Research Paper

The impact of marketing through Instagram influencers on consumer behavior in the fashion industry: comparison of Millennials and Generation Z in Russia

Master Thesis

Geneva Business School

MBA (International Management)

Submitted by:

Natalia Topalova

Supervised by:

Dessi Todorova

Geneva, Switzerland

Date: 22.01.2021

Word count: 12 122

Declaration of Authorship

"I hereby declare:

- That I have written this work on my own without other people's help (copy-editing, translation, etc.) and without the use of any aids other than those indicated;

- That I have mentioned all the sources used and quoted them correctly in accordance with academic quotation rules;

- That the topic or parts of it are not already the object of any work or examination of another course unless this has been explicitly agreed on with the faculty member in advance;

- That my work may be scanned in and electronically checked for plagiarism;

- That I understand that my work can be published online or deposited to the university repository. I understand that to limit access to my work due to the commercial sensitivity of the content or to protect my intellectual property or that of the company I worked with, I need to file a Bar on Access according to thesis guidelines."

Date: 22.01.2021

Name: Natalia Topalova

Signature: Natalia Topalova

List of Abbreviations

SMM   Social media marketing

CSR   Corporate social responsibility

SMIs   Social media influencers

WOM   Word of mouth

List of Figures

Table of Contents

Abstract

Due to the rapid growth of social media, brands have reinvented their marketing strategies, with a goal to engage with their various consumers more by creating value and adding two-way communication. This new way of advertising brands gave birth to influencer marketing. When brands collaborate with influencers with the right target audience, influencers can help adding brand value and raising brand awareness.

Currently there are growing discussions of social media influencers and their effectiveness in promoting products. In western world the topic of the impact of marketing though influencers is thoroughly explored. However, in Russia almost no research has been conducted. By using generational segmentation the paper explores how Millennials and Generation Z perceive advertising though Instagram influencers, how their consumer behavior is similar or varies in certain cases.

This research takes the fashion industry as the example to demonstrate how this sector struggles with changing buying preferences and how it transforms to be in tune with modern consumers. Currently the industry is on the brink of a major shift due to the change in consumer behavior and the unexpected emergence of the COVID-19 pandemic. Coronavirus has a profound impact on people's values, as well as on behavior online.

The importance of this change cannot be overstated. Therefore, this research paper gives a comprehensive idea about the usage of influencer marketing for two generations in the current fashion business. The study reveals that there is a growing demand for authenticity, sustainability and more honest advertising campaigns. Both generation are tired of intrusive sponsored ads and they prefer native advertisement nowadays.

Keywords: Influencer, Instagram, Millennials, Generation Z, Fashion industry

1. Introduction

1.1. Background

The digital age and the emergence of social media has fundamentally transformed both consumer behavior and the way businesses interact with customers. Social media has evolved from a main channel where people from all over the world can connect and communicate on a daily basis, to an essential marketing tool that has a profound impact on consumer-brand relationships.

Nowadays many potential consumers socialize online through peer-to-peer communication and therefore influencer marketing has become an integral part of digital marketing strategies for brands that want to expand their reach and grow brand awareness.

Influencer marketing is a social media marketing approach that involves collaboration with famous people, bloggers and anyone with loyal followers to promote their products or services. Influencer marketing can include product placement in feeds or influencer's stories. Thus, with the help of those who directly have an influence on the audience and effectively the perception and the attitude to brands, companies can more effectively reach their target audiences.

Companies have a wide range of choice when they choose the platform for social media marketing: channels such as Facebook, YouTube, TikTok or Twitter. But according to the influencer marketing report (Influencer Marketign Hub), Instagram remains the best channel by far for brand endorsement and products advertising, especially for the fashion industry.

In Russia, Instagram has become the fastest-growing market in 2019 (Enberg, 2019). With this upsurge of popularity, influencer advertising is considered as an effective tool for better engagement with customers and eventually for promotion in-store or online sales. Nowadays marketers in fashion business are already substantially shifting their strategies towards Instagram (Deloitte CIS Research Center, 2019).

1.2. Actuality

Influencer marketing is prevalent in fashion companies' strategies (Hughes, Swaminathan, & Brooks, 2019), yet there is still the need to learn more about the specific factors that ensure success of online brand engagement for different generational cohorts. Generational segmentation in marketing can bring clear advantages to companies allowing them to better understand the target audience and to respond to their needs by optimizing pricing policy, improving marketing strategy and delivering better products.

Additionally, the social media marketing becomes increasingly important in this situation of uncertainty. Due to the global coronavirus pandemic, the

fashion industry is facing new challenges. The covid-19 outbreak had a major impact on companies' profit: the demand had decreased, the production was interrupted or ceased and many stores were forced to close. The crisis pushed further towards digital presence and online consumption. Total of partial lockdowns, the closure of physical shops and social distancing emphasize the crucial role of social media, making digital presence a major priority for fashion companies (Amed, et al., 2020).

Furthermore, Covid-19 will potentially bring a fundamental change in consumers' preferences. The main focus of attention is shifting towards sustainability, stimulating discussions around excessive consumption and corporate social responsibility (CSR).

The risk of the recession, environmental and geopolitical instability make the concerned consumers more purpose-oriented; they rethink their values and eventually engage more into sustainability. The worldwide crisis highlights that business has a responsibility to address modern environmental and social issues. For younger generations of consumers sustainability plays an important role in the decision-making process. Thus, the company's mission, its core values and the way companies communicates with their consumers hold a more significant place in the brand architecture nowadays (Amed, Balchandani, Beltrami, Berg, & Hedrich, 2019).

