Does Influencer Marketing Really Improve Sustainable Brand Awareness and Sales?

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ABSTRACT
The disruption era has pushed all business activities to move to digital. The emergence of these digital activities also made many brands try to maintain their existence by increasing digital marketing activities, one of which is influencer marketing. The use of this influencer technique is on the rise, but it is also reaping various controversies about the result of its application because not all business fields experience the optimal result of increasing brand awareness and sales. The purpose of the study is to determine whether influencer marketing can improve sustainable brand awareness and sales, especially for start-up businesses.

This research was conducted in Denpasar City with a phenomenological qualitative method to find out what the informants thought about the influencer marketing phenomenon to improve sustainable brand awareness and sales. Resource persons were interviewed in-depth. The data validity method is source triangulation. The results of the study indicate that influencer marketing affects the improvement of brand awareness temporally. Brands must be adaptive to apply other strategies and take advantage of the momentum to achieve optimal sales. The challenges that exist can be minimized by brands related to actively selecting influencers and adapting to other digital marketing methods, as well as conducting good communication before and after collaboration. Influencer marketing is the right marketing technique in the disruption era but must be accompanied by other marketing strategies to support maximum results.

Keywords: Influencer Marketing, Brand Awareness, Sales, Disruption Era, Instagram

1. Introduction

The era that is now known as industrial revolution 4.0 era also demands that everything runs faster, more precise and efficient, where this creates massive changes that shift old habits and replaces them with new habits and require creativity that is more than just maintaining innovation (Kasali, 2017). This shift is called disruption, which has displaced the incumbents and gave birth to new entrants who bring all the intelligence and sophistication of the platform. This disruption will create new strategies in the business world (Kasali, 2019). One of them is a digital-based business strategy by utilizing artificial intelligence (AI) and social media. Global Pandemic also made the digital activity and the use of social media increase rapidly. Social media is considered as “the easiest media” to be used by various groups to gain trusted information and also has a strong image in society (Chahine and Malhotra, 2018; Olsen and Sandholmen, 2019; Ong and Ito, 2019), social media, which contains a lot of reliable information, then become an important strategic tool used by brands to increase brand value (Chahine and Malhotra, 2018) such as brand awareness and sales. The primary and main limitation in any brand-related search is brand awareness (Shahid et al., 2017). The decision-making of a consumer about a product is affected by brand awareness because a consumer can perceive and recall a brand in different contexts.
situations (Pandjaitan, 2018). The main goal for each company is to build a strong brand so it can achieve optimal sales in a sustainable manner (Pandjaitan, 2018), therefore it's important for brand to improve their brand awareness.

There are many strategies to improve brand awareness, one way that is developing and most widely used in today's digital era is social media marketing. Social media marketing has led to many collaborative activities such as influencer marketing where influencers on social media with many followers on their accounts are able to become reviewers to increase brand awareness and consumer trust (Gunawan et al., 2021). Influencers can provide additional engagement and insight to stimulate followers to buy products from the brand that work with them because followers perceive their relationship more suitable with influencers lifestyle rather than traditional celebrities (Jin et al., 2019). Influencer marketing is also carried out because the existence of one brand impedes above how popular a brand is (Olsen and Sandholmen, 2019) and how the brand can maintain its popularity through increased exposure every day. The emergence of influencer marketing has a big impact on a brand's ability to increase its exposure. Marketers have successfully read this phenomenon so the use of influencer marketing to improve brand awareness is increasing.

The impact of influencer marketing directly proportional with previous research conducted by Lou & Yuan in 2018, which said that influencer marketing give a positive effect on follower's trust which subsequently influences brand awareness (Lou & Yuan, 2018). Other research among generation Z in Surabaya also said that influencers give positive effect on brand awareness (Gunawan et al., 2021). However, the real condition shows that there is an imbalance in the effects of influencer marketing on brand awareness. Not all business fields have experienced a significant increase in brand awareness and sales after collaborating. Camilla Ødegård Olsen, Gina Marie Sandholmen in the previous research in 2019 also reveals that there are some side effects in using influencer marketing related to negative behavior (Olsen and Sandholmen, 2019). Ironically, many influencers did the shady trick by "buying" the number of followers or likes to get fake "exposure", and brands need to pay high because they lack information about this fake exposure before they collaborated (Anand et al., 2019).

