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# Research Project

Shifting Trust - From Celebrity  
Endorsements to Influencer Parasocial



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## Contents

|  |           |
|--|-----------|
| <b>INTRODUCTION .....</b>  | <b>2</b>  |
| <b>THEORIES, LITERATURE REVIEW, AND HYPOTHESIS DEVELOPMENT .....</b>           | <b>3</b>  |
| 1. Key Concepts and Theoretical Foundations .....                              | 3         |
| 2. Literature Review.....  | 4         |
| <b>2.1 Market context and channel shift.....</b>                               | <b>4</b>  |
| <b>2.2 Credibility antecedents on social .....</b>                             | <b>4</b>  |
| <b>2.3 Influencer versus celebrity effectiveness.....</b>                      | <b>5</b>  |
| <b>2.4 Platform and audience moderators .....</b>                              | <b>6</b>  |
| <b>2.5 Synthesis and gap .....</b>   | <b>6</b>  |
| 3. Hypothesis Development.....   | 7         |
| <b>PROPOSED METHODOLOGY .....</b>  | <b>8</b>  |
| <b>RESULTS AND DISCUSSION .....</b>  | <b>9</b>  |
| 1. Overview of Survey and Data Preparation .....                               | 9         |
| 2. Composite Scores and Reliability Testing .....                              | 9         |
| 3. Hypothesis 1: Credibility Effect .....                                      | 10        |
| <b>3.1 Regression Analysis: Predicting Credibility (CRED_SCORE) .....</b>      | <b>10</b> |
| <b>3.2 Regression Analysis: Predicting Purchase Intention (PI_SCORE).....</b>  | <b>11</b> |
| 4. Hypothesis 2a: Moderation by Parasocial Bonds (PSB).....                    | 12        |
| <b>4.1 Chi-Square: Reasons for Choosing Influencer vs Celebrity Posts.....</b> | <b>12</b> |
| <b>4.2 Independent Samples t-Test: High PSB vs Low PSB .....</b>               | <b>13</b> |
| <b>4.3 Comparing Mean Credibility by PSB Level (2×2 ANOVA) .....</b>           | <b>14</b> |
| 5. Hypothesis 2b: Moderation by Video Format (Short-form vs Long-form).....    | 15        |
| 6. Summary of Findings.....  | 17        |
| <b>CONCLUSION.....</b>   | <b>18</b> |
| <b>LIMITATIONS AND FUTURE RESEARCH .....</b>                                   | <b>20</b> |
| <b>FIGURES &amp; STATS.....</b>  | <b>21</b> |
| <b>REFERENCES .....</b>  | <b>30</b> |
| <b>SURVEY DATA .....</b>   | <b>31</b> |

## INTRODUCTION

Endorsements used to be built around famous faces on television, in magazines, and on radio. As social media has grown, that centre of gravity has moved. People now spend more time with creators who post often, speak in a familiar voice, and show real use of products in everyday life. Over time, many viewers form parasocial bonds with these creators, one-sided relationships that still feel personal and those bonds can shape brand attitudes and buying decisions as strongly as traditional advertising once did.

The importance of examining this shift is both theoretical and practical. Theoretically, it pushes classic ideas about credibility beyond fame, expertise, and attractiveness to include authenticity, clear disclosure, and how well a creator fits a brand and its audience. Practically, budgets have moved toward creator content, social commerce keeps growing, and most shopping journeys now play out inside feeds rather than around one-off broadcast moments. Understanding when influencer messages are judged more credible than celebrity endorsements can help brands choose the right partners, design better content, and communicate more transparently on each platform.

The objective of this thesis is to track that change in trust from celebrity endorsements to influencer marketing and to identify the communication and context factors that drive credibility on social platforms.

## RESEARCH QUESTION

**RQ** - What factors shape influencer credibility over celebrity endorsements?

The next part develops the theoretical foundations and synthesises current literature, leading to the study's hypotheses.

# THEORIES, LITERATURE REVIEW, AND HYPOTHESIS DEVELOPMENT

Consumer trust in endorsements has shifted from traditional celebrity advertising toward creator content embedded in social platforms. Current evidence indicates that trust is built less through star power and more through ongoing interaction, disclosure quality, and practical, review-like information provided by creators. The review below uses recent studies available on Google Scholars and 2025 market reports, and links them with the image evidence from Statista and Influencer Marketing Hub database.

## 1. Key Concepts and Theoretical Foundations

**Definitions** - A celebrity endorsement draws persuasive power from public fame; an influencer endorsement relies on a creator who posts often, speaks to a niche audience, and interacts with followers. Credibility in this context references perceived expertise and trustworthiness, with attractiveness/likability as a classic auxiliary cue. Contemporary social environments add two central facets: authenticity (transparent, realistic, balanced communication) and fit (congruence between creator, brand, and audience).

**Foundational evidence** - Experimental work comparing influencer and celebrity endorsers shows that Effectiveness depends on the setting and on moderators such as product–endorser fit, popularity, self-congruity, and similarity; Likeability does not consistently moderate effects (four experiments;  $N \approx 473$ ). Credibility on social platforms is also shaped by clear partnership disclosure and honest (even critical) evaluations; failure to disclose and unrealistic portrayals are salient trust killers in recent large-scale consumer work (Sanchez, 2025).

## 2. Literature Review

### 2.1 Market context and channel shift

Influencer marketing has become a mainstream channel in 2025. The 2025 benchmark report highlights a global market size around **\$32.55B** (Geyser, 2022), strong marketer confidence (“over 80%” describe the channel as effective), and continued brand participation (**63.8%** of brands plan creator partnerships this year). Also, social media is reported as the largest global ad channel in 2024–2025, so most persuasion now happens in-feed. Rising U.S. social-commerce buyers [Fig.2] and platform mix led by Instagram/TikTok [Fig.4] describe the demand and venue where credibility is formed.

The ecosystem has also professionalized. Thousands of specialist firms operate in the space, live streaming is widely used for its perceived authenticity, and nano influencers make up about **≈75.9%** Instagram’s influencer base, reflecting a tier structure that favor close audience relationships (Chen et al., 2025). Market size growth [Fig.7], growth in platforms/companies [Fig.8], and substantive budget allocations [Fig.9] [Fig.13] situate the current scale and investment norms. Engagement patterns also matter; micro influencers outperform larger tiers on average interaction [Fig.11]. This supports a credibility model built on interaction and intimacy rather than pure reach.

### 2.2 Credibility antecedents on social

Recent consumer evidence isolates conditions that build or break credibility. As per the 2025 Influencer Trust Index report (Santos, 2025), clear transparency about brand ties (**71%**) and authentic reviews (**79%**), even if negative, raise trust; in contrast, not being genuine or transparent (**80%**), promoting unrealistic lifestyles (**71%**), and failing to disclose (**64%**) erode it. The same report notes that basic tags like #ad, /#sponsored

etc. alone do little to improve trust if the overall communication lacks openness and context; lack of disclosure is especially damaging.

Consumer preference patterns point the same way. The results of one of the surveys conducted by Matter Communications reveals that consumers are making purchase decisions based on relatable and authentic influencer content (Matter, 2023). This 1,000-respondent survey (Matter Communications, 2023) was conducted to understand how social media consumption, influencer perceptions and purchasing habits have evolved in the past year. And its result reports that **69%** are more likely to trust a recommendation from friends, family, or influencers than from a brand, and **81%** have researched or purchased after seeing such posts (Influencer Marketing Hub, 2025). **Relatable** and **expert** personas leading and how-to/tutorial format contents performs strongly. **Trust builders** like transparent disclosure and honest/critical reviews [Fig.18] are explicit, while **trust breakers** like inauthenticity, unrealistic portrayals, and non-disclosure [Fig.10], reflects same pattern. Practical information needs like reviews, balanced pros/cons and real usage demonstrations also emerge as stronger purchase triggers than pure aesthetics or trendiness [Fig. 14, 16,17].

### 2.3 Influencer versus celebrity effectiveness

Direct comparisons indicate that the “winner” varies **by fit and identity alignment**. When congruence is high and contexts are special (e.g., tent-pole events), celebrity messages can perform; in everyday settings where self-congruity and similarity matter, influencers often gain the advantage (Sanchez, 2025). Study shows limited purchase impact for celebrity endorsements among general audiences, with higher effects around major events. This pattern explains prior mixed findings and supports testing

source effects under equivalent messages while modeling fit, self-congruity, and similarity.

## 2.4 Platform and audience moderators

Platform dynamics and audience composition changes how a message is read. In 2025, marketers report a **17.2%** decline in intended TikTok investment following U.S. policy uncertainty, prompting diversification and more emphasis on formats perceived as authentic, such as short-form video and live story telecast. Platform use concentrates on Instagram and TikTok [Fig.4], while **micro** tiers lead engagement [Fig. 11]. Also, social-commerce buyers continue to grow [Fig.2], and preferred posting frequency remains high [Fig.15], sustaining parasocial closeness through repeated exposure (LinkedIn, 2023). These conditions favor influencers who demonstrate real-world use, maintain audience fit, and communicate or posts often.

## 2.5 Synthesis and gap

Across sources, credibility advantages associated with influencer content are consistent when communication is transparent, realistic, and useful, and when creator–brand–audience fit is strong. At the same time, trust remains fragile; high levels of action from influencer content can sit alongside scepticism if disclosure is weak or the portrayal looks staged. These tensions clarify the empirical need to (a) compare influencers with celebrities under matched messages and (b) test specific credibility levers and moderators that explain when influencer endorsements outperform celebrity endorsements.

### 3. Hypothesis Development

#### **Pathways and levers**

The evidence indicates four drivers that stand out where, authenticity (realistic, balanced communication) and disclosure quality (clear, timely, prominent) are primary builders of credibility on social media, with expertise/usefulness (how-to, review-like information) and fit/identity alignment (congruence, self-congruity, similarity) as a strengthening effect. Engagement patterns and platform choices suggest that smaller tiers and short-form/live formats amplify these cues via frequent interaction.

#### **Hypothesis 1 – Credibility Effect**

Posts that score higher on authenticity and disclosure quality will produce higher perceived ad credibility and trust than matched celebrity endorsements.

Reason being transparency and balanced evaluation raise trust, while undisclosed/inauthentic content imposes strong penalties, which are native to creator workflows.

#### **Hypothesis 2 – Moderated Source Advantage**

The credibility advantage of influencer over celebrity endorsements will be stronger when:

- a) creator–brand fit and identity alignment (self-congruity/similarity) are high and
- b) the messages are delivered by micro-tier influencers on short-form/live platforms.

Reason being fit and identity alignment moderate endorser effectiveness whereas micro tiers and short-form/live formats reinforce parasocial closeness and engagement.



## PROPOSED METHODOLOGY

This study uses a cross-sectional survey to understand how trust has shifted from celebrity endorsements to influencer content, and which factors shape credibility on social media. The survey will be built and hosted on Qualtrics online. Respondents will be adults who use social media and have seen at least one paid endorsement online in the last three months. The target sample size is **100 respondents** drawn across **Gen Z, Millennials, and Gen X** as these three generations have highest social commerce spending worldwide as per online survey conducted by Accenture [Fig.5].

Mostly it includes structured questions. The flow of questionnaire will start with short identification questions confirming eligibility followed by 7-point items on authenticity/realism, disclosure clarity, perceived expertise/usefulness, creator–brand fit/identity alignment, parasocial closeness, ad credibility/trust, and purchase intention, and then a matched ads prompt (influencer vs. celebrity) towards end. Lastly basic demographics and platform habits will be collected.

Data will be **exported from Qualtrics to SPSS** for cleaning and analysis. **Descriptive analysis** will be used to summarize the sample and the key variables: frequencies and percentages (e.g., platform use, disclosure recognition), means and standard deviations (e.g., authenticity, ad credibility), and charts/tables for quick reading. Cross-tabulations will compare results by generation and endorser type (influencer vs. celebrity) to show patterns in perceptions and intentions.

This approach provides a clear snapshot of how people currently judge influencer and celebrity endorsements, which factors they treat as credible, and how this varies by age group and platform habits. The design is intentionally lean so that the survey can be fielded quickly and the results described clearly with SPSS.

## RESULTS AND DISCUSSION

### 1. Overview of Survey and Data Preparation

This study analysed 102 valid survey responses. Each respondent viewed one influencer post and one matched celebrity post so that their reactions could be compared fairly. The survey included questions on authenticity, transparency, expertise, parasocial bonding (PSB), credibility, and purchase intention. Because each of these ideas was measured using more than one question, composite scores were created and checked for reliability before running any statistical tests. This allowed the analysis to be based on stable and consistent measures.

### 2. Composite Scores and Reliability Testing

Most constructs showed good reliability and were suitable for analysis: Authenticity ( $\alpha = .759$ ) [Fig.19], Credibility ( $\alpha = .747$ ) [Fig.20], Transparency ( $\alpha = .711$ ) [Fig.25], PSB ( $\alpha = .750$ ) [Fig.23], and Purchase Intention ( $\alpha = .792$ ) [Fig.24]. Expertise had a lower value ( $\alpha = .609$ ) [Fig.22] but was still acceptable for exploratory research.

|   |                     | Correlations                          |  |   |   |   |   |
|---|---------------------|---------------------------------------|--|---|---|---|---|
|   |                     | Authenticity score (genuine + honest) | Transparency score (disclosure clarity + hidden-ad distrust + lifestyle fit) | Expertise score (influencer knowledge + useful information + celeb genuine use) | Parasocial score (similarity + connection + relatability) | Credibility score (trust + believable vs celebrity) | Purchase Intention score (trial + purchase + prefer influencer) |
| Authenticity score (genuine + honest)   | Pearson Correlation | 1                                     | .310**   | .506**  | .418**  | .515**  | .398**  |
|   | Sig. (2-tailed)     |                                       | .002   | <.001   | <.001   | <.001   | <.001   |
|   | N                   | 102                                   | 102  | 102   | 102   | 102   | 102   |
| Transparency score (disclosure clarity + hidden-ad distrust + lifestyle fit)    | Pearson Correlation | .310**                                | 1  | .297**  | .357**  | .348**  | .301**  |
|   | Sig. (2-tailed)     | .002                                  |  | .002  | <.001   | <.001   | .002  |
|   | N                   | 102                                   | 102  | 102   | 102   | 102   | 102   |
| Expertise score (influencer knowledge + useful information + celeb genuine use) | Pearson Correlation | .506**                                | .297**   | 1   | .455**  | .401**  | .454**  |
|   | Sig. (2-tailed)     | <.001                                 | .002   |   | <.001   | <.001   | <.001   |
|   | N                   | 102                                   | 102  | 102   | 102   | 102   | 102   |
| Parasocial score (similarity + connection + relatability)                       | Pearson Correlation | .418**                                | .357**   | .455**  | 1   | .716**  | .638**  |
|   | Sig. (2-tailed)     | <.001                                 | <.001  | <.001   |   | <.001   | <.001   |
|   | N                   | 102                                   | 102  | 102   | 102   | 102   | 102   |
| Credibility score (trust + believable vs celebrity)                             | Pearson Correlation | .515**                                | .348**   | .401**  | .716**  | 1   | .698**  |
|   | Sig. (2-tailed)     | <.001                                 | <.001  | <.001   | <.001   |   | <.001   |
|   | N                   | 102                                   | 102  | 102   | 102   | 102   | 102   |
| Purchase Intention score (trial + purchase + prefer influencer)                 | Pearson Correlation | .398**                                | .301**   | .454**  | .638**  | .698**  | 1   |
|   | Sig. (2-tailed)     | <.001                                 | .002   | <.001   | <.001   | <.001   |   |
|   | N                   | 102                                   | 102  | 102   | 102   | 102   | 102   |

\*\* Correlation is significant at the 0.01 level (2-tailed).

Result 1: Correlations of Composite Factors

**Correlations** among the variables also worked in expected ways. Higher authenticity, transparency, expertise, and parasocial closeness were all linked with higher credibility and stronger purchase intention. These basic associations confirmed that the dataset behaved logically and allowed the hypothesis testing to move forward.

### 3. Hypothesis 1: Credibility Effect

Two regression models were run to understand what actually drives credibility and purchase intention.

#### 3.1 Regression Analysis: Predicting Credibility (CRED\_SCORE)

The model was significant overall ( $R^2 = .572$ ,  $p < .001$ ). Among all predictors, parasocial bonds were the strongest and only significant factor explaining why some posts felt more credible ( $\beta = .595$ ,  $p < .001$ ). Authenticity, transparency, and expertise showed positive but non-significant effects.

| Model Summary  |                    |                             |                   |                            |        |                    |                                 |             |                         |       |
|--|--------------------|-----------------------------|-------------------|----------------------------|--------|--------------------|---------------------------------|-------------|-------------------------|-------|
| Model  | R                  | R Square                    | Adjusted R Square | Std. Error of the Estimate |        |                    |                                 |             |                         |       |
| 1  | .756 <sup>a</sup>  | .572                        | .554              | .61492                     |        |                    |                                 |             |                         |       |
| a. Predictors: (Constant), Parasocial score, Transparency score, Authenticity score, Expertise score |                    |                             |                   |                            |        |                    |                                 |             |                         |       |
| ANOVA <sup>a</sup>   |                    |                             |                   |                            |        |                    |                                 |             |                         |       |
| Model  |                    | Sum of Squares              | df                | Mean Square                | F      | Sig.               |                                 |             |                         |       |
| 1  | Regression         | 49.020                      | 4                 | 12.255                     | 32.409 | <.001 <sup>b</sup> |                                 |             |                         |       |
|  | Residual           | 36.679                      | 97                | .378                       |        |                    |                                 |             |                         |       |
|  | Total              | 85.699                      | 101               |                            |        |                    |                                 |             |                         |       |
| a. Dependent Variable: Credibility score   |                    |                             |                   |                            |        |                    |                                 |             |                         |       |
| b. Predictors: (Constant), Parasocial score, Transparency score, Authenticity score, Expertise score |                    |                             |                   |                            |        |                    |                                 |             |                         |       |
| Coefficients <sup>a</sup>  |                    |                             |                   |                            |        |                    |                                 |             |                         |       |
| Model  |                    | Unstandardized Coefficients |                   | Standardized Coefficients  | t      | Sig.               | 95.0% Confidence Interval for B |             | Collinearity Statistics |       |
|  |                    | B                           | Std. Error        | Beta                       |        |                    | Lower Bound                     | Upper Bound | Tolerance               | VIF   |
| 1  | (Constant)         | .011                        | .339              |                            | .033   | .973               | -.661                           | .683        |                         |       |
|  | Authenticity score | .258                        | .081              | .257                       | 3.200  | .002               | .098                            | .418        | .686                    | 1.457 |
|  | Transparency score | .073                        | .085              | .062                       | .858   | .393               | -.096                           | .243        | .834                    | 1.200 |
|  | Expertise score    | -.023                       | .103              | -.018                      | -.226  | .822               | -.228                           | .182        | .666                    | 1.502 |
|  | Parasocial score   | .623                        | .083              | .595                       | 7.531  | <.001              | .459                            | .788        | .708                    | 1.413 |
| a. Dependent Variable: Credibility score (trust + believable vs celebrity)                           |                    |                             |                   |                            |        |                    |                                 |             |                         |       |

Result 2: Regression\_Credibility Score

These results show that **credibility is shaped** less by the structure of the message and **more by the relationship people feel with the influencer**. Even though authenticity and disclosure matter, their influence seems to work through the sense of familiarity and connection people develop with online creators. **This explains why influencer posts often feel more trustworthy than celebrity posts**, even when both share similar information.

### 3.2 Regression Analysis: Predicting Purchase Intention (PI\_SCORE)

The second model was also significant ( $R^2 = .448$ ,  $p < .001$ ). Similar to credibility, parasocial bonds were the only significant predictor of purchase intention ( $\beta = .511$ ,  $p < .001$ ). Authenticity, transparency, and expertise did not show unique effects.

Model Summary

| Model | R                 | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1     | .669 <sup>a</sup> | .448     | .425              | .66166                     |

a. Predictors: (Constant), Parasocial score, Transparency score, Authenticity score, Expertise score

ANOVA<sup>a</sup>

| Model |            | Sum of Squares | df  | Mean Square | F      | Sig.               |
|-------|------------|----------------|-----|-------------|--------|--------------------|
| 1     | Regression | 34.457         | 4   | 8.614       | 19.676 | <.001 <sup>b</sup> |
|       | Residual   | 42.467         | 97  | .438        |        |                    |
|       | Total      | 76.924         | 101 |             |        |                    |

a. Dependent Variable: Purchase Intention score

b. Predictors: (Constant), Parasocial score, Transparency score, Authenticity score, Expertise score

Coefficients<sup>a</sup>

| Model |                    | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig.  | 95.0% Confidence Interval for B |             | Collinearity Statistics |       |
|-------|--------------------|-----------------------------|------------|---------------------------|-------|-------|---------------------------------|-------------|-------------------------|-------|
|       |                    | B                           | Std. Error | Beta                      |       |       | Lower Bound                     | Upper Bound | Tolerance               | VIF   |
| 1     | (Constant)         | .608                        | .364       |                           | 1.669 | .098  | -.115                           | 1.331       |                         |       |
|       | Authenticity score | .084                        | .087       | .088                      | .965  | .337  | -.088                           | .256        | .686                    | 1.457 |
|       | Transparency score | .048                        | .092       | .043                      | .519  | .605  | -.135                           | .230        | .834                    | 1.200 |
|       | Expertise score    | .197                        | .111       | .164                      | 1.773 | .079  | -.024                           | .418        | .666                    | 1.502 |
|       | Parasocial score   | .507                        | .089       | .511                      | 5.698 | <.001 | .331                            | .684        | .708                    | 1.413 |

a. Dependent Variable: Purchase Intention score (trial + purchase + prefer influencer)

Result 3: Regression\_Purchase Intent Score

Purchase intention appears to follow the same pattern: people are more open to trying products when they feel connected to the influencer. This reinforces Hypothesis 1 by showing that trust and willingness to act come largely from relational closeness rather

than only message transparency or expertise. Consumers buy endorsed products not because the influencer is transparent or authentic, but because they feel connected to the influencer. Parasocial relationships drive purchase intent more than credibility factors.

#### 4. Hypothesis 2a: Moderation by Parasocial Bonds (PSB)

Three tests were used to explore this moderation: a Chi-square test, an independent samples t-test, and a 2×2 ANOVA.

##### 4.1 Chi-Square: Reasons for Choosing Influencer vs Celebrity Posts

There was a strong and significant association between the post chosen and the reason for choosing it ( $\chi^2 = 43.107$ ,  $p < .001$ ). People who chose the influencer post mostly said it looked more natural, more genuine, or more relatable.

| Case Processing Summary   |  |       |         |               |         |       |         |
|---|--|-------|---------|---------------|---------|-------|---------|
|   |  | Valid |         | Cases Missing |         | Total |         |
|   |  | N     | Percent | N             | Percent | N     | Percent |
| Source choice (1 = Influencer, 0 = Celebrity) * Why did you choose that option? |  | 102   | 99.0%   | 1             | 1.0%    | 103   | 100.0%  |

| Source choice (1 = Influencer, 0 = Celebrity) * Why did you choose that option? Crosstabulation |   |  |                                     |                                 |                                   |  |   |
|---|---|--|-------------------------------------|---------------------------------|-----------------------------------|--|---|
|   |   | Why did you choose that option?          |                                     |                                 |                                   |  |   |
|   |   |  | It looks more natural and authentic | The endorser seems more genuine | I relate more to the person shown | The post feels honest, transparent, or less scripted | The post looks polished, premium, or professionally created |
| Source choice (1 = Influencer, 0 = Celebrity)   | 0 | Count                                    | 2                                   | 0                               | 1                                 | 1  | 9   |
|   |   | Expected Count                           | 5.5                                 | 1.7                             | 1.7                               | 2.5  | 1.7   |
|   |   | % within Why did you choose that option? | 4.7%                                | 0.0%                            | 7.7%                              | 5.0%   | 69.2%   |
|   |   | Total                                    |                                     |                                 |                                   |  | 13  |
|   | 1 | Count                                    | 41                                  | 13                              | 12                                | 19   | 4   |
|   |   | Expected Count                           | 37.5                                | 11.3                            | 11.3                              | 17.5   | 11.3  |
|   |   | % within Why did you choose that option? | 95.3%                               | 100.0%                          | 92.3%                             | 95.0%  | 30.8%   |
|   |   | Total                                    |                                     |                                 |                                   |  | 87.3%   |
| Total   |   | Count                                    | 43                                  | 13                              | 13                                | 20   | 13  |
|   |   | Expected Count                           | 43.0                                | 13.0                            | 13.0                              | 20.0   | 13.0  |
|   |   | % within Why did you choose that option? | 100.0%                              | 100.0%                          | 100.0%                            | 100.0%   | 100.0%  |
|   |   | Total                                    |                                     |                                 |                                   |  | 102   |

Result 4: Chi-Square Test Crosstabs

| Chi-Square Tests             |                     |    |                                   |
|------------------------------|---------------------|----|-----------------------------------|
|                              | Value               | df | Asymptotic Significance (2-sided) |
| Pearson Chi-Square           | 43.107 <sup>a</sup> | 4  | <.001                             |
| Likelihood Ratio             | 30.611              | 4  | <.001                             |
| Linear-by-Linear Association | 18.365              | 1  | <.001                             |
| N of Valid Cases             | 102                 |    |                                   |

a. 4 cells (40.0%) have expected count less than 5. The minimum expected count is 1.66.

Result 5: Chi-Square Test

All these reasons **reflect emotional closeness and identity similarity**, which are central to parasocial bonding. This **supports the idea that people prefer influencer content because it feels more aligned with their own personality and experiences.**

#### 4.2 Independent Samples t-Test: High PSB vs Low PSB

Credibility scores differed sharply based on PSB levels. High-PSB participants rated credibility much higher (**M = 3.383**) compared to low-PSB participants (**M = 2.120**), and this difference was statistically significant (**t = -7.360, p < .001**).

➔ T-Test - Mean Comparison of Credibility by PSB level

| Group Statistics  |           |    |        |                |                 |
|-------------------|-----------|----|--------|----------------|-----------------|
|                   | PSB_GROUP | N  | Mean   | Std. Deviation | Std. Error Mean |
| Credibility score | 0         | 25 | 2.1200 | .63377         | .12675          |
|                   | 1         | 77 | 3.3831 | .77755         | .08861          |

| Independent Samples Test |                             |   |      |        |        |                              |             |                 |                       |   |         |
|--------------------------|-----------------------------|---|------|--------|--------|------------------------------|-------------|-----------------|-----------------------|---|---------|
|                          |                             | Levene's Test for Equality of Variances |      |        |        | t-test for Equality of Means |             |                 |                       |   |         |
|                          |                             | F                                       | Sig. | t      | df     | Significance                 |             | Mean Difference | Std. Error Difference | 95% Confidence Interval of the Difference |         |
|                          |                             |   |      |        |        | One-Sided p                  | Two-Sided p |                 |                       | Lower                                     | Upper   |
| Credibility score        | Equal variances assumed     | .894                                    | .324 | -7.360 | 100    | <.001                        | <.001       | -1.26312        | .17162                | -1.60361                                  | -.92262 |
|                          | Equal variances not assumed |   |      | -8.167 | 49.459 | <.001                        | <.001       | -1.26312        | .15466                | -1.57384                                  | -.95240 |

| Independent Samples Effect Sizes |                    |                           |                |                         |        |
|----------------------------------|--------------------|---------------------------|----------------|-------------------------|--------|
|                                  |                    | Standardized <sup>a</sup> | Point Estimate | 95% Confidence Interval |        |
|                                  |                    |                           |                | Lower                   | Upper  |
| Credibility score                | Cohen's d          | .74557                    | -1.694         | -2.199                  | -1.182 |
|                                  | Hedges' correction | .75122                    | -1.681         | -2.183                  | -1.173 |
|                                  | Glass's delta      | .77755                    | -1.624         | -2.140                  | -1.101 |

a. The denominator used in estimating the effect sizes.  
Cohen's d uses the pooled standard deviation.  
Hedges' correction uses the pooled standard deviation, plus a correction factor.  
Glass's delta uses the sample standard deviation of the control (i.e., the second) group.

Result 6: Independent sample t-Test

This is strong evidence that **parasocial closeness boosts trust**. **People who feel a deeper connection with influencers naturally see their content as more believable**. This directly supports Hypothesis 2a.

### 4.3 Comparing Mean Credibility by PSB Level (2×2 ANOVA)

The PSB group showed a clear and significant effect ( $F = 14.254$ ,  $p < .001$ ). The interaction between source and PSB was not statistically significant but followed the expected pattern: influencer credibility increases sharply when PSB is high, while celebrity credibility stays low regardless of PSB level.

➔ Univariate Analysis of Variance

Between-Subjects Factors

|               |   | Value Label | N  |
|---------------|---|-------------|----|
| Source choice | 0 | Celebrity   | 13 |
|               | 1 | Influencer  | 89 |
| PSB_GROUP     | 0 | Low         | 25 |
|               | 1 | High        | 77 |

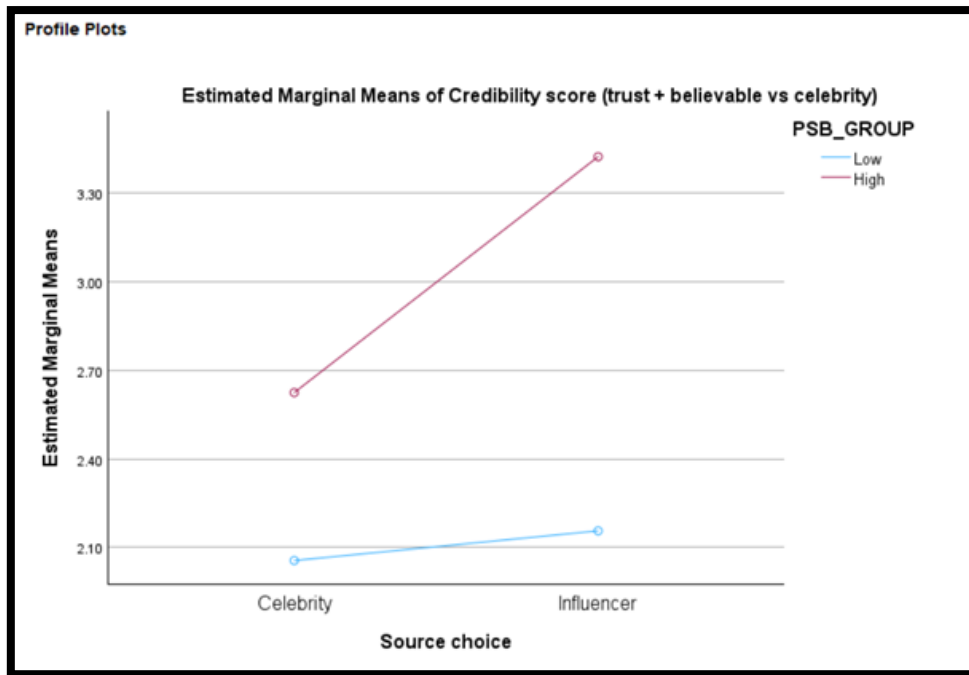
Tests of Between-Subjects Effects

Dependent Variable: Credibility score (trust + believable vs celebrity)

| Source                   | Type III Sum of Squares | df  | Mean Square | F       | Sig.  |
|--------------------------|-------------------------|-----|-------------|---------|-------|
| Corrected Model          | 32.594 <sup>a</sup>     | 3   | 10.865      | 20.050  | <.001 |
| Intercept                | 240.785                 | 1   | 240.785     | 444.347 | <.001 |
| SOURCE_DUMMY             | 1.854                   | 1   | 1.854       | 3.421   | .067  |
| PSB_GROUP                | 7.724                   | 1   | 7.724       | 14.254  | <.001 |
| SOURCE_DUMMY * PSB_GROUP | 1.117                   | 1   | 1.117       | 2.062   | .154  |
| Error                    | 53.105                  | 98  | .542        |         |       |
| Total                    | 1049.250                | 102 |             |         |       |
| Corrected Total          | 85.699                  | 101 |             |         |       |

a. R Squared = .380 (Adjusted R Squared = .361)

Result 7: Univariate Analysis of Variance



Result 8: Comparing Mean Credibility by PSB Level

Even though the interaction term was not significant, the pattern of results is meaningful. It shows that **influencers gain the most when audiences feel closer or more similar to them**. In contrast, celebrities receive no such boost, suggesting that relational closeness is a defining factor in influencer success.

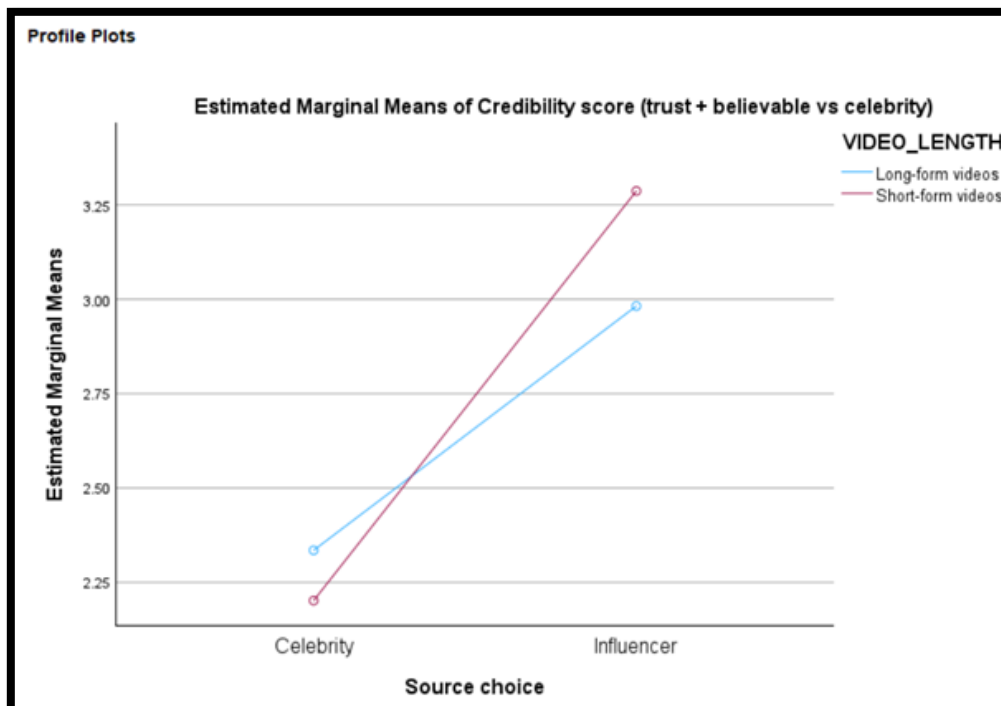
## 5. Hypothesis 2b: Moderation by Video Format (Short-form vs Long-form)

The main effect of source was significant ( $F = 8.228$ ,  $p = .005$ ), confirming that influencers were rated as more credible overall. Video length alone did not show a significant effect, and the interaction was also not significant. However, the mean scores followed the expected trend: **influencer credibility was higher in short-form formats, while celebrity credibility remained consistently low**.



| 3. Source choice * VIDEO_LENGTH   |                   |       |            |                         |             |
|---|-------------------|-------|------------|-------------------------|-------------|
| Dependent Variable: Credibility score (trust + believable vs celebrity) |                   |       |            |                         |             |
| Source choice   | VIDEO_LENGTH      | Mean  | Std. Error | 95% Confidence Interval |             |
|   |                   |       |            | Lower Bound             | Upper Bound |
| Celebrity   | Long-form videos  | 2.333 | .500       | 1.342                   | 3.325       |
|   | Short-form videos | 2.200 | .274       | 1.657                   | 2.743       |
| Influencer  | Long-form videos  | 2.981 | .170       | 2.644                   | 3.318       |
|   | Short-form videos | 3.286 | .109       | 3.069                   | 3.502       |

Result 9: Video Length - 2x2 ANOVA



Result 10: Video Length - 2x2 ANOVA Profile plot

Even without a significant interaction, the results still support the general expectation of Hypothesis 2b. Short-form platforms (like TikTok and Instagram Reels) naturally highlight authenticity, spontaneity, and everyday personality; qualities that favour influencers. Celebrities, whose content tends to feel more polished and distant, do not benefit from these settings. The pattern of means shows that influencers gain an additional credibility edge on short-form platforms.

## 6. Summary of Findings

Overall, the results support Hypothesis 1 and offer strong evidence for both parts of Hypothesis 2. Influencer credibility and purchase intention are driven mainly by relational closeness, which is why influencers outperform celebrities even when message content is held constant. Parasocial bonding clearly strengthens this advantage, and short-form platforms appear to widen the credibility gap further. Together, these findings show that influencer effectiveness relies on both psychological connection and platform context, offering valuable insights for brands when choosing endorsement strategies.

## CONCLUSION

This study set out to understand why people today tend to trust influencer endorsements more than traditional celebrity advertising. By analysing responses from 102 social media users, the research looked closely at how factors like authenticity, transparency, parasocial bonds, and the type of platform shape people's reactions to online endorsements.

Across all the results, one message came through very clearly: **people trust influencers mainly because they feel a personal connection with them**. While authenticity and clear disclosure still matter, their impact becomes much stronger when audiences already feel familiar with the influencer. [Parasocial bonding](#), the sense of knowing or relating to a creator, [was the strongest predictor of both credibility and purchase intention](#). This helps explain why influencers often appear more trustworthy than celebrities, even when both share similar product messages.

The findings also showed that this **trust becomes even stronger when viewers feel similar to the influencer or aligned with their values**. People with high parasocial bonding consistently rated influencer posts as more credible than those with low connection levels. [Short-form platforms](#), like Instagram Reels or TikTok, showed a similar pattern, where influencers gained a small additional credibility boost. These formats naturally [make content feel more casual and personal, which works in favour of influencers more than celebrities](#).

Overall, the study suggests that the success of influencer endorsements is not simply about how the message is delivered but about who delivers it and the relationship they build with their audience. Influencers are effective because they seem relatable, genuine, and easy to connect with qualities that traditional celebrities often lack in advertising settings. As digital platforms continue to evolve, these personal connections will likely play an even bigger role in shaping how consumers respond to marketing messages online.

## **LIMITATIONS AND FUTURE RESEARCH**

Like most research, this study has a few limitations that are important to acknowledge.

The first limitation is that the findings are based on self-reported survey responses.

People answered based on how they felt in the moment, which means their judgments may have been influenced by personal preferences, past experiences with influencers or celebrities, or even their mood while taking the survey. Because of this, the results may not fully reflect how people actually respond to endorsements in real situations.

A second limitation relates to the type of content shown in the survey. Participants evaluated two static image posts—one from an influencer and one from a celebrity.

However, real influencer marketing often includes video content, short-form reels, live sessions, and interactive features that can create much stronger emotional reactions.

Since this study used only image-based posts, it may not capture the complete way people form credibility or trust when engaging with different kinds of online content.

Despite these limitations, the study creates a good foundation for future work.

Researchers could explore credibility and parasocial bonding using a wider variety of content formats, including video or live interactions, to see how audience reactions change across platforms. It would also be helpful to study different categories of influencers, such as nano-, micro-, and macro-creators, to understand how trust varies across tiers. Looking at these areas in more depth would give an even clearer picture of how influencer credibility forms and how it continues to change in today's digital environment.

## FIGURES & STATS

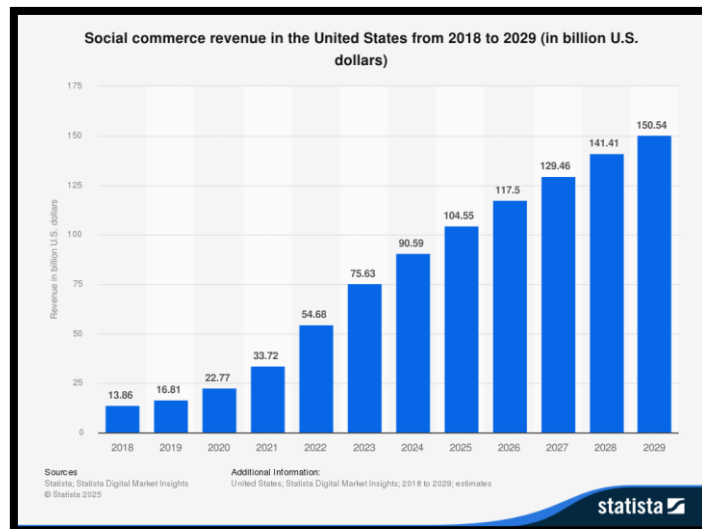


Figure 1: Social Commerce revenue in US 2018-2029

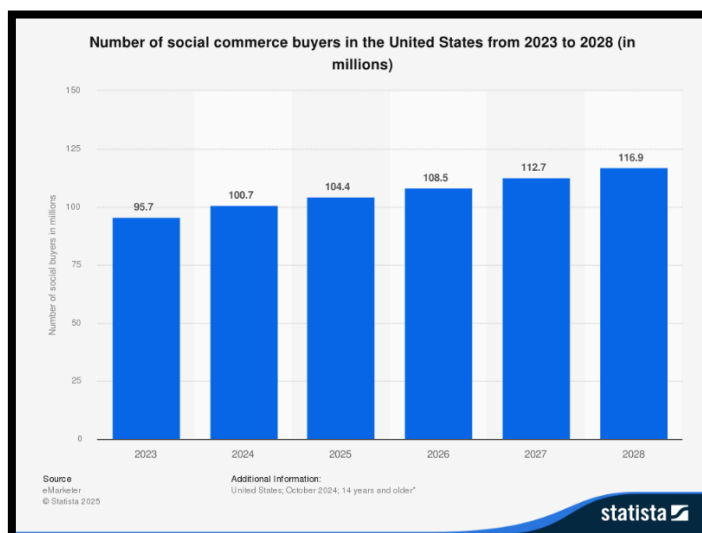


Figure 2: No. of social commerce buyers in US

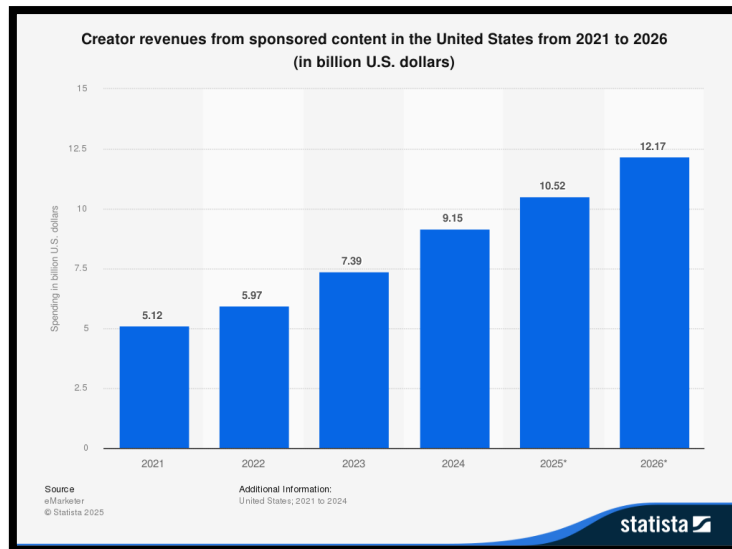


Figure 3: Creators revenue in US

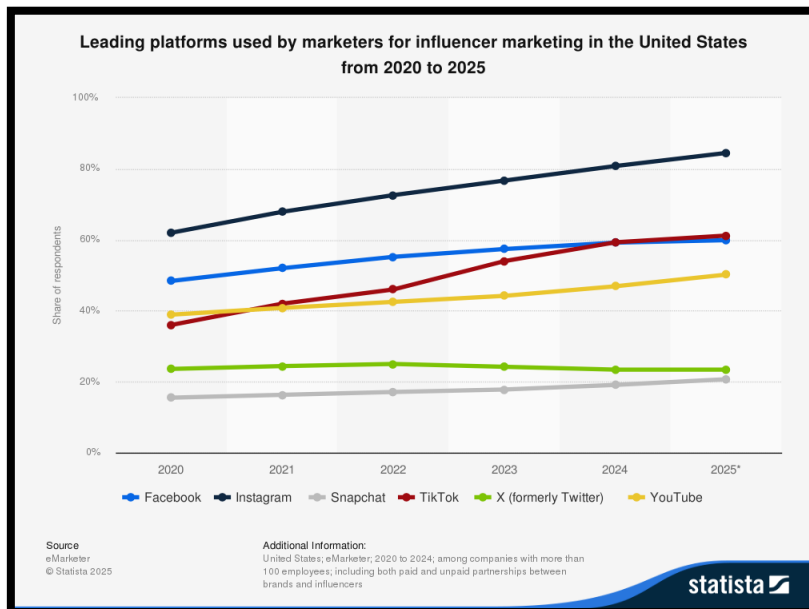


Figure 4: Leading platforms in Influencer Marketing

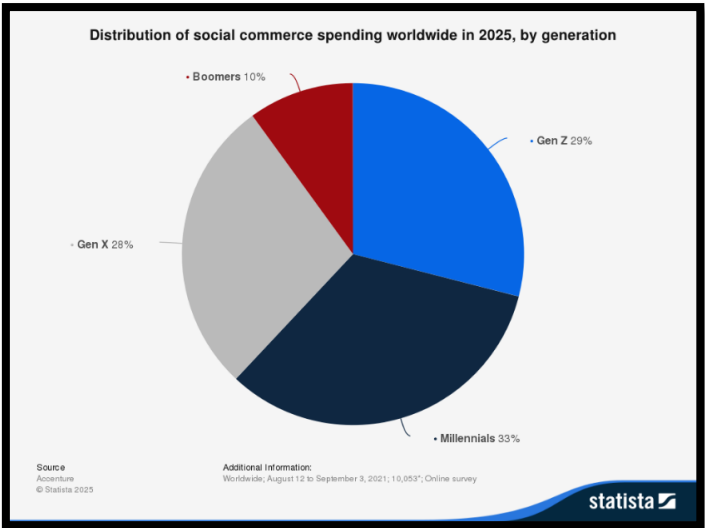


Figure 5: Distribution of Social Commerce spending

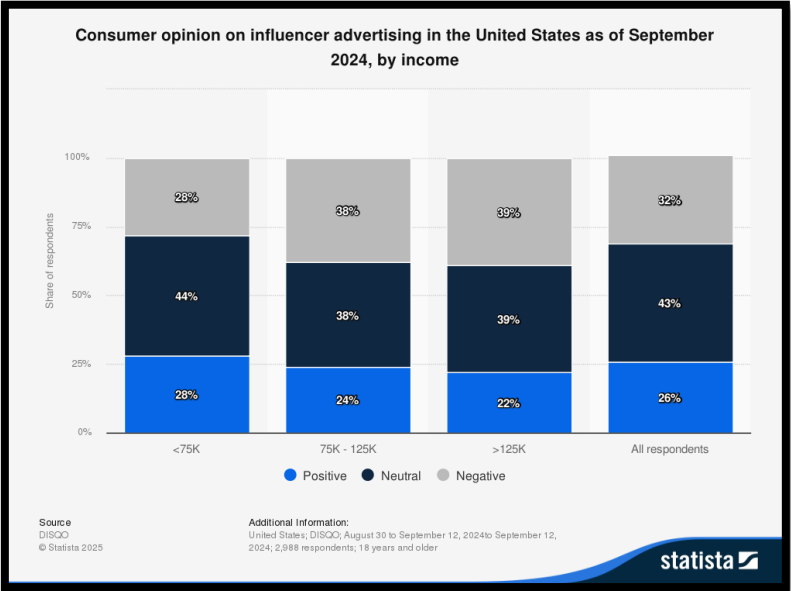


Figure 6: Consumer opinion on Influencer Marketing in US

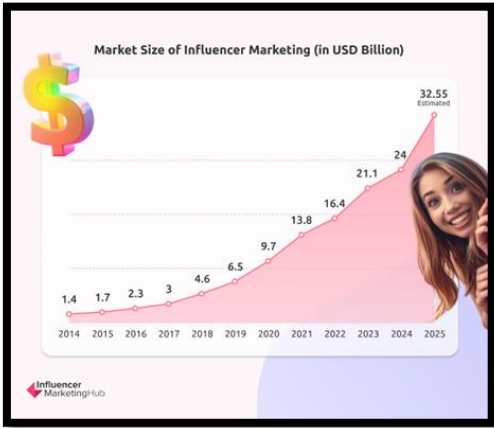


Figure 7: Market size of Influencer Marketing in US





Figure 8: Expansion of Influencer Marketing companies

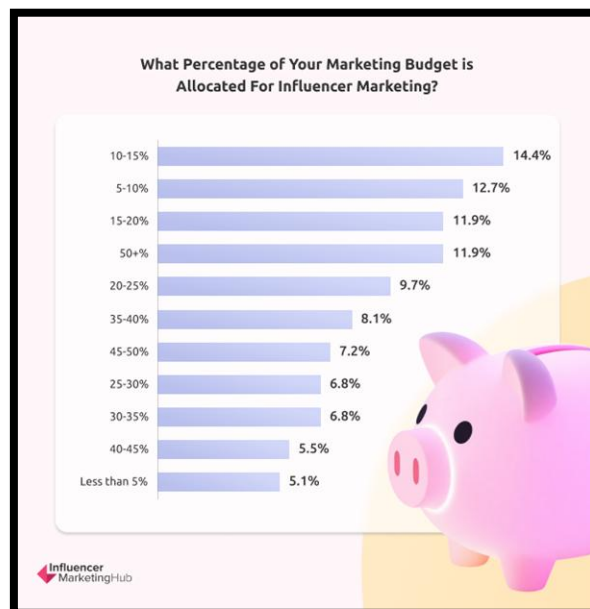


Figure 9: Marketing budget allocated for Influencer Marketing

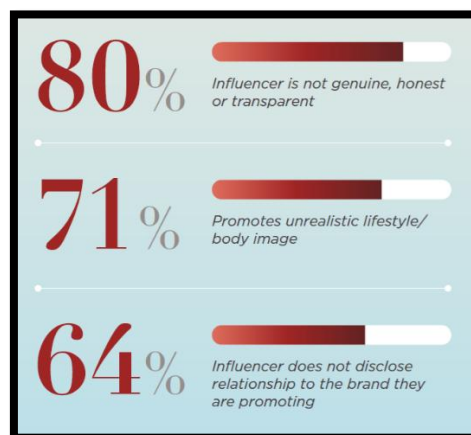


Figure 10: Trust killers of Influencer Marketing

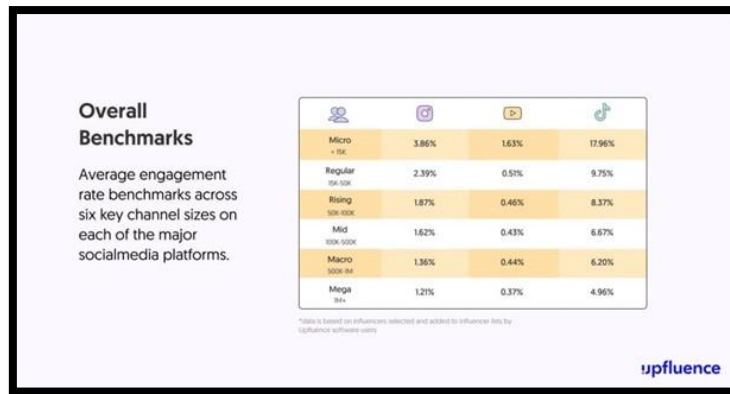


Figure 11: Engagement Rate across key channels

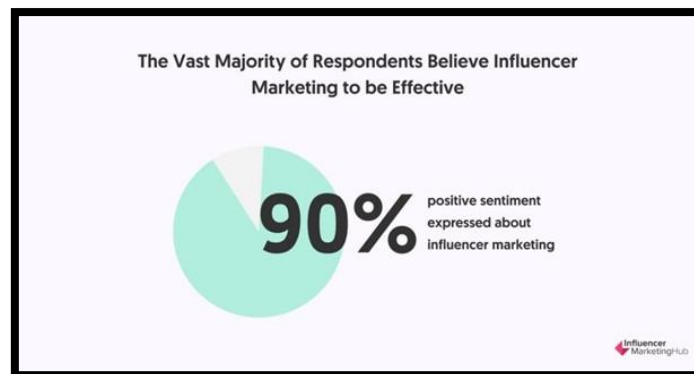


Figure 12: Respondents who find IM Effective

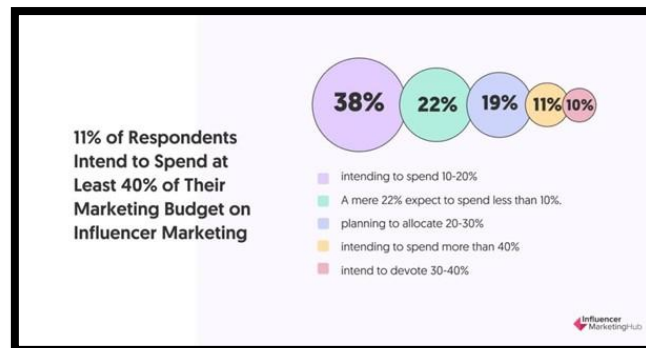


Figure 13: Distribution of marketing budget on IM

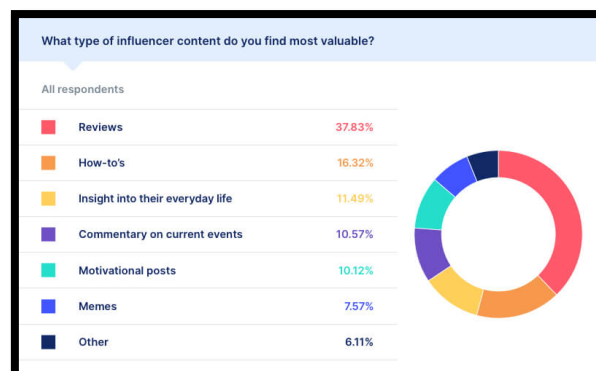


Figure 14: Types of influencer content that are valuable

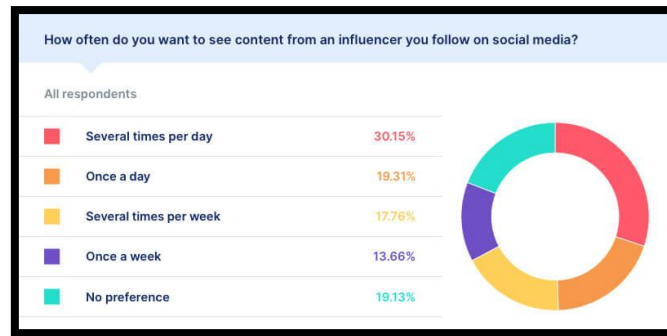


Figure 15: Frequency to see posts from influencers



Figure 16: Purchasing factor leading to purchase from influencers

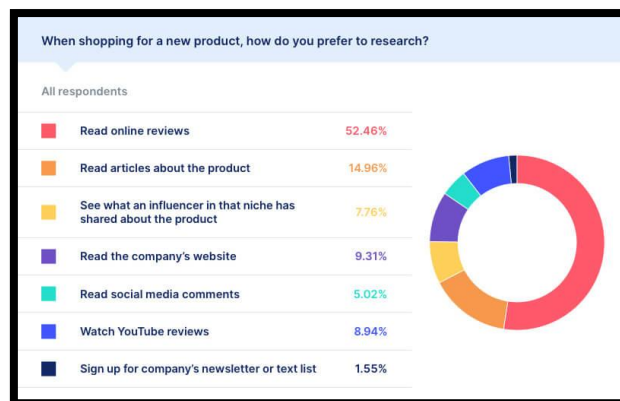