1.3. The scope of the research

The scope of the research is limited to the analysis of the impact of the marketing through Instagram influencers on only two generational cohorts. The primary focus of attention is kept on Generation Z, which includes those born between 1995 and 2010 and Millennials, including those who are born between 1981 to 1995 (Dimock, 2019). These two generations have gained significant influence over older generations, set new trends across all industries and markets, and concentrated in their hands considerable purchasing power.

The two generational cohorts are selected for the analysis due to the fact that out of all generations they spend most of the time online, they actively use social platform Instagram and they are most likely to make a purchase after seeing an item advertised on social media.

What is more, they potentially will drive future growth of companies and affect their profit. This research takes the fashion industry as the example to demonstrate how this sector struggles with changing buying preferences and how it has to transform and adapt to be in tune with modern consumers.

1.4. Problem formulation

Taking into account the growing importance of social media marketing, it is important to note that reaching consumers via Instagram influencers is still a relatively new content marketing strategy in Russia. Influencer marketing is at

the early stage of the development and is trailing behind of the American and European markets by at least five years (East-West Digital News, 2019). As a consequence, little information is available concerning the impact Instagram influencers have on brand attitude of Russian consumers, not to mention generational aspect which is almost completely unexplored.

Moreover, according to the local platform that contact brands with influential bloggers Insense (Loginova, 2019), Russian companies have a very conservative approach to communicating with bloggers. Despite the fact that influencers know their audience and know how to create content that draws attention and collects likes, an advertiser has their own very strict requirements for posts.

The excessive control over local Influencers is not beneficial since advertising does not resemble personal opinion: the effectiveness of campaign decreases and the influencers lose the trust of their audience.

With this low level of trust, it is becoming increasingly paramount to better understand how people perceive advertising through influencers and how it affects their buying behavior. A deeper study should also be undertaken to identify which type of visual content has a greater influence on the consumers and how the effect varies between Generation Z and Millennials.

The areas need to be explored because without understanding consumers' preferences, brands cannot successfully implement the marketing concept and eventually fail to achieve their goal.

1.5. The purpose of the research

Therefore, the main purpose of this thesis is to explore how Instagram influencer marketing affects consumer behavior of two generational cohorts in Russia: Millennials and generation Z, and to define which potential implications it has on formulating a marketing strategy.

As a result of the analysis, this paper will determine the most effective market strategies and techniques that facilitate the process of gaining trust and help to build relationship with the existing (Millennials) and emerging Generation Z customer segment.

1.6. The research questions

The research questions will help to define the areas for investigate whether there is a relationship between the influencers and the consumers of Generations Y and Z and how it differs.

Since this study has an explanatory nature it is addressing questions "How influencers marketing affects the consumer behavior towards fashion products of Generation Z and Millennials?"

The other researched questions that are being explored are the following:

1. Is there a significant difference between respondents in Russia and respondents from other countries?
2. In which areas there is a difference between Millennials and Generations Z in their perception of influencer marketing advertising?
3. In which areas there are similarity between these two cohorts in the perception of influencer marketing advertising?
4. Can a marketing campaign be executed that appeals to both generations or there is a need for personal approach to each cohort?

1.7. Thesis structure:

The research paper is comprised of five chapters. The first chapter introduces the topic of the research, gives basic background information, justifies the significance and the relevance of the thesis. The existing research gap and limitations illustrate the confronted problems that define the scope of the study.

The second chapter serves as a theoretical foundation and gives literature review on how different aspects of Instagram influencer marketing affect the consumer behavior of Millennials and Generation Z. It compares and contrasts the attitude of two generations towards various parameters.

The third chapter presents the research hypotheses and describe the process of gathering empirical evidence. The approach implies using the quantitative research method for primary data collection that will help to provide empirical evidence to confirm or refute the hypotheses. Through the online survey we can better understand which aspects of influencers marketing affect Millennials and Generation Z the most, how similar or different the effect will be and what marketing campaign can be executed by fashion brands in order to attract more customers.

Following chapter three, the chapter four presents the findings of the research, highlighting the perceived potential benefits of the generational approach, and emphasizing the difference between Millennials and Generation Z.

Chapter five concludes by summarizing the thesis, it identifies the limitations and provides recommendations for further research.

2. Literature Review

The literature review combines two parts: one part exposing different theoretical concepts and another part that covers and analyzes various empirical articles and reports. It is important to support the theoretical observations with empirical evidence.

2.1. Instagram influencer marketing

Nowadays social networks have become one of the main communication channels that connect companies and the audience. Instagram has long been a platform with huge business potential, and it is becoming even more important these days. It has over one billion users (Bellavista, Foschini, & Ghiselli, 2019) who visit the platform every day, making it one of the best growth paths for online marketing.

The continuous technological development of social media platforms requires companies to adapt to the constantly evolving and changing needs of the audience. One of the main principles for the spreading of information in social media is word of mouth (WOM), from user to user. Therefore, in order to promote their products online almost all companies use their official accounts, but also they partner with popular social media users – influencers.

It was established that most people are more inclined towards liking a product because it was from a third party's recommendation like celebrities or influencers than the brand itself (Nadanylova, Gajanova, Majerova, & Lizbetinova, 2020). The influencers get their followers interested in a certain topic and then they act like a friendly connection, an intermediary between the consumers and the brand. The benefits of collaborating with influencers are enormous: they successfully attract new consumers to the brand's website, they increase social media exposure, raise brand awareness as well as, sell the product through their stories about the experience of consuming the branded product.

The best way to earn trust of the consumers is by aligning with somebody they already trust. According to the research on the impact of influencers in fashion industry (Sudha & Sheena, 2017) young women tend to behave in line with the social influencers who they can relate to and find similarities with. Therefore, brands claim to have higher level of trust, consumer loyalty, and sales since they started investing in relationships with social media influencers, who can indirectly engage with the potential consumers of those brands.