Most of the brands use Instagram as their media for collaborating with an influencer. Instagram also have their latest systematic that affect engagement and insight rate of its user (Agung and Darma, 2019). The emergence of other social media such as Tik Tok and Clubhouse made Instagram algorithm went downhill and affect influencer engagement/insight rate which also impacts in company's brand awareness that collaborates with them. The imbalance that occurs does not reduce the density of the flow of collaboration even though there are some areas of the business that do not experi-

ence a significant Return of Investment (ROI) in both brand awareness and sales. The purpose of this research is to find out whether influencer marketing really improves sustainable brand awareness and sales.

1.1 Brand Awareness

Brand awareness is an important element and always be one of several goals from all brands when they do marketing activities. Consumer’s ability to recognize and remember one brand (Gunawan et al., 2021) also distinguishes it from others (Mulyono, 2016) called brand awareness. Brand awareness have an effect on consumer's decision-making about the brand product (Pandjaitan, 2018). Brand awareness is build and enhanced by improving brand familiarity through repeated exposure. Brand awareness is a fundamental level of knowledge of a brand, which at least involves identifying the brand name or structure that has been developed through detailed information (Shahid et al., 2017).

![Figure 1. Brand Awareness Pyramid](image)

Source : (Aaker, 2009; cited in Haratua Pandjaitan, 2018)

There are 4 levels of brand awareness. **Unaware of Brand** is the first level of the pyramid, the lowest one, whereas the consumer still unaware of the brand; **Brand Recognition** is the second level from the pyramid and in this level, it's another key point when consumer chooses a brand at the time of purchase; **Brand Recall** is the level after brand recognition, this is a rebranding of the brand without any help because it is different from introductory task; **Top of Mind** is the highest level of brand awareness because, in this stage, the consumer will immediately remember the related brand when asked about the product category (spontaneous brand recall). The brand goal is to achieve the top level of the pyramid because the consumer will attend to choose the brand that they remembered (Pandjaitan, 2018).

The brand needs to gain more exposure from any marketing activities to achieve the “top of mind” level. Brand exposure is a form of indirect influence provided by advertising - advertising exposure (Pomalaa et al., 2018) - on consumers (Hayatun Nufus and Daryanti, 2015) where this influence occurs due to consumer desires (incidental exposure) and elements of accident (accidental exposure). Incidental exposure is a condi-
tion in which consumers seek information/advertisements because of the desire to buy a product, while accidental exposure is a situation where consumers accidentally come into contact with a related advertisement and see information about the product being advertised.

1.2. The Importance of Improving Brand Awareness and How to Measure the Improvement

Brand awareness is an important element inside the company because, through this element, consumers will make purchases of products and will introduce related products to other consumers (Haratua Pandjaitan, 2018). Brand awareness can be built and increased through messages that will be conveyed to consumers. The message conveyed must be easy to remember, unique and different, and have a harmonious relationship with the product and be a source of commitment to the brand (Rahayu, 2017). The higher the level of awareness of a brand in the minds of consumers, the more likely the brand is to be considered in the purchase and the greater the chance for the brand to be chosen by consumers (Witrin Nuringtyas Gita A, 2020).

Brand awareness can be built in several ways, such as from social media, content marketing, video marketing, event sponsorship (Rahayu, 2017), and influencer marketing. The method most often used today is influencer marketing because influencers are considered to have a relationship with target consumers in the form of followers, who make promotional strategies look more natural and trustworthy (De Veirman et al., 2017). Improvement that occurs can be measured by the number of brand followers and the engagement level that happens post promotion.

