [brand]. |
| | | **Activation** | |
| | | ACT1 | I spend a lot of time using [brand], compared to other [category] brands. |
| | | ACT2 | Whenever I'm using [category], I usually use [brand]. |
| | | ACT3 | [Brand] is one of the brands I usually use when I use [category]. |
| Gomes et al. (2022) | **Purchase Intention** | PI1 | I would purchase the luxury fashion products promoted by this influencer in the future. |
| | | PI2 | I would purchase a luxury fashion brand based on the advice I am given by this influencer. |
| | | PI3 | I would follow luxury fashion brand recommendations from this influencer. |
| | | PI4 | I would encourage people close to me to buy the luxury fashion products promoted by this influencer |
| Godey et al. (2016) | **Brand Equity** | **Brand Awareness** | |
| | | BA1 | I am always aware of [brand]. |
| | | BA2 | Characteristics of [brand] come to my mind quickly. |
| | | BA3 | I can quickly recall the symbol or logo of [brand]. |
| | | **Brand Image** | |
| | | BI1 | [brand] is a leading luxury fashion company. |
| | | BI2 | [brand] has extensive experience. |
| | | BI3 | [brand] is a representative of the luxury fashion industry. |
| | | BI4 | [brand] is a customer-oriented company. |

# Appendix B: Online Survey

0%                                    100%

**Influencer Marketing & Luxury Fashion Brands**
MSc in Marketing

iscte BUSINESS SCHOOL

English (United Kingdom) ▾

Dear participant,

Thank you for agreeing to participate in this study. My name is Isabel Pedro and I am in the 2nd year of the Master in Marketing at ISCTE Business School. This questionnaire was developed to collect data for my thesis, which aims to understand if it is profitable for luxury fashion brands to create partnerships with micro-influencers.

The questionnaire will take approximately 10 minutes and there are no right or wrong answers, so reply as honestly as possible. The study respects the requirements of an ethical research, ensuring anonymity and confidentiality of the data obtained, which is reserved for academic and scientific purposes.

Thank you again for your collaboration! Any questions or clarifications, do not hesitate to contact me: ipols1@iscte-iul.pt.

Isabel Pedro
Prof. Ricardo Godinho Bilro

On which of these social media networks do you have an account?

☐ Instagram

☐ Facebook

☐ TikTok

☐ Twitter

☐ YouTube

Do you follow influencers on social media?

○ Yes

○ No

Do you know and/or follow any micro-influencers on social media? Please consider a micro-influencer as someone with between 5.000 and 100.000 followers, who is regarded as relatable, original and trustworthy.

○ Yes

○ No

Please name one micro-influencer that you follow and by whom you have been influenced into buying or wanting to buy a product or service.

[                              ]

Do you own products from luxury fashion brands? Please keep in mind that the fashion products taken into account for this study include clothes, accessories and shoes. Also, consider a luxury fashion brand as a label characterized by high-quality, exclusivity, prestigious image, service quality and premium price.

○ Yes

○ No

←                                    →

How often do you purchase products from luxury fashion brands?

○ More than once a week

○ Once a week

○ Once a month

○ Once every three months

○ Once every six months

○ Once a year

○ Twice or more times a year

Have you ever been influenced by someone on social media to purchase or to want to purchase a luxury fashion product?

○ Yes

○ No

Please name a luxury fashion brand that you own.

[                              ]

←                                    →

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Having in mind the influencer you named before, please indicate, in a scale from "Strongly Disagree" to "Strongly Agree", what is your level of agreement with the following statements:

| | Strongly disagree | Disagree | Somewhat Disagree | Neither agree or disagreee | Somewhat Agree | Agree | Strongly agree |
|---|---|---|---|---|---|---|---|
| I think I can trust this micro-influencer's social media posts | O | O | O | O | O | O | O |
| I think this micro-influencer is honest | O | O | O | O | O | O | O |
| I think this micro-influencer is trustworthy | O | O | O | O | O | O | O |
| I think this micro-influencer is truthful | O | O | O | O | O | O | O |
| I think this micro-influencer is earnest | O | O | O | O | O | O | O |
| I think this micro-influencer cares about his/her followers | O | O | O | O | O | O | O |

