Sponsored Posts from Instagram Influencers and Purchase Intentions: The Mediating Role of the Perceived Value of Sponsored Posts

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Instagram has manifested new mechanisms for advertising to consumers. It has further allowed influencers to adequately reach out to consumers concerning the frequency and influence of advertising through sponsored posts. Marketing on Instagram using influencers has evolved at an unbelievable rate and is a market of about $1.7 billion (Mediakix, 2019). The engagement rate on Instagram has been higher than other social media platforms due to the prominent influencers (Casaló, Flavián, & Ibáñez-Sánchez, 2018; Vorhaus, 2018). Influencers are recognized as a trusted tastemaker (De Veirman, Cauberghe, & Hudders, 2017) and also regarded as opinion leaders (Ramos- Serrano & Martínez-García, 2016). Consumers respond and act uniquely on Instagram, following the influencer and the tagged brand, visiting their websites and purchasing more frequently after viewing their sponsored posts (Casaló et al., 2018; Buckle, 2015). Influencers on Instagram are extra creative in the articulation of sponsored posts. Credible influencers enhance the impact of the message delivered from products, hold great value as an opinion leader (De Veirman et al., 2017). They are also capable of influencing a large section of consumers in a comparatively short period. As of 2019, there are over 5 Million brand-sponsored influencer posts on Instagram (Mediakix, 2019). Past research confirmed that with the evolution of Instagram influencers, how consumers react to the brands and their products has completely changed. Researchers have proven that influencers' posts on Instagram led to higher consumer purchase intentions (Casaló et al., 2018). Despite the surge of influential marketing, fewer academic studies focused on sponsored posts by influencers on Instagram. Minimal research has been done about consumer attitudes towards influencer advertising (sponsored posts) on Instagram. Thus, this study aims to explore the impact of Instagram users' attitudes towards the Instagram influencer (advertiser) on their attitudes towards the influencer's sponsored posts on Instagram (advertising), which, in turn, affects purchase intention. Importantly, the study investigates the mediating effects of perceived advertising value of sponsored posts: entertainment, informativeness, credibility, and irritation aspects of sponsored posts on the relationship between the attitude towards the Instagram influencer and the attitude towards the influencer's sponsored posts on Instagram.

Attitude towards the ad model (MacKenzie & Lutz, 1989), attitude towards web advertising model (Ducoffe, 1995, 1996; Brackett & Carr, 2001), and theory of reasoned action (Fishbein & Ajzen, 1975) served as the theoretical framework of the present study. According to the attitude towards the ad model developed by MacKenzie and Lutz (1989), attitude towards the advertiser directly influences the attitude towards advertising. In this model, MacKenzie and Lutz also asserted that perceptions towards the ad serve as a mediator (link) between attitude towards the advertiser and attitude toward the advertising. Later, researchers (Ducoffe, 1995, 1996; Brackett & Carr, 2001) found the four elements (informativeness, credibility, irritation, and entertainment) of advertising value that directly influenced consumers' attitudes towards web advertising and established the

attitude towards the web advertising model. Besides, the Theory of Reasoned Action (TRA) (Fishbein & Ajzen, 1975), which explains the relationship between human attitudes and behaviors, was adopted to examine the relationship between 'attitude towards the sponsored post' and 'purchase intention' towards the product displayed in the sponsored post in the present study. Combining the models mentioned above and TRA theory, we developed the following research hypotheses: *Hypothesis 1.* The Instagram users' attitudes towards the Instagram influencer significantly affects their attitudes towards the Instagram influencer's sponsored posts; *Hypothesis 2.* The perceived entertainment, informativeness, credibility and irritation aspects of the sponsored posts have a significant mediating effect on the relationship between the attitude towards the Instagram influencer and the attitude towards the Instagram influencer's sponsored posts; *Hypothesis 3.* The users' attitudes towards Instagram influencer's sponsored posts significantly affects their purchase intention.