1.3 Influencer Marketing for Improving Brand Awareness

Influencers are social media users who have a large influence on their followers and also paid by a company to market their products, provide product-related information (Ong and Ito, 2019) and influence consumer behavior (Chen Lou and Shupei Yuan, 2018) on their social media account with product endorsement as feedback (Anand et al., 2019). Influencers are divided into five types: Celebrity Influencer, Mega Influencer, Macro Influencers, Micro-influencers, and Nano Influencers (Campbell and Farrell, 2020; Olsen and Sandholm, 2019).

Celebrity Influencer is any individual who enjoys public recognition outside of social media and usually already has a career in the multimedia industry (Campbell and Farrell, 2020). They only use their social media to support their career and because of their popularity in public, they become Celebrity Influencer on social media with more than 1 million followers. Another category is Mega Influencer, who experienced significant growth on their social media with 1 million or more followers, but typically unknown outside their followers set. Those who are categorized as Macro Influencers are usually users who have more than 100,000 followers (Triwijanarko and Perkasa Al-Hafiz, 2019) and are usually drawn to collaborate with very well-known brands to appear in bigger target audience even on television. Whereas Micro-influencers have less than 100,000 followers and usually more attractive to become brand targets for collaboration. Nano Influencer is the beginning step of influencer who only have their friends, acquaintance, and them who chosen by (Campbell and Farrell, 2020). Even though Micro-influencers and Nano Influencer have a much smaller number of followers, but their content considered more relevant and more trusted because followers believe that their content is more about sharing their personal life rather than paid content (Triwijanarko and Perkasa Al-Hafiz, 2019). Start-up brands usually more into Nano influencer or Micro-Influencers because of their marketing budget more suitable to reach Nano or Micro rather than other categories (Campbell and Farrell, 2020).

1.4 Instagram as a Digital Platform for Influencer Marketing

Instagram is one of several super apps (Kasali, 2019) that have become popular in this disruption era (Sheldon and Newman, 2019). Instagram has grown rapidly into 1 billion active users (Casaló et al., 2020) since its first released on 6 October 2010 which was later purchased by Facebook for 1 million dollars (Pedersen, 2017). Instagram which founded by Kevin Systrom and Mike Krieger (Pranaka et al., 2017) is a form of social communication tool that focuses on photos and videos where users can update about their life (Kim et al., 2017) with a photo that can be edited using filters (De Veirman et al., 2017) and people can show their reaction by “like” also “comment” features (Kim et al., 2017).

Instagram provides 7 different languages to access (Pedersen, 2017). Instagram has a simple and creative system that proves photo and video-based social media is attractive and right on target in delivering messages rather than text-based social media such as Twitter (Lee et al., 2015). In 2016, 48.8% of businesses used Instagram to promote their business. This figure increased to 70.7% in the year 2017 (Parker, 2016). Jensen’s statistics in 2016 said that the audience, which is mostly prospective buyers, will immediately visit the website when they see fish on Instagram (Pedersen, 2017). About 60% of online users say they know a new brand by browsing the Instagram timeline. Many Brands aware that Instagram is a good opportunity to increase brand awareness and sales, then influencer marketing on Instagram is on the rise.

2. Methodology

This research was conducted in Denpasar City with a phenomenological qualitative method. Denpasar City is chosen to be the location because Denpasar is the capital of the province of Bali, where Bali is one of the provinces in Indonesia which has the largest foreign tourist visit rate. Bali also has many creative ecosystems that can support the digital economy. Bali Province encourages the city of Denpasar as the center of business activities where digital business entrepreneurs are very developed in this area. Qualitative phenomenology becomes a method in this study with the aim to understand deeper what the
informants thought about the influencer marketing phenomenon to increase sustainable brand awareness and sales, especially in the new normal era.

Selections of informants in this study using purposive accidental sampling technique, where online start-up brands on Instagram from several business fields were chosen because they were considered to have a better understanding of the collaboration impact that occurs between brands and influencers on Instagram since this media is the most used platform for collaborative activities in aim to improve brand awareness. The Resource persons are from a few creative industry business fields; the photography, decoration, fashion, culinary and make-up artist businesses were interviewed in-depth via zoom call because of the social restriction in the new normal era. The data validity method is source triangulation.