Having in mind the influencer you named before, please indicate, in a scale from "Strongly Disagree" to "Strongly Agree", what is your level of agreement with the following statements:

| | Strongly disagree | Disagree | Somewhat Disagree | Neither agree or disagreee | Somewhat Agree | Agree | Strongly agree |
|---|---|---|---|---|---|---|---|
| I can easily identify with this micro-influencer | O | O | O | O | O | O | O |
| This micro-influencer and I are a lot alike | O | O | O | O | O | O | O |
| This micro-influencer has a lot in common with me | O | O | O | O | O | O | O |
| This micro-influencer shares my values | O | O | O | O | O | O | O |
| This micro-influencer behaves like me | O | O | O | O | O | O | O |
| This micro-influencer has thoughts and ideas similar to mine | O | O | O | O | O | O | O |

Having in mind the influencer you named before, please indicate, in a scale from "Strongly Disagree" to "Strongly Agree", what is your level of agreement with the following statements:

| | Strongly disagree | Disagree | Somewhat Disagree | Neither agree or disagreee | Somewhat Agree | Agree | Strongly Agree |
|---|---|---|---|---|---|---|---|
| I consider this micro-influencer expert in his/her domain | O | O | O | O | O | O | O |
| I consider this micro-influencer know a lot about the products promoted | O | O | O | O | O | O | O |
| I consider this micro-influencer to be experienced | O | O | O | O | O | O | O |
| I consider this micro-influencer to be efficient in his/her job | O | O | O | O | O | O | O |
| I consider this micro-influencer competent to make claims about products or services | O | O | O | O | O | O | O |
| I consider this micro-influencer sufficiently experienced to make assertions about products or services | O | O | O | O | O | O | O |

Having in mind the influencer you named before, please indicate, in a scale from "Strongly Disagree" to "Strongly Agree", what is your level of agreement with the following statements:

| | Strongly disagree | Disagree | Somewhat Disagree | Neither agree or disagreee | Somewhat Agree | Agree | Strongly agree |
|---|---|---|---|---|---|---|---|
| I find this micro-influencer very attractive | O | O | O | O | O | O | O |
| I find this micro-influencer very stylish | O | O | O | O | O | O | O |
| I find this micro-influencer good looking | O | O | O | O | O | O | O |
| I find this micro-influencer sexy | O | O | O | O | O | O | O |

Having in mind the influencer you named before, please indicate, in a scale from "Strongly Disagree" to "Strongly Agree", what is your level of agreement with the following statements:

| | Strongly disagree | Disagree | Somewhat Disagree | Neither agree or disagreee | Somewhat Agree | Agree | Strongly agree |
|---|---|---|---|---|---|---|---|
| The information provided by this micro-influencer's posts is accurate | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| The information and suggestions published by this micro-influencer are reliable | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| The content provided by this micro-influencer is updated | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| This micro-influencers provides high-quality information in his/her posts | ○ | ○ | ○ | ○ | ○ | ○ | ○ |

Having in mind the influencer you named before, please indicate, in a scale from "Strongly Disagree" to "Strongly Agree", what is your level of agreement with the following statements:

| | Strongly disagree | Disagree | Somewhat Disagree | Neither agree or disagreee | Somewhat Agree | Agree | Strongly agree |
|---|---|---|---|---|---|---|---|
| I think this micro-influencer is unique | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| I think this micro-influencer has distinctive characteristics | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| This micro-influencer's content is original and not a copy of someone else | ○ | ○ | ○ | ○ | ○ | ○ | ○ |

Having in mind the luxury fashion brand you named before, please indicate, in a scale from "Strongly Disagree" to "Strongly Agree", what is your level of agreement with the following statements:

| | Strongly disagree | Disagree | Somewhat Disagree | Neither agree or disagreee | Somewhat Agree | Agree | Strongly agree |
|---|---|---|---|---|---|---|---|
| Using this brand gets me to think about it | ○ | ○ | ○ | ◉ | ○ | ○ | ○ |
| I think about this brand a lot when I'm using it | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| Using this brand stimulates my interest to learn more about it | ○ | ○ | ○ | ○ | ○ | ○ | ○ |

Having in mind the luxury fashion brand you named before, please indicate, in a scale from "Strongly Disagree" to "Strongly Agree", what is your level of agreement with the following statements:

| | Strongly disagree | Disagree | Somewhat Disagree | Neither agree or disagreee | Somewhat Agree | Agree | Strongly agree |
|---|---|---|---|---|---|---|---|
| I feel very positive when I use this brand | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| Using this brand makes me happy | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| I feel good when I use this brand | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| I'm proud to use this brand | ○ | ○ | ○ | ○ | ○ | ○ | ○ |