However, even though it has become wildly popular in the past years, influencer marketing is a relatively new phenomenon in research and practice. Additionally, the market is constantly growing and changing, the influencers types are proliferating and the new platforms are emerging. The typology of influencers by size, content category and domain breadth is thoroughly researched, providing a guideline for companies on how a business can

benefit, collaborating with the right type of an influencer (Gross & von Wangenheim, 2018). Thus, in order to deliver a better problem solution, marketers should take into account many different nuances.

Instagram is now a major driving force in the fashion industry, it provides fashion companies with opportunities, creating new trends and giving inspiration. And its trendsetting powers show no sign of slowing down. But the challenge still traditionally lies in getting products seen and sold to the target audience, while the competition is high and the fashion industry is constantly changing. Under these conditions, having a strong fashion-focused Instagram strategy is vitally important.

2.2. Generational segmentation

Demographic characteristics play an important role in consumers' behavior and can cause deviation from general models of consumer decision making process. For a long time, businesses study generational cohorts to identify similarities and differences of their key features in order to use it as a decisive factor of marketing and adapt their strategies to win the audience.

Most available research (Kraus, 2018) proves that generational difference plays an important role in the formation of consumer taste and has a big implication for marketing tactics. In contrast to demographic segmentation that operates with descriptive variables including age, gender, family size and life cycle, generational approach focuses on psychographic factors of cohorts, underlying the motives and triggers of the specific type of behavior. And since socio-political, cultural and economic realities shape the common system of values in their adolescence, these values play a significant role in their lives. The key characteristics of cohorts persist over lifetime enabling the generational approach in marketing to focus on long-term strategic interaction with consumers (Parment, 2013).

The primary focus of attention is kept traditionally on Millennials, since this generation gained significant influence over older generations, set new trends across all industries and markets, and concentrated in their hands considerable purchasing power

Nonetheless, today marketers tend to shift their interest towards Generation Z, the young generation that is becoming a new driving force in the marketplace. This influential and unique consumer group present a challenge for advertisers since it markedly differs from Generation X and Millennials.

Due to the technological progress and changes in consumer landscape, it is mostly Millennials and Generation Z who are actively using Instagram on a daily basis and who are perceived as disruptors of existing status quo of traditional retail sector. That is why it is important to evaluate how Instagram influencers affect these generational cohorts.

From these findings we can note that the generational segmentation in marketing can bring clear advantages to companies allowing them to better understand the target audience and to respond to their needs by optimizing pricing policy, improving marketing strategy and delivering better products. Most existing studies (Zdenka Kadekova, 2018) confirm that influencer marketing affect differently the consumer behavior of Generation Z and Millennials, which in turn encourages companies to explore different marketing opportunities .

However, a few studies have explored (Bona, Koslow, Frantz, Nadres, & Ratajczak, 2020) the role that Instagram influencers play in buying behavior of Generation Y and Z in Russia, particularly in the domains of fashion. There is a serious gap in the research on this topic that will present the main challenge for gathering scientific data for this paper.

2.3. Generation Z and Millennials: Comparison

The generational gap between the two generations may not appear serious at the first glace. However, comparing the crucial factors shaping generational beliefs and values, we can recognize the similarities and differences that uphold the core findings. The changes in the socio-economic, demographic and political landscape had a direct influence on people and brought up a new consumer culture.

Regarding personal characteristics of Generation Y, and Z, we can conclude that the parenting style above all other factors defined the differences in value systems and behavior, affecting the level of independence, the attitude towards leadership and hierarchy, the working aspiration and the self-esteem. The helicopter parenting style transformed the way Millennials perceive themselves and boosted at times unrealistic expectations. They expect success, feeling they are special and desire it. Millennials are the most narcissistic generation in the history, with high level self-centeredness and materialistic culture. These qualities make them focus on personal needs and potential benefits that can be obtained. The helicopter education also affected their perception of leadership, encouraging respect for hierarchy and people in power, ranging from senior manager at the office to celebrities they worship.

Comparing to Generation Z, we can see that friendship-based parenting style encouraged more independence and contributed to the erosion of top-down hierarchy. Generation Z look for equality and authenticity in relationships rather than for a guide to assist in making decision process. The changed perception of leadership shifted the balance of power towards individuals rather than corporation. This perception affected the way they see how big companies and medium enterprises should work, stimulating the *demand* for *corporate* disclosure from shareholders, including *consumers*, suppliers, employees, communities, and activist organization. Generation Z is highly skeptical, suspicious and even averse to corporate market strategies and insincerity. They access the information about companies' policies

instantly and detect unethical business and marketing practices which may ruin the reputation of a respectable company and turn consumers away. Therefore, they demand transparency and collaboration with consumers.

In addition, unlike Millennials, the majority of Generation Z do not perceive celebrities as role models. For them the startups and entrepreneurs like Mark Zuckerberg are the new inspirations.

While the influence of celebrities and sporting stars on Millennials have been increasing lately, especially when it comes to apparel, lifestyle, luxury categories and brands (The Boston Consultign Group, 2014), Generation Z instead prefer to look at their peers and even parents to copy their behavior. The main reason behind this trend is gain in the growing need for authenticity and real testimonies. Ordinary people and not celebrity provide consumers with unbiased point of view and demonstrate products with their advantages and disadvantages. These popularity, trust and influence over consumers can be leveraged by companies. Businesses can promote their products engaging in collaboration with the most prominent influencers for the selected target audience.