This study use semi-structured in-depth interview as data collection technique. The data analysis technique using analysis of the Miles and Huberman models (Data Reduction, Data Presentation, and Conclusions). The Data Validity technique is Source triangulation.

3. Result and Discussions

Analysis of the interview results found that influencer marketing improve brand awareness and sales, but it is only temporary and quite brief. This is due to several factors including the large number of brands collaborating at the same time, monotonous brand strategies and unable to read momentum, Unattractive product presentation abilities, incompatibility of niche brands with related influencers, Instagram algorithms and fake exposure from influencers.

Digitalization has increased the flow of online businesses in various parts of the world including Denpasar, Bali, Indonesia.

Report from data in figure 2, the use of social media is increased since January 2020 where 66% of user use social media for online shopping. This continuous shift has also made marketing strategies switch to using digital strategies, specifically influencer marketing with the aim to improve brand awareness. As stated by Cathrine Natasha, owner of Love Locale Patisserie, “Influencer marketing is a marketing strategy that we use once in a month to improve brand awareness and sales” (Interview on November 20, 2020 at 20.40 WITA) which strengthened by the statement from Idha Ayu Gita Saraswati, owner of Olden Label that said “we usually use influencer marketing whether its when the product just release or when its at the end of product life cycle. The goal is to introduce prospective consumers to these new products or latest product and to increase sales” (Interview on December 3, 2020 at 22.10 WITA). Several previous studies have also confirmed the use of influencer marketing which can increase brand awareness of a company and become an attractive digital strategy to increase sales (Hariyanti and Wirapraja, 2018). Influencers play significant role in marketing strategy (Campbell and Farrell, 2020). Influencer’s engagement such as their reach is important to improve brand awareness (Gunawan et al., 2021) whether its from Micro-Influencer or Macro-influencer to gain natural review.

Micro-Influencer are the most popular choices for start-up businesses because they are considered to be easier to persuade their followers and the feedback they get is much more efficient than advertising on Google ads or other traditional marketing methods. Pusplita Dewi, owner of Funstaro Kress stated “micro-influencer looks more in line with our goals and marketing budget, besides getting the reach of many potential customers, the marketing costs are also cheaper.” (Interview on November 20, 2020 at 14.00 WITA). The similar statement completed by K. Ari Suryani Jona, W. owner Flowloons Party, “Instead of doing advertisements traditional marketing, influencer marketing is much more efficient because its more personal and natural so it can attract more audiences.” (Interview on November 1, 2020 at 20.21 WITA). Previous research conducted by Colin Campbell and Justin Rapp Farrell in 2020 also said that Micro influencers are increasingly being chosen by marketing managers because they are perceived to be more connected to the interests of their followers in social media (Campbell and Farrell, 2020).

However, the results of collaborating with influencers only last temporary because the growth of influencer marketing users has been increasing. Many brand do the collaboration with influencers at same time and resulted in insignificant improvement as stated by Jena Iswari, owner of Aluna Florist, “Many brands also collaborate with influencers, and made the result unstable. It is also impossible to bind influencers with work contracts, because of their nature, most of which are freelance services.” (Interview on November 18, 2020, at 18.04 WITA). Cathrine Natasha, owner of Love Locale Patisserie also completed the statement, “The effect of this promotion only lasts 7-8 days at most, or even less. This is because the content uploaded by influencers is only valid for 24 hours for Instagram stories, while for Instagram feeds it will only steal the spotlight as long as the photo is in the top 9 grids of the influencer’s profile” (Interview on November 23, 2020 at 20.40 WITA). Every brand must be aware that the high number of influencer marketing use can pose the risk of deviating from the company’s goals in collaborating (Campbell and Farrell,
Brand should be cautious with future competitive risk that could arise from previous or future influencer’s brand collaboration (Backaler, 2018). Brand awareness and sales will not increase if the advertisements seen by target consumers are not attractive. A brand’s inability to maintain brand awareness will cause brand awareness to stagnate even though it has carried out optimal collaboration. Dinar Astika, owner of Dinar Astika Films said “The right moment is important when we do collaboration, for example do the collaboration for wedding video in the wedding session month” (Interview on October 16, 2020 at 19.37 WITA). This statement completed with K. Ari Suryani Jona, W, owner of Flowloons Party, “When it Valentine’s Day, the insights for Valentine’s special products increased after collaboration” (Interview on November 1, 2020 at 20.21 WITA) and emphasized again by the statement of Oka Dharmawan, Owner of Igo Photoworks; Sheila Kurniawedi, owner of Sheila Kho Make Up and Cathrine Natasha, owner of Love Locale Patisserie which states “...it is important to read the situation before collaborating to get optimal results, be the first to collaborate...”. Brand must be aware of social media ‘golden rule’ is to giving first the gain more awareness (Backaler, 2018).