Having in mind the luxury fashion brand you named before, please indicate, in a scale from "Strongly Disagree" to "Strongly Agree", what is your level of agreement with the following statements:

| | Strongly disagree | Disagree | Somewhat Disagree | Neither agree or disagreee | Somewhat Agree | Agree | Strongly agree |
|---|---|---|---|---|---|---|---|
| I spend a lot of time using this brand, compared to other luxury fashion brands | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| Whenever I'm using luxury fashion, I usually use this brand | ○ | ○ | ○ | ○ | ○ | ○ | ○ |

Having in mind the influencer you named before, please indicate, in a scale from "Strongly Disagree" to "Strongly Agree", what is your level of agreement with the following statements:

| | Strongly disagree | Disagree | Somewhat Disagree | Neither agree or disagreee | Somewhat Agree | Agree | Strongly agree |
|---|---|---|---|---|---|---|---|
| I would purchase luxury fashion products promoted by this micro-influencer in the future | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| I would purchase luxury fashion products based on the advice I am given by this micro-influencer | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| I would follow luxury fashion brand recommendations from this micro-influencer | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| I would encourage people close to me to buy the luxury fashion products promoted by this micro-influencer | ○ | ○ | ○ | ○ | ○ | ○ | ○ |

Having in mind the luxury fashion brand you named before, please indicate, in a scale from "Strongly Disagree" to "Strongly Agree", what is your level of agreement with the following statements:

|  | Strongly disagree | Disagree | Somewhat Disagree | Neither agree or disagreee | Somewhat Agree | Agree | Strongly agree |
|---|---|---|---|---|---|---|---|
| I am always aware of this brand | O | O | O | O | O | O | O |
| Characteristics of this brand come to my mind quickly | O | O | O | O | O | O | O |
| I can quickly recall the symbol or logo of this brand | O | O | O | O | O | O | O |

Having in mind the luxury fashion brand you named before, please indicate, in a scale from "Strongly Disagree" to "Strongly Agree", what is your level of agreement with the following statements:

|  | Strongly disagree | Disagree | Somewhat Disagree | Neither agree or disagreee | Somewhat Agree | Agree | Strongly agree |
|---|---|---|---|---|---|---|---|
| This brand is a leading luxury fashion company | O | O | O | O | O | O | O |
| This brand has an extensive experience | O | O | O | O | O | O | O |
| This brand is representative of the luxury fashion industry | O | O | O | O | O | O | O |
| This brand is a customer-oriented company | O | O | O | O | O | O | O |

Age

- O 18-24
- O 25-34
- O 35-44
- O 45-54
- O 55-64
- O +65

Gender

- O Feminine
- O Masculine
- O Other
- O Prefer not to say

Nationality

[ ⌄ ]

Level of Education (indicate the highest level you have completed)

- O Primary school / 1st cycle (4 years of schooling)
- O Elementary Education / 2nd Cycle (5th and 6th grade)
- O Basic Education / 3rd Cycle (7th, 8th and 9th grade)
- O Secondary Education (10th, 11th and 12th grade)
- O Bachelor's Degree
- O Master's Degree
- O Doctorate
- O Other
- O Don't know / No answer