The sample population of this research was active Instagram users who are familiar with Instagram influencers and their sponsored posts and aged between 18 years to 38 years in the United States. A structured questionnaire was developed on Qualtrics and distributed in the United States, using Amazon Mechanical Turk (M-Turk). A total of 300 responses was used for data analysis after eliminating the respondents who did not meet the sample criteria. Of the 300 responses, the majority (72.3%) were female and more than half of the participants (57.3%) fell under the age group category of 25 to 38 years old (Millennials). The responses for all the variables of the study were measured on a 7- point Likert scale (1 = Strongly disagree, 7 = Strongly agree). The reliability coefficient of Cronbach's α was examined to ensure an acceptable level of internal consistency of each scale. The Cronbach's α for each variable revealed that 0.96 for attitude towards influencer ($\underline{m}$ = 6.15), 0.95 for perceived entertainment of sponsored post ($\underline{m}$ = 4.95), 0.95 for perceived informativeness of sponsored post ($\underline{m}$ = 4.86), 0.96 for perceived credibility of sponsored post ($\underline{m}$ = 5.41), 0.94 for perceived irritation of sponsored post ($\underline{m}$ = 2.10), 0.93 for attitude towards sponsored post ($\underline{m}$ = 5.54) and 0.90 for the purchase intention ($\underline{m}$ = 3.90), respectively.

The simple linear regression analysis for H1 revealed that the users' attitudes towards the Instagram influencer's sponsored posts was significantly predicted by the users' attitudes towards the Instagram influencer, $F(1, 298) = 144.09$, $p < .001$, indicating that 32.6% of the variance in users' attitudes towards the Instagram influencer's sponsored post was explained by the attitude towards the Instagram influencer. Hypothesis 1 was supported. A mediation analysis was performed to test H2, using Hayes' PROCESS macro with 'Model 4' using the parallel multiple mediator model (Hayes, 2017). The direct effect (path c') of Attitude towards Instagram Influencer (X) on Attitude towards Sponsored Post (Y) was significant, *Coeff.* = 0.162, Boot SE = 0.045, 95% Boot LLCI = 0.073, 95% Boot ULCI = 0.251. The total indirect effects ($a_1b_1 + a_2b_2 + a_3b_3 + a_4b_4$) of the set of four mediators was significant, *Coeff.* = 0.435, Boot SE = 0.061, 95% Boot LLCI = 0.321, 95% Boot ULCI = 0.556. Hypothesis 2 was supported. The specific indirect effects were: *Coeff.* = 0.15 with 95% confidence interval, 0.093 to 0.215   for *perceived entertainment of the sponsored post (a_1b_1)*; *Coeff.* = -0.002, with 95% confidence interval, -0.028 to 0.025, for *perceived Informativeness of the sponsored post (a_2b_2)*; *Coeff.* = 0.162, with 95% confidence interval, 0.089 to 0.247, for *perceived credibility of the sponsored post (a_3b_3)*; *Coeff.* = 0.124, with 95% confidence interval, 0.063 to 0.199, for *perceived irritation of the sponsored post (a_4b_4).* The results showed that only the *perceived informativeness of*

the sponsored post was *not* a significant mediator. The total effect (*c*), of Attitude towards Instagram influencer on Attitude towards Sponsored Post was significant, *Coeff.* = 0.59, *t*(298) =12, *p* < .001. The 95% confidence interval for the slope, 0.50 to 0.69. The simple linear regression analysis for H3 showed that the users' purchase intention was significantly predicted by the users' attitudes towards Instagram influencer's sponsored post, *F*(1, 298) = 91.99, *p* < .001, indicating 23.6% of the variance in users' purchase intention was explained by the users' attitudes towards Instagram influencer's sponsored post. Thus, Hypothesis 3 was supported. This study contributes to the further understanding of the role of content in sponsored Instagram posts as a type of advertising. The findings of the study suggest implications for developing effective influential advertising strategies on Instagram.

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