The key point to improve brand awareness is to make something unique so that target consumers can immediately remember the brand associated (Rahayu, 2017). In fact, some of influencers these days do not have unique and interesting product presentation skills so that people are less interested in the brand being promoted.

Ida Ayu Gita Saraswati, owner of Olden Label said “Most influencers today have monotonous presentation skills that make the target audience saturated” (Interview on December 3, 2020 at 22.10 WITA). The digital society now has the ability to differentiate between paid and non-paid content. The goal of doing influencer marketing is to make advertisements look as natural as possible for influencers to use so as to lure target consumers to see product reviews. This is similar to the statement said by Stefany Layata, owner of By Stefany Layata Make Up, “Influencers who are not too obvious about creating advertisement content will have higher engagement, because the digital community can now distinguish between paid and unpaid content” (Interview on September 18, 2020, at 20.22 WITA). Previous research also said its important for brand to do the selection when choosing influencers and make sure they have good presentation skill so the advertisement will hit maximum result in improving brand awareness and sales (Backaler, 2018; Campbell and Farrell, 2020; Hariyanti and Wirapraja, 2018).

Besides having attractive presentation skills, another factor that needs to be considered in choosing influencers is the suitability of their niche with the predicted brand. Oka Dharmawan, Owner of Igo Photoworks after collaborated with influencer said, “This influencer has a niche that is in line with our brand, so we hit maximum sales” (Interview on November 21, 2020, at 22.51 WITA). The appropriate niche means the target market will be in accordance with the brand’s goals (Backaler, 2018). Choosing a good influencer also needs to be considered in terms of followers. Brands must be careful of influencers who cheat by buying followers and engagement because this will prevent the brand from experiencing any improvement when collaborating. This is consistent with the statement from Sheila Kurniawedi, owner of Sheila Kho Make Up, that stated, “When choosing an influencer it turns out that we tricked by a large number of followers and likers, all of them are ‘bot’ and are not authentic” (Interview on September 16, 2020, at 10.01 WITA) and strengthened by Jena Iswari, owner of Alluna Florist, “Because we didn’t know it was fake followers, so no improvement happened after we did the endorsement” (Interview on November 18, 2020, at 18.04 WITA). Karen Floresnia, owner of The Floria Florist also said, “we will check the influencer's insight through a website. The results of this check are arguably not 100% accurate. The challenge with influencer marketing is that we cannot accurately predict the results of their engagement”. Previous research also show that influencer with fake followers or engagement will make brand awareness and sales have no improvement and will cause the brand experience loss on their investment (Anand et al., 2019).

The application of the Instagram algorithm as user systematics is also a challenge that complicates the collaboration process. The emergence of other social media such as TikTok and Clubhouse made Instagram use a new strategy by utilizing the Instagram algorithm to keep its users active on Instagram. The similar condition stated by Dinar Astika, owner of Dinar Astika Films, “Instagram wants its users to be active on Instagram rather than on other social media, where to achieve this goal, it is playing with levels of engagement and insight” (Interview on October 16, 2020 at 19.37 WITA). Sheila Kurniawedi, owner of Sheila Kho Make Up also said, “Influencers will experience a decrease in the level of exposure and ultimately will not be able to provide a high improvement in brand awareness”. Instagram algorithm can be can be overcome by keeping the social media engagement of users high traffic, allowing the Instagram system to open related content to reach wider audience (Agung and Darma, 2019). Instagram advertising as one of traditional marketing models can be used as mixing method to improve engagement.