# Appendix C: Descriptive Statistics for all variables (SPSS Outputs)

**Descriptive Statistics for Credibility**

|  | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| TRU1 | 322 | 1 | 7 | 5,56 | 1,341 |
| TRU2 | 322 | 1 | 7 | 5,72 | 1,223 |
| TRU3 | 322 | 1 | 7 | 5,66 | 1,223 |
| TRU4 | 322 | 1 | 7 | 5,69 | 1,175 |
| TRU5 | 322 | 1 | 7 | 5,66 | 1,271 |
| TRU6 | 322 | 1 | 7 | 5,75 | 1,170 |
| EXP1 | 322 | 1 | 7 | 5,43 | 1,382 |
| EXP2 | 322 | 1 | 7 | 5,57 | 1,224 |
| EXP3 | 322 | 1 | 7 | 5,63 | 1,235 |
| EXP4 | 322 | 1 | 7 | 5,68 | 1,181 |
| EXP5 | 322 | 1 | 7 | 5,57 | 1,305 |
| EXP6 | 322 | 1 | 7 | 5,66 | 1,223 |
| SIM1 | 322 | 1 | 7 | 5,58 | 1,300 |
| SIM2 | 322 | 1 | 7 | 5,42 | 1,381 |
| SIM3 | 322 | 1 | 7 | 5,41 | 1,325 |
| SIM4 | 322 | 1 | 7 | 5,64 | 1,181 |
| SIM5 | 322 | 1 | 7 | 5,43 | 1,371 |
| SIM6 | 322 | 1 | 7 | 5,59 | 1,268 |
| ATT1 | 322 | 1 | 7 | 5,45 | 1,418 |
| ATT2 | 322 | 1 | 7 | 5,76 | 1,251 |
| ATT3 | 322 | 1 | 7 | 5,59 | 1,236 |
| ATT4 | 322 | 1 | 7 | 5,49 | 1,377 |
| Valid N (listwise) | 322 |  |  |  |  |

**Descriptive Statistics for Trustworthiness, Expertise, Similarity and Attractiveness**

|  | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| TRU | 322 | 6,00 | 42,00 | 34,0404 | 5,64706 |
| EXP | 322 | 6,00 | 42,00 | 33,5404 | 5,80739 |
| SIM | 322 | 6,00 | 42,00 | 33,0714 | 5,88979 |
| ATT | 322 | 4,00 | 28,00 | 22,2888 | 4,04189 |
| Valid N (listwise) | 322 |  |  |  |  |

**Descriptive Statistics for Credibility**

|  | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| C | 322 | 22,00 | 154,00 | 122,9410 | 19,35163 |
| Valid N (listwise) | 322 |  |  |  |  |

**Descriptive Statistics for Content Quality**

|  | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| CQ1 | 322 | 1 | 7 | 5,61 | 1,269 |
| CQ2 | 322 | 1 | 7 | 5,80 | 1,078 |
| CQ3 | 322 | 1 | 7 | 5,70 | 1,203 |
| CQ4 | 322 | 1 | 7 | 5,75 | 1,115 |
| Valid N (listwise) | 322 |  |  |  |  |

**Descriptive Statistics for Content Quality**

|  | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| CQ | 322 | 4,00 | 28,00 | 22,8478 | 3,49434 |
| Valid N (listwise) | 322 |  |  |  |  |

## Descriptive Statistics for Originality

|  | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| O1 | 322 | 1 | 7 | 5,51 | 1,356 |
| O2 | 322 | 1 | 7 | 5,61 | 1,224 |
| O3 | 322 | 1 | 7 | 5,72 | 1,277 |
| Valid N (listwise) | 322 |  |  |  |  |

## Descriptive Statistics for Originality

|  | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| O | 322 | 3,00 | 21,00 | 16,8354 | 3,20255 |
| Valid N (listwise) | 322 |  |  |  |  |

## Descriptive Statistics for Customer Engagement

|  | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| CP1 | 322 | 1 | 7 | 5,43 | 1,459 |
| CP2 | 322 | 1 | 7 | 5,49 | 1,441 |
| CP3 | 322 | 1 | 7 | 5,43 | 1,484 |
| AFF1 | 322 | 1 | 7 | 5,62 | 1,301 |
| AFF2 | 322 | 1 | 7 | 5,65 | 1,204 |
| AFF3 | 322 | 1 | 7 | 5,73 | 1,196 |
| AFF4 | 322 | 1 | 7 | 5,76 | 1,145 |
| ACT1 | 322 | 1 | 7 | 5,51 | 1,441 |
| ACT2 | 322 | 1 | 7 | 5,61 | 1,237 |
| Valid N (listwise) | 322 |  |  |  |  |

## Descriptive Statistics for Cognitive Processing, Affection and Activation

|  | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| CP | 322 | 3,00 | 21,00 | 16,3509 | 3,67586 |
| AFF | 322 | 4,00 | 28,00 | 22,7609 | 3,72689 |
| ACT | 322 | 2,00 | 14,00 | 11,1180 | 2,24477 |
| Valid N (listwise) | 322 |  |  |  |  |

## Descriptive Statistics for Customer Engagement

|  | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| E | 322 | 13,00 | 63,00 | 50,2298 | 8,80438 |
| Valid N (listwise) | 322 |  |  |  |  |