2.4. The state of fashion industry

Analyzing the effect the COVID-19 pandemic has on people's values and fashion companies, It is important to note, that many people changed their behavior dramatically during the epidemics. Some of these changes have the potential to transform into long-lasting habits, with social media playing a more significant part in the life of self-isolated people. Influencers and fashion companies have a greater chance to build up stronger ties with the audience and take advantage of this situation (Taylor, 2020).

Additionally, due to the growing awareness about the climate change, the problem with equality and unequal pay, there is an increasing demand for eco-friendly clothing. Especially younger people from Generation Z expect brand values to mirror their own personal views.

The new lifestyle of consumers forces companies to modify their business models if they want to adjust and succeed in the more complex environment. The younger generations of consumers are paying increasing attention to sustainable options and favor ethical fashion brands (Gazzola, Pavione, Pezzetti, & Grechi, 2020).

The importance of investing in sustainable business practices is becoming a business imperative for many companies, across all industries, thus sustainability is regarded as an area of competitive advantage.

McKinsey & Company conducted research (Berg, Achim, Haug, Hedrich, & Magnus, 2020) surveying main sourcing executives from fashion retailers and brands. The key findings reported by the consulting company show how

commitment to social and environmental sustainability in sourcing becoming a widespread concern for the fashion industry

The pandemic accelerated dramatically these trends, making it more important for business to reevaluate its value, its digital positioning and invest more in internet marketing.

2.5. Measuring he impact of influencers' advertising on the consumers: metrics

Measuring the impact of SMIs advertising is a serious challenge for fashion companies. Despite the fact that quantitative data is widely available, there is still confusion to which extent these metrics can help to forecast the success of advertising campaign through Instagram Influencers. The study by Jan-Frederik Gräve (Gräve, 2019) reveals that most businesses rely on influencers reach and engagement rate. However, the author highlights that the influencers marketing is a constantly changing and dynamic area, due to the emergence of competitors, continuous development of new features.

The question arises from how we can measure the performance metrics for social media Instagram. The visual marketing platform for Instagram and other social media "Later" (Thomas, 2020) defines the types of metrics that should be analyzed to improve the results of Instagram marketing and to design a more effective social media strategy.

If a brand aim is to build or increase brand awareness, reach is the most important metrics to take into consideration. Reach indicates how many unique users viewed a post, and therefore how much awareness a brand can gain. It is a useful to follow this metric in to order to achieve business goals such as to introduce a new product or to raise the recognition of a product by its name.

However, reach and the follower count are not the most essential metrics for business to prioritize. Influencers may be more or less relatable for their followers.

2.6. Types of influencers

Instagram influencers add a human element to the marketing equation, giving a face to the entire marketing campaign of a business and inspiring the trust of potential customers.

When the concept of influencer marketing was first introduced, business leaders turned to celebrities and influencers in the niche to promote their products. The problem was that while they had a fair amount of followers, brands simply could not get the expected conversion rates.

This approach has changed recently and many brands are now choosing to sell their products through micro-influencers. Research has shown that

influential Instagram bloggers with up to 10,000 followers have a higher engagement rate in their content.

According to a study by Makerly (Bodker, 2020), micro-influencers attract more than four times the number of likes on sponsored posts than macro-influencers with millions of followers. This uplifted engagement rate can be only attributed to micro-influencers' dedicated audiences, who perceive them as credible experts on a special topic they have an interest in comparison with a more popular, mass-appeal influencer. Generally, the more followers an influencer has, the lower the engagement rate will be.

In addition, the communication of micro- and nano-influencers with their audiences is more personalized. Brands choose them to achieve marketing goals through quality, not quantity of potential leads. Also, partnership with micro- and nano-influencers allows you to enter a new market, because usually their audience is more local.

Micro-influencers are ideal solution for brands wanting to engage Generation Z, since they are about authenticity and credibility. While macro-influencers have promoted successful brand awareness campaigns and helped to deliver product messages, Generation Z customers only listen to people they can actually identify with. As for Millennials, they are more likely to trust the Influencer with a bigger audience.

In a meantime, brands discovered the value of using both micro and macro influencers. Micro influencers are considered as more effective to target markets with specific audiences. Meanwhile, macro influencers can give brands a fairly wide reach, but also a less engaged audience (Gupta & Mahajan , 2019).

2.7. Type of content

Every marketing campaign should be customized based on the thorough research. Even though influencer marketing is one of the most effective and efficient ways for creating brand awareness and engaging with various age-based target audiences from Millennials to Baby Boomers, it's important to take into consideration that each generational cohorts use social networks differently.

To maximize influencer marketing campaign effect on various generations it is important to understand not only how these generations prefer to interact online, but also what kind of content they consume.

There is generational difference in social media use. For instance, most surveys show that both Millenials and Generation Z prioritize video content and prefer using Instagram, Youtube, Snapchat or TikTok. In a Business Insider report (Green, 2019) it is highlighted that Instagram remains the most popular platform among Generation Z with 64.59% of respondents being an active user on a daily basis.

At the same time the data intelligence and custom research company Morning Consult presents the influencer report (Morning Consult, 2019) on how different generations interact with them, what type of content they prefer. According to the report video will be the future of content marketing - and that hasn't been argued with in recent years. While there are more well-known video platforms like YouTube or Tik Tok, the Instagram Stories format has been a really successful launch.

These short 15-second videos, which only have a 24-hour time limit to watch, grab attention in every niche. Therefore, new functionality constantly appears in the application, which allows to sell services and goods through stories. With the advent of IGTV, Instagram has its own version for videos in long format like YouTube. Influencers started gradually moving to Instagram as a universal platform for showing videos as well as reaching audiences. The video content is massively popular among Generation Z, with the polls showing that 7 in 10 Generation Zers regularly watch videos to feel more connected (Baron, The Key To Gen Z Is Video Content, 2019). While Generation Z clearly prefer video content, Millennials are not so certain about the choice. They still like reading what influencers write posting their pictures. Instagram suits the best for the two cohorts since it offers all types of content. Fashion brands in their turn also appreciate Instagram platform since it provides the audience with visual content of all kinds.

However, influencers' behavior is also hanging, especially when it comes to posting, the number of posts is dropping as a quality post takes time and effort. The trend is also influenced by the launch of long-form video application IGTV and the popularity of stories. Influencers are predicted to post much less in 2021.

2.8. Brand engagement and brand attitude

Foremost, engagement rate is considered as the main indicator demonstrating how well the audience interact with the content: save the image, leave a comment, repost photos or videos. Brand engagement can help in reducing costs and increase the sales volume. A loyal customer, who has been in a long time relationship with the brand, is more likely to purchase from the brand than a new customer (Risitano, Sorrentino, Romano, & Quintano, 2017). At the same time, customer engagement strategy can help the brands in product proliferation. Since the entry barriers into the market have lowered and the markets have expanded due to the Internet, there is a threat for every company.

An engaged customer of a specific company is likely to keep engaging with that brand rather than creating a new relationship with another unfamiliar brand. Therefore, brand engagement can be significant in the competitive industry (Hollebeek, 2017). Consumers can also advocate for the brand. A consumer is more likely to influence a customer than the brand itself. Brand engagement will lead to a positive WOM and sharing the posts and promotions of the products with their peers.

A recent research on brand engagement through online social influencers (Hughes, Swaminathan, & Brooks, Driving Brand Engagement Through Online Social Influencers: An Empirical Investigation of Sponsored Blogging Campaigns, 2019) shows that sponsored blogging affects online engagement (leaving a comments, liking a post, share a post) differently depending on influencer characteristics and the posted content, which are further defined by social media platform type and campaign advertising intent.

If the goal is to raise awareness, a sponsored post appearing on a blog will not be perceived as a undesired information. While if the goal is to increase the engagement the sponsored post may provoke a negative reaction and if posted often may force many people to unfollow the influencer.

There is a considerable discussion regarding the impact of the disclosure of native advertising sponsorship on consumer attitude toward brands. The results demonstrate that there is a considerable correlation between the size of the audience (micro and macro influencers) and the level of trust. Furthermore, the sincere disclosure of sponsored advertising has a significant effect on the perception of a brand, its authenticity and attractiveness (Kay, Mulcahy, & Parkinson, 2020). The debate arises over the issue of using micro and macro influencers together. Will it be the most effective way to reach a diverse audience and build brand trust?

Taking generation aspect into consideration, both Millennials and Generation Z prefer to engage with brands in physical stores, however, a higher percentage of Generation Z prefer to engage with brands on social media compared to Millennials. A key element in attracting Generation Zers is to understand their sincere desire to participate and to contribute. For instance, 44 percent of respondents said that, if they are given the opportunity, they would like to submit ideas for product design. Forty-three percent said they would like to participate in a product review (IBM Institute for Business Value, 2017). While Millennials feel a bit more lazy to contribute and do not see much value in engaging online.

As for the size of influencers' audience, there is some evidence that Generation Z is leaning towards subscribing to the smaller channels, to influencers with lower number of followers (below 100.000). The reason for that is the opportunity to communicate directly with the author of the blog. Usually, influencers with lower number of subscribers are willing to chat, reply to the comments and even establish some sort of relationship. Millennials, on the other hand, do not put additional value in the size of the audience. They tend to like influencers with no regards to audience size and the interaction is less important for them.

2.9. Consumer brand loyalty

Managing customer loyalty is one of the main objectives for a brand that can bring clear benefits. For example, it is less expensive to retain an existing customer rather than to attract a new one. Loyal customers are more likely to

give positive feedback about the product and spread WOM for free among their peers. Nevertheless, the biggest advantage is that it secures the relationship between the customer and brand.

On digital platforms, the term e-loyalty is used that is defined as a customer's favorable commitment towards an online retailer that results in frequent purchase of their product (Ponirin, Scott, & von der Heidt , 2015). It is further argued that satisfaction is positively related to high commitment. A customer with higher levels of satisfaction and with a repeated positive reinforcement will be highly committed to a brand.

However, brand marketing for the two group of consumers (Millennials and Generation Z) is quite challenging because young people much less concerned about brand loyalty and prefer to follow modern trends and fashion without concentrating on a particular brand (Budac & Baltador, 2014). Millennials and Generation Z are not brand loyal, but product loyal, since the access to all kinds of information allows consumers to compare and to define the preferences among numerous alternative variants. This fact poses additional difficulties to brands, while at the same time consumer profiles and modern trends in beverage industry give chance for businesses to harness the potential of changing preferences and increase sales and profits.

3. Methods

3.1. Hypotheses Formulation

Constructing hypotheses for this research it is important to keep in mind that the major part of the theoretical literature review devoted to influencers' marketing is based on the experience of western countries. According to Russian Search Marketing (Yorgan, 2019) around 49% of the Russian population, or approximately 70 million people, are active on social media sites. Russian social media users are very avid and engaged. Influencer marketing is gaining momentum: from 2016 to 2018, the number of paid influencer advertising posts more than doubled (from 9.7 million to 21.7 million), and in 2019 their number surpassed 32 million (Loginova, 2019).

Yet there is a serious research gap regarding the influencer's marketing in Russia, and it continues widening. Nowadays very little is known about generational preferences and how Instagram influencers affect the purchasing behavior of their followers.

Summing up, there is a reasonable possibility that the approaches resonating with Russian consumers, are likely to slightly differ to those that are adopted in other countries.

HYPOTHESIS 1:

H1: Generation Z prefers receiving information through video content, rather than through photo posts, while Millennials give preference to pictures.

HYPOTHESIS 2:

H2: Generation Z engage more (subscribe, leave likes and comments) with Instagram influencers than Millennials.

HYPOTHESIS 3:

H3: Generation Z prefers product recommendations from micro bloggers, while Millennials tend to rely on macro bloggers' recommendations.

HYPOTHESIS 4:

H4: Millennials make the purchasing decision and actually buy new items of clothing based on the recommendation of Instagram influencers more than Generation Z.

HYPOTHESIS 5:

H5: Influencers values orientations (such as sustainability, equality) play more important role for Generation Z rather than for Millennials.

HYPOTHESIS 6:

H6: Both Millennials and Generation Z dislike sponsored ads.

Therefore, in order to provide data for these hypotheses the questionnaire will focus on several key components of influencer marketing: frequency of communication, trust, authenticity. More elements are also to be examined such as type of audiovisual content and influencers' value orientations.

3.2. Research Approach

To answer a research question two different types of approaches can be used: an inductive or a deductive. Usually an inductive study is made when the researcher does not have any prior expectations before starting data collection process. The research questions are at the center of the researcher's attention to narrow the scope of the study. An inductive approach aim is to congregate relevant information and collect and analyze data to present a generalizable theory. In contrast, a deductive approach generally begins with hypotheses formulation, and is largely based on researcher' expectations supported by a existing theories.

For this particular research a deductive approach was chosen, starting with the exploration of theoretical background and then testing its direct implications with data.

A deductive approach is more suitable for this type of research because the purpose of this paper is to enrich and further develop existing theories by hypothesizing the cause and effects in a new context and environment. For example, the purpose of this thesis is to investigate the effect of influencers marketing on social media platform Instagram on two generational cohorts: Millennials and Generation Z in Russia in a domain of fashion industry.

To achieve that goal, the dependent and independent variables are selected. The dependent variables: the attitudes of Millennials and Generation Z in Russia towards Instagram influencers. The independent variables in this experiment relevant for this research are the Instagram influencers because this study aims to measure the effect of influencers marketing on attitudes of Millennials in Generation Z in Russia. The dependent variables have to be measured and tested in this experiment.

3.3. Research Design

The research design is a framework of research methods that define a logical plan that is being proposed for data collection and its analysis (Rahi, 2017). For the purpose of this thesis cross-sectional research design is chosen. This type of design measures the existing differences between selected groups of people and is focused on identifying the correlation between variables at a particular moment in time.

The participants of this study are picked based on the exclusion and inclusion criteria for study's participants. Given the nature of this work specific case, the

suggested research design is ideal for the comparison of two generational cohorts: Millennials and Generation Z.

Since cross sectional design is observational in its nature, it provides a significant amount of information about the prevalence of outcome but do not deduce causality because temporality is not known.

Thus, this design is relevant to this study because this research is descriptive and the data examined in this study is gathered at one given point in time from two different generational groups.

3.4. Quantitative Study

This stage of the study defines the tools that will be used for the further data collection. Quantitative research starts with obtaining the data based on formulated hypotheses and theory from already existing and potential customers. To obtain the accurate information about the target audience researchers use sampling methods: by sending out online or paper surveys, conducting the public opinion polls and drafting questionnaires, they analyze the outcome of the survey that can be recorded in the numerical form. The careful examination of the results will help to select statistics to describe the data and discuss the subsequent interpretations of the findings.

However, a quantitative method has its distinct advantages and disadvantages. On one hand, a broader study can be undertaken using larger samples with the more accurate results than in qualitative research, which collects mostly non-numerical data. On the other hand, there are some limitations since a quantitative approach make snapshots of a phenomenon: not in-depth, close-ended information (Rahman, 2017).

3.5. Data Collection

Normally, there are two main types of data that can be collected: primary data and secondary data. Primary data is created by a researcher, and is more factual and original, while secondary data has already been gathered and analyzed by someone else earlier. Although, secondary data is readily available, it probably is collected for other goals than what researcher tries to accomplish.

For the purpose of this research and in order to formulate the hypotheses a comprehensive literature review was conducted and presented. Little information had been provided on the effect the influencers marketing through Instagram has on Generation Z and Millennials in Russia. No notion of influencer marketing is relatively new for the Russian market and there is a wide gap in available literature and market reports on this topic.

Therefore, in order to ensure the accuracy and the reliability of information primary data was first-hand collected from the target population for this research paper.

To obtain the empirical data a survey instrument is used as a mean that helps monitor how different advertising tools and campaigns have an impact on consumer behavior of two generational cohorts. The questionnaire is designed to collect quantitative data to identify how Instagram influencers can attract more followers and how consumer purchasing behavior and attitude change towards fashion brands after engaging with those influencers.

3.6. Survey Construction

Generally, questionnaire is a quick and efficient way of collecting information from a large sample of people. Designing the survey project, the major steps have been followed in order to achieve the established goals the study.

Before using the ready questionnaire, the questions are pretested and piloted on a small number of people from the target groups. A pilot survey is an important tool to improve the efficiency of the survey and to ensure that all questions are well-formulated and the layout of the questionnaire is easy to follow. Once the list of questions is approved, the survey can be undertaken and the data can be collected and analyzed.

In accordance with the various guidelines the questions are kept brief, clear and consistent. Since it is established that the majority of respondents are likely to skip open-ended questions, most of the survey is built around closed-ended and multiple choice questions. The options include quite complex lists of alternatives from which respondents can choose. By doing that respondents provides information that can be analyzed quantitatively to detect patterns and trends.

Since the questionnaire can be presented in an electronic form, all necessary data can be gathered in a short period of time because the presence of the researcher is not needed for respondents to answer the questions. Taking into account the current COVID-19 pandemic, the advantages of modern technologies cannot be underestimated.

The initial plan was to create the questionnaire through the Google Forms software and then to distribute it online in order to make the process faster and safer. However, the main challenge was to find the respondents that fit the profile (age, Instagram user). The current survey was distributed predominately through Russian social networks as Vkontakte and Odnoklassniki, but the number of respondents was lower than expected. That necessitated to employ the traditional survey distribution method using paper survey. The students of the Financial University located in a city Tula in western Russia agreed to participate in the research and helped with answering the questionnaire.

This questionnaire consists of various questions that are carefully designed to measure respondents' perception of Instagram influencers, the level of trust and how it affects the purchase decision, with the final goal to check the validity of the stated hypotheses.

24

The questionnaire is divided into several sections. In the beginning, the information concerning the demographic characteristics of the participants was examined. Following by the questions in the domain of Instagram consumer behavior: how often do you use Instagram? How many influencers do you follow? After that the perception of micro and macro influencers by different generations is determined by measuring the level of trust they develop towards them. Then, it was established how the attitude of the two generations vary toward different means of content presentation: video or photo format. The next question regarding the perception of respondents of the influencers' value orientation regarding trending topics in fashion industry such as: sustainability, sourcing of raw materials, equality for workers. The last section poses a question concerning purchase decision-making: did you ever buy a fashion item after it was advertised by the influencer you follow on Instagram?

The questions that are used in this questionnaire were developed based on the literature about influencers marketing in the context of countries all over the world.

3.7. Sampling

This research tries to contribute to other empirical studies and bring back together already existing theories. In order to reach valid conclusions from the survey analysis, it is crucial to accurately decide how to select a sample that is representative of the group as a whole. Furthermore, a sampling error may occur if the survey fails to include the representatives of a heterogeneous population in proper proportion. The number of respondents participating in the survey should be large enough to assure that the measures of precision are clinically significant. The data in this research has been segmented based on the respondents' generation (Millennials and Generation Z) and gender.

When it comes to gender it is important to note that many studies (Lokithasan, Simon, Zahrawaani Binti Jasmin, & Ajeerah Binti Othman, 2019) have established that while women prefer following beauty and fashion influencers (59% and 49% respectively), for men fashion does not even enter top five following influencers, with gaming and fitness being the most preferred topics (62% and 41% respectively).

Therefore, in order to minimize bias or large variance in study results the main challenge was to ensure that there is a sufficient number of respondents with certain characteristics in the sample. The portion of the sample used in this study includes fifty female (aged 25 to 40) Millennials and fifty female (aged 16 – 22) Generation Z representatives.

3.8. Criticism and ethical considerations

The consideration of ethics in any study is a matter of growing importance. Even though most of interviews, surveys and polls are well-intended, there is a risk that an interaction with respondents may unintentionally harm them in

an unexpected way. Especially people are sensitive when they have to disclose their financial status, reveal a political preferences or sexual orientation.

It is a responsibility of the researcher to identify a potentially problematic areas and to modify some questions or to provide all the participants with a consent form.

The ethical aspects of this survey are also taking into consideration: privacy, anonymity and confidentiality as well as the right to drop out of the survey at any time a respondent feels uncomfortable. The survey includes consent form providing all the participants with an additional level of safety and legal protection.

Since the survey was undertaken in Russia, the questionnaire and the consent form were translated into the native language of the participants. It was not noticed that the formulated questions brought any discomfort to the participants. That is explained by the nature of the research that does not imply to inquire impertinently into a private life of its participants.

3.9. Data analysis

To describe the basic features of the gathered data in a study the descriptive statistics is used. By providing simple summaries about the sample and the measures, combining with simple graphics analysis, we form the basis of quantitative analysis of data. Descriptive statistics are mainly used to present quantitative descriptions in a manageable form. All descriptive statistic reduces big amount of data into a simpler summary.

The descriptive statistics will give an overview of the characteristics of 100 female respondents that filled out the survey and it will enable the readers to understand their behavior towards social media and fashion brands based on their age. The survey was divided into different categories that had questions regarding specific variables.

In the beginning, the general questions were asked in order to get a better inside into the behavior traits of two generations. The information about the use of other than Instagram social networks present an interest to the research, because it makes it possible to understand what type of content they prefer (video or text), what type of social media (foreign or domestic).
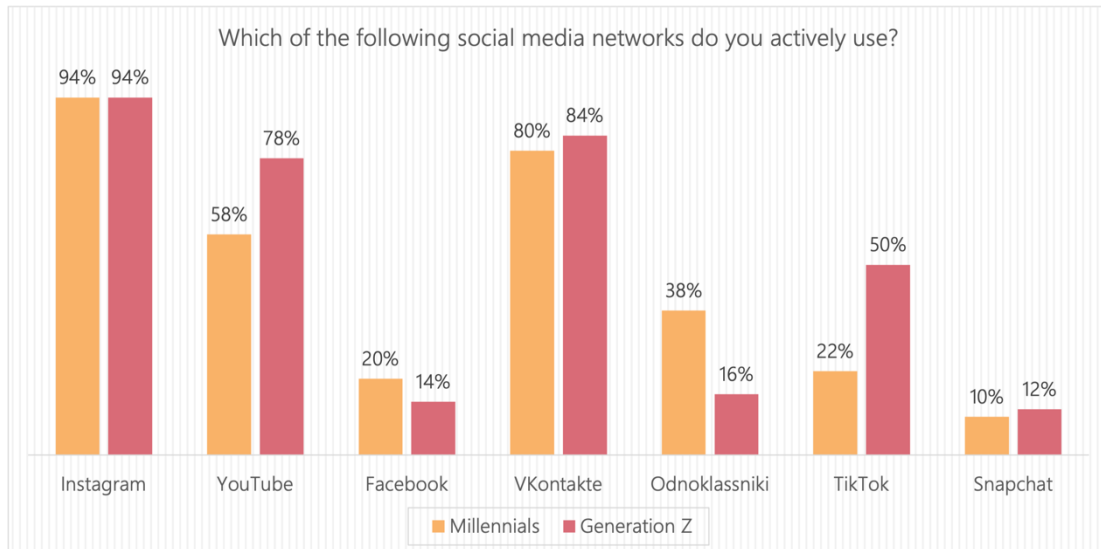
Figure 1: Preferred social media networks

The results showed that both cohorts prefer domestic network VKontakte, but there is a significant difference in the use of Youtube. While 78% of Generations Z like spending time watching videos, 58% of Millennials like the Youtube channel.

Regarding the time spend online surfing Instagram, both generations on the average spend two hours daily. The difference in percentage is not very noteworthy.
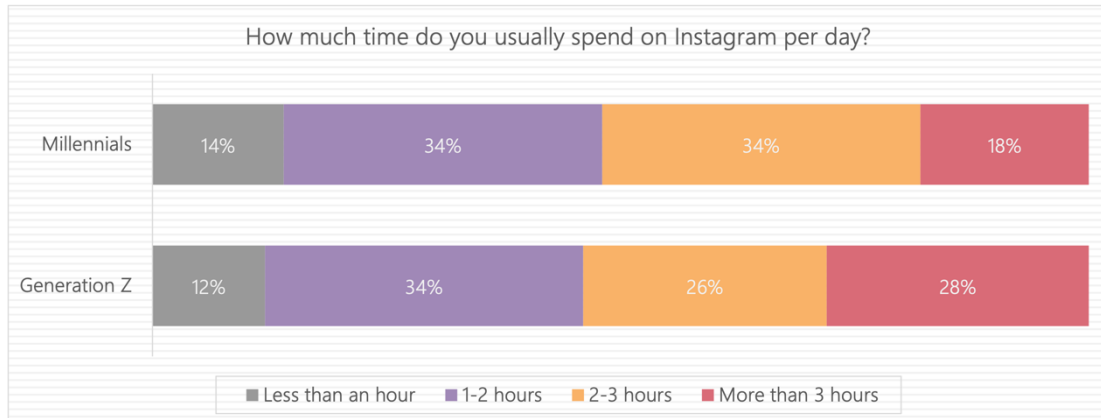

Figure 2: Time spend on Instagram

H1: Generation Z prefers receiving information through video content, rather than through photo posts, while Millennials give preference to pictures.

After that the question was posed to reveal what type of content Millennials and Generation Z prefer: videos, text or pictures. It turned out that the majority (86%) of Millennials enjoy watching pictures or photos, as well as scrolling through stories feed (66%). The video and IGTV content did not get much viewers. Unlike Generation Z with 78% of them watching stories and 60% - video content. The hypothesis is accepted.
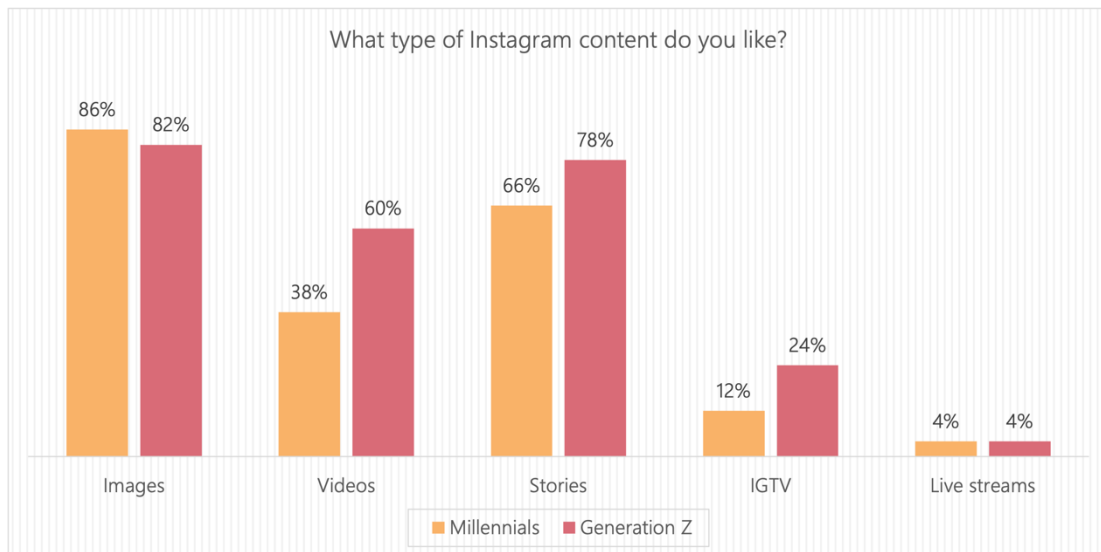
Figure 3: Type of content

H2: Generation Z engage more with Instagram influencers than Millennials.

Regarding the effect the influencers have on the generations, first of all it is important to define on how many influencers Generation Z and Millennials are subscribed. 36% of Millennials follow between 5 and 10 influencers, but at the same time 36% follow more than 20 bloggers. At the same time, 35% Generation Z follow between 5 and 10 influencers, and 26% subscribed to less than 5. Contrary the data that was available about western generations, in Russia Generation Z are not yet actively follow influencers.