4. Conclusion

Based on the result and discussions above, it can be concluded that influencer marketing an improve the flow of engagement and followers of a brand's social media and can increase brand awareness more deeply. Especially in this new normal era, influencer marketing is the right choice for start-up brands to be able to carry out marketing activities by adjusting the marketing budget conditions of each company. Influencers are considered a trusted reviewer for their audience because the audience can see firsthand the content they create for a product they are review-
ing, not monotonous seeing content from the company.

However, the result of improvement on brand awareness only happen in temporarily conditions. Brand awareness only improves temporarily because influencers nowadays have a high traffic of collaboration (Campbell and Farrell, 2020). Influencers need to review products for several brands at the same time. Content that is uploaded simultaneously will certainly create an “overlapping” impression so that the post-promotion effect felt by the brand will only last for a short period. Brand awareness is the initial stage of determining how potential customers will purchase a product. This initial stage must be followed up with the right momentum at suitable niche so the collaboration with influencer can hit maximum sales. Brand must be aware about “the golden rule” of being “the first” to collaborate with (Backaler, 2018).

Another factor that made brand experienced temporal improvement on brand awareness and sales is because some of the influencer have no skill in presenting the product in an attractive and unique way. The key point to improve brand awareness is to make something unique so that target consumers can immediately remember the brand associated (Rahayu, 2017). Influencer’s followers that become target market want something unique in influencer’s product review based on their personal experience not because they paid to review the product. Digital society these days know how to distinguish personal content (non paid content) and paid content. Brand need to learn how the influencer presenting the product in one content because it will affect the result of improvement in the future.

Another challenge that makes it difficult for a brand to feel improvement in brand awareness is that many influencers are cheating by manipulating insight data using bots. A brand that has done influencer research will be manipulated with a lot of followers and likers so that the brand will not know the definite results before collaborating. This condition will cause a loss for the brand if, in the end, its ROI (Return of Investment) does not match the value of the product that has been issued. Therefore a brand needs to be careful in choosing influencers who will be the target of collaboration. Instagram algorithm degradation also made the process complicated. Instagram disrupting engagement rates so that influencer’s engagement has decreased significantly. However, this can be overcome by mixing influencer marketing with traditional marketing through Instagram advertising posts and continuous audience interaction.

Both brands and influencers must have good business communication ethics to be able to achieve the main goals of the collaboration, considering that this collaboration system is often not binding and flexible. Brands must be more active in learning what strategies can be used to support this influencer marketing technique. A positive attitude and strong motivation from brands in facing this influencer marketing challenge need to be improved. Better communication needs to be improved to support application and to achieve the goal of better collaboration, and also brands need to explore the types of influencers to avoid selecting inappropriate influencers as collaboration targets.

The advice for both brands and marketers is that it is necessary to implement the right influencer selection strategy before collaborating. The selection of influencers is not always seen from the large number of followers, but rather on engagement and how interesting and educative the content is so that it can create good awareness. It is also important to combine influencer marketing with traditional marketing such as Instagram advertising to increase the number of collaborative content engagements so that content opportunities to reach a larger target audience can be met. Brands and marketers should choose influencers who are in the same field/ niche with the product, so that the promotional value can be conveyed correctly and to the right target market. Avoid influencers whose niche market is not clear because it will cause the growth of brand awareness to be less significant.

However, because this research was only conducted in the city of Denpasar, the results of this study may be less relevant if it is carried out in other areas which of course have different characteristics and typical influencers from the city of Denpasar. Thus, to perfect this research, further research can be carried out in the context of other cities that have different characteristics. From the city of Denpasar. Future studies can also use other methods besides qualitative phenomenology so as to deepen the results of this study.

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