## Descriptive Statistics for Purchase Intention

|  | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| PI1 | 322 | 1 | 7 | 5,52 | 1,354 |
| PI2 | 322 | 1 | 7 | 5,55 | 1,272 |
| PI3 | 322 | 1 | 7 | 5,56 | 1,325 |
| PI4 | 322 | 1 | 7 | 5,45 | 1,374 |
| Valid N (listwise) | 322 |  |  |  |  |

## Descriptive Statistics for Purchase Intention

|  | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| PI | 322 | 4,00 | 28,00 | 22,0745 | 4,18208 |
| Valid N (listwise) | 322 |  |  |  |  |

## Descriptive Statistics for Brand Equity

|  | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| BA1 | 322 | 1 | 7 | 5,47 | 1,458 |
| BA2 | 322 | 1 | 7 | 5,63 | 1,234 |
| BA3 | 322 | 1 | 7 | 5,76 | 1,261 |
| BI1 | 322 | 1 | 7 | 5,65 | 1,287 |
| BI2 | 322 | 2 | 7 | 5,86 | 1,051 |
| BI3 | 322 | 1 | 7 | 5,74 | 1,187 |
| BI4 | 322 | 2 | 7 | 5,75 | 1,044 |
| Valid N (listwise) | 322 |  |  |  |  |

## Descriptive Statistics for Brand Awareness and Brand Image

|  | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| BA | 322 | 6,00 | 21,00 | 16,8634 | 2,99636 |
| BI | 322 | 10,00 | 28,00 | 23,0000 | 3,32085 |
| Valid N (listwise) | 322 |  |  |  |  |

## Descriptive Statistics for Brand Equity

|  | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| BE | 322 | 16,00 | 49,00 | 39,8634 | 5,94733 |
| Valid N (listwise) | 322 |  |  |  |  |