Figure 17: Shopping research behavior



Figure 18: Trust drivers of Influencer Marketing

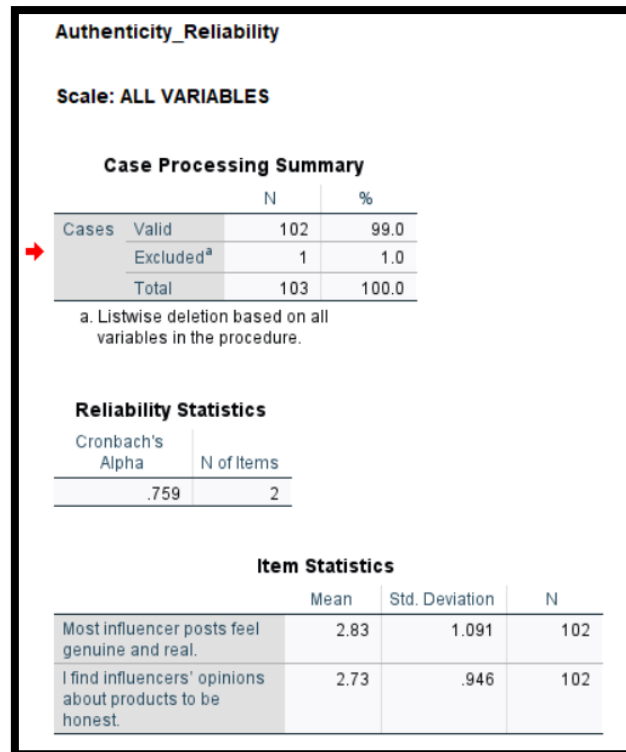


Figure 19: Authenticity Reliability

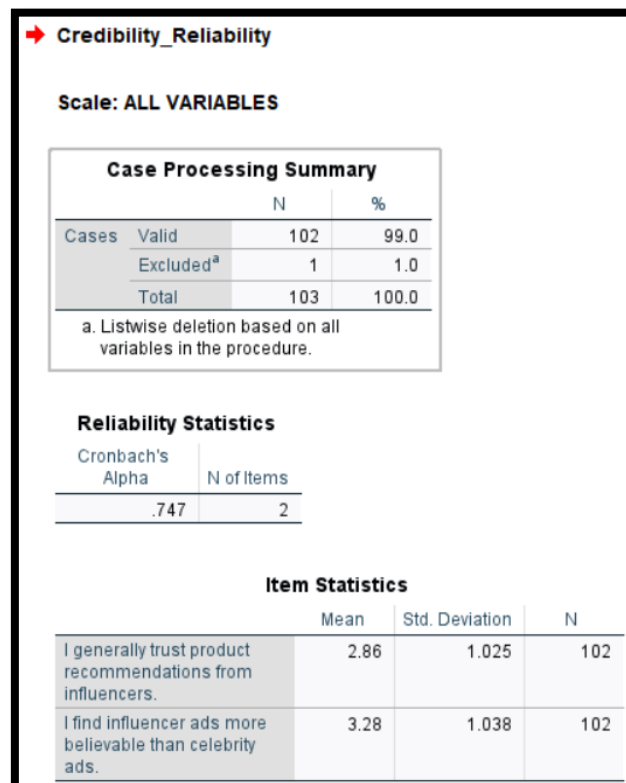


Figure 20: Credibility Reliability

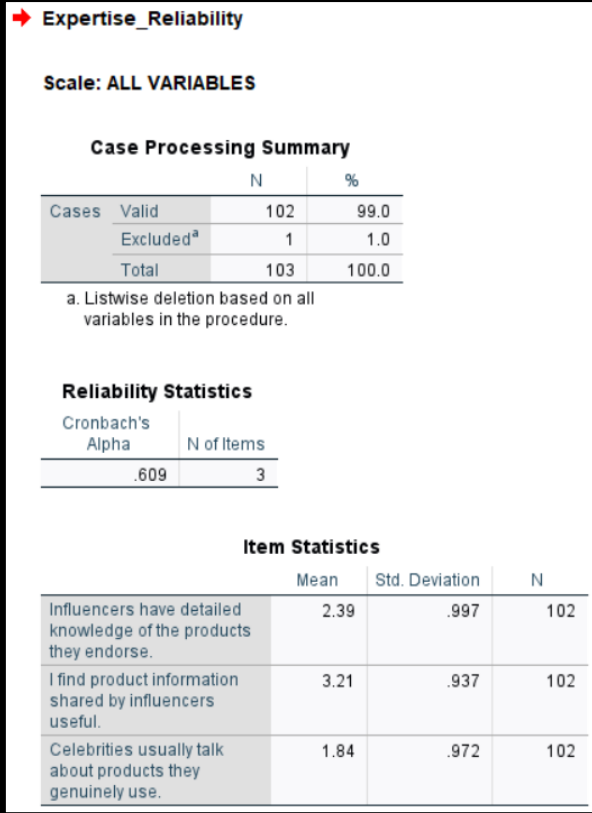


Figure 21: Expertise Reliability

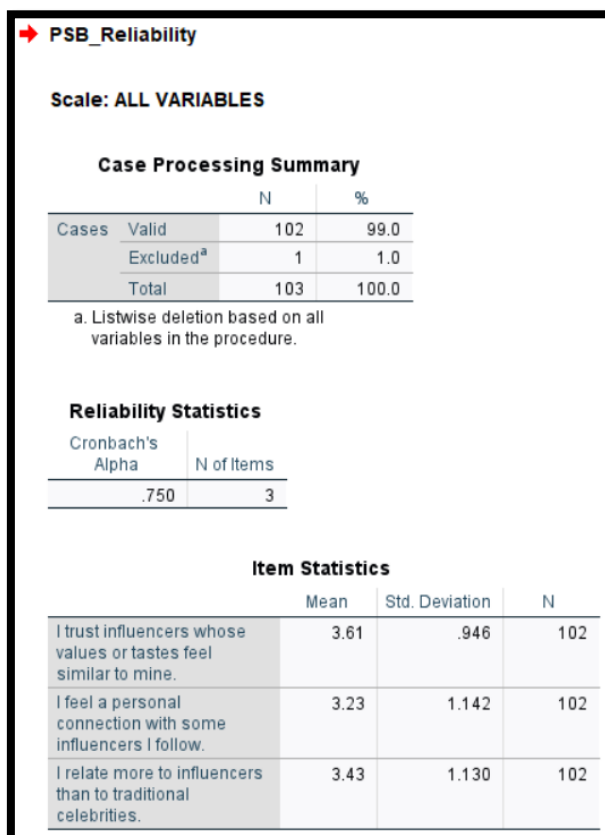


Figure 22: Parasocial Bond Reliability

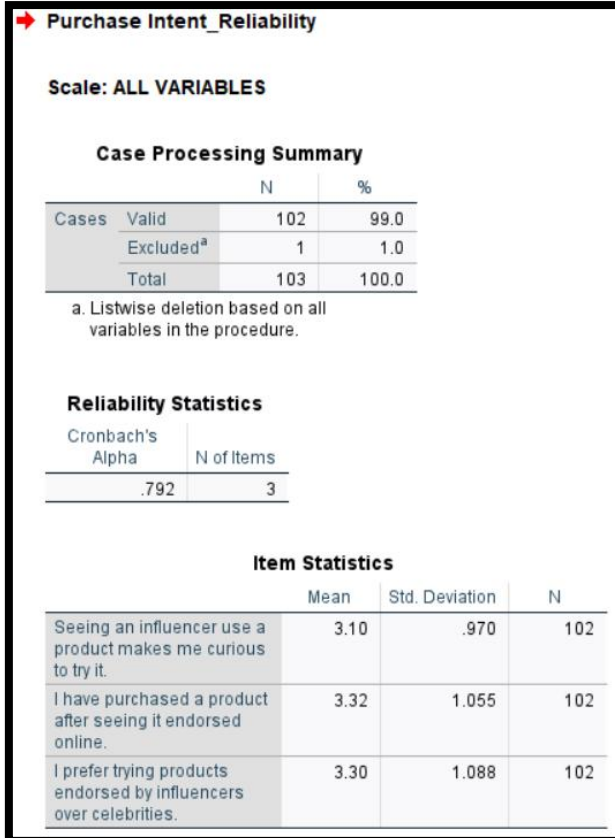


Figure 23: Purchase Intent Reliability

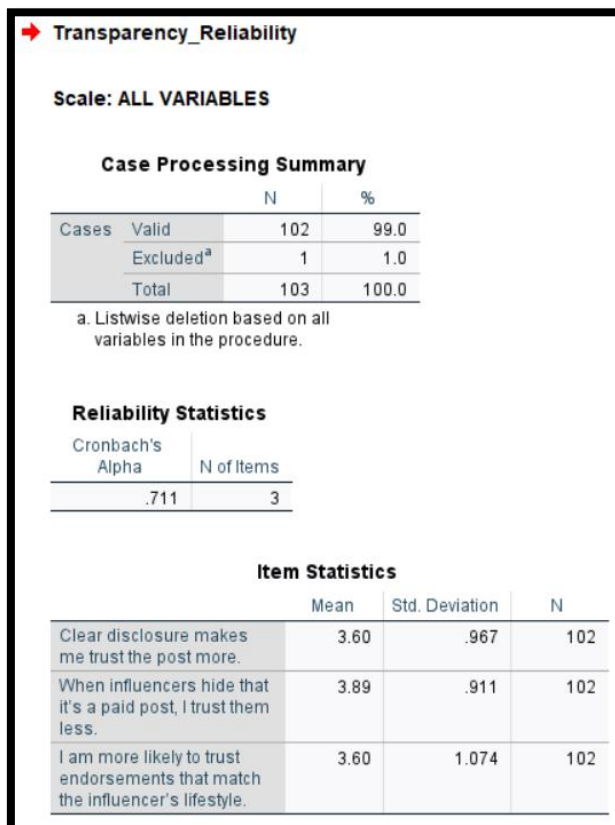


Figure 24: Transparency Reliability

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## SURVEY DATA

<https://drive.google.com/drive/folders/19LIIDwImTWVl89vDn5L0N5fydGnDUtHA?usp=sharing>