## Appendix D: Scatterplots of the Distribution of the Residuals (SPSS Outputs)



Scatterplot
Dependent Variable: Customer Engagement

**Scatterplot**

**Dependent Variable: Purchase Intention**



**Scatterplot**

**Dependent Variable: Brand Equity**
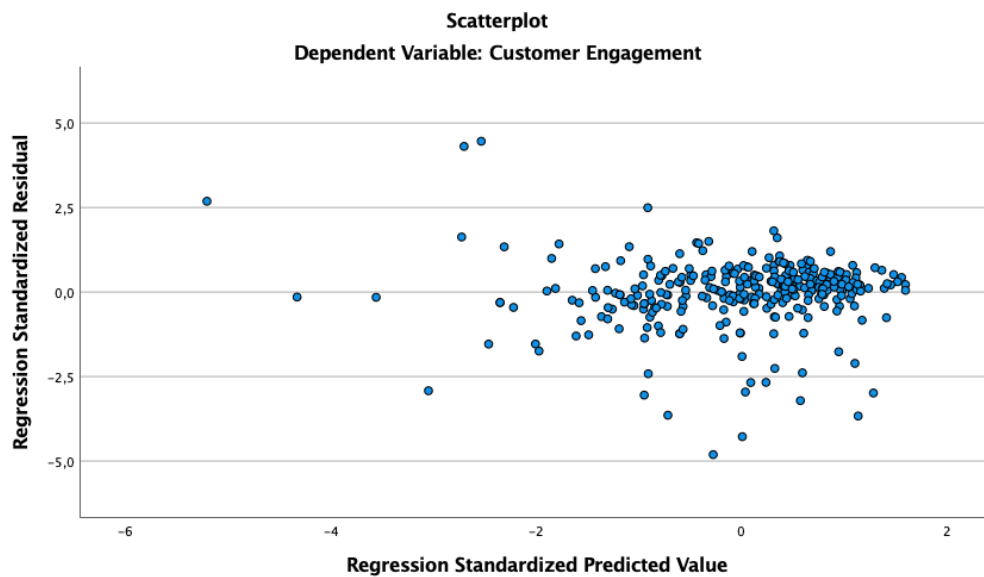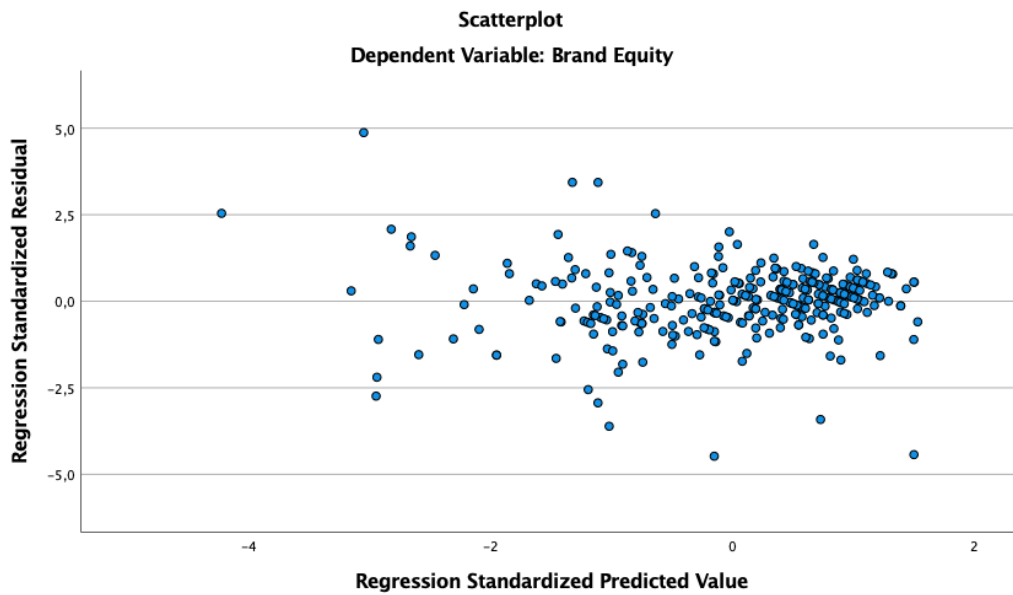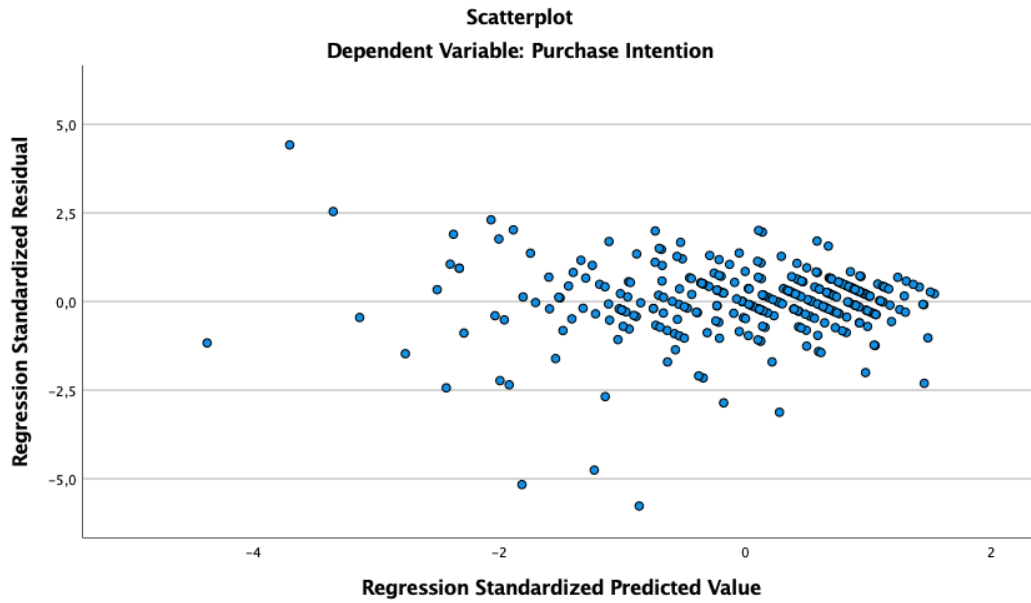


# Appendix E: Histograms of the Distribution of the Residuals (SPSS Outputs)

**Histogram**

**Dependent Variable: Customer Engagement**

Mean = 7,60E-16
Std. Dev. = 0,995
N = 322

Histogram
Dependent Variable: Purchase Intention

Mean = 1,01E−16
Std. Dev. = 0,994
N = 322



Histogram
Dependent Variable: Brand Equity

Mean = −2,62E−17
Std. Dev. = 0,994
N = 322
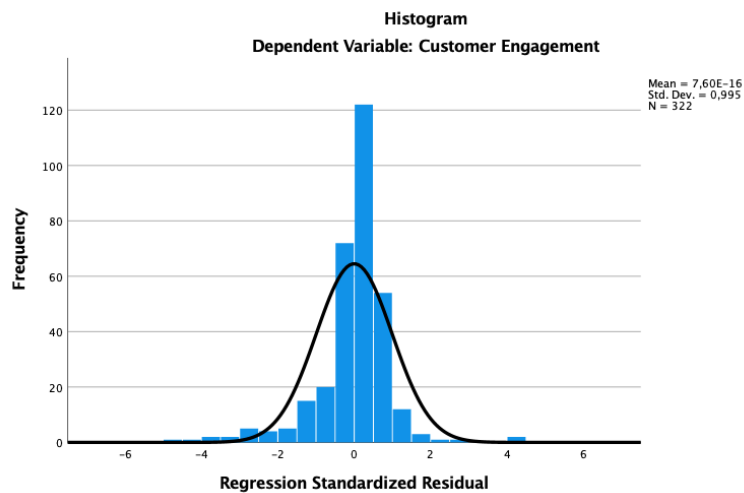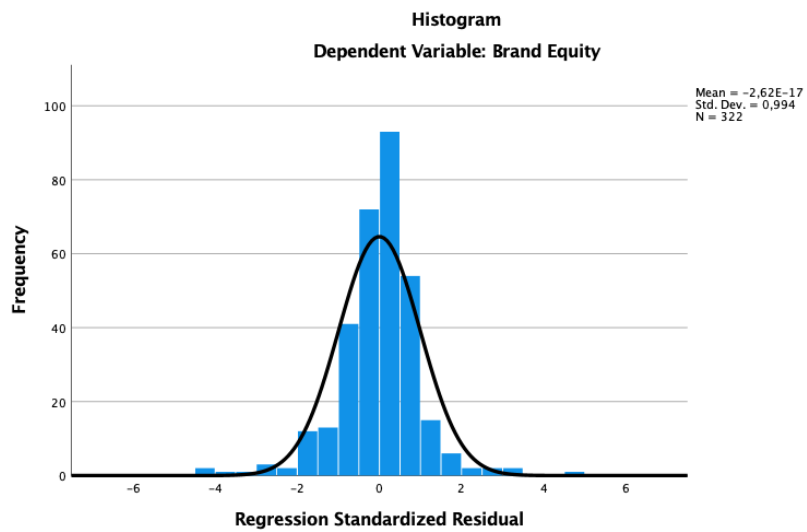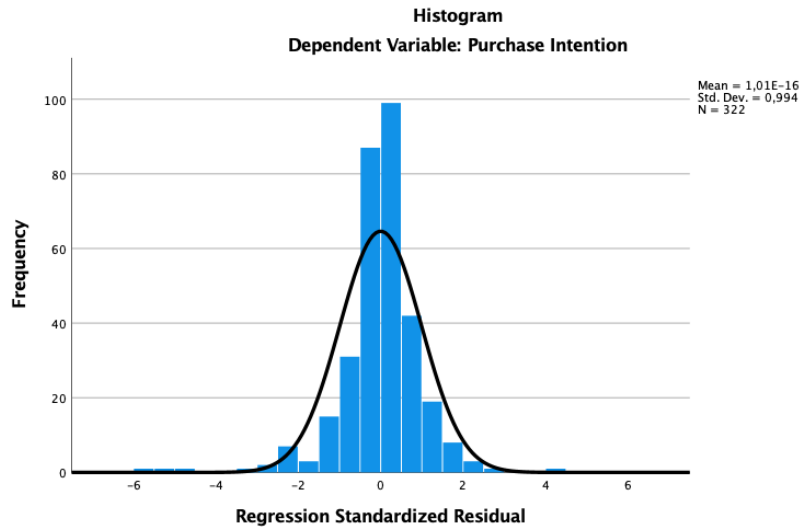
## Appendix F: Normal P-Plots of the Distribution of the Residuals (SPSS Outputs)



Normal P–P Plot of Regression Standardized Residual
Dependent Variable: Customer Engagement

Normal P–P Plot of Regression Standardized Residual
Dependent Variable: Purchase Intention

Normal P–P Plot of Regression Standardized Residual
Dependent Variable: Brand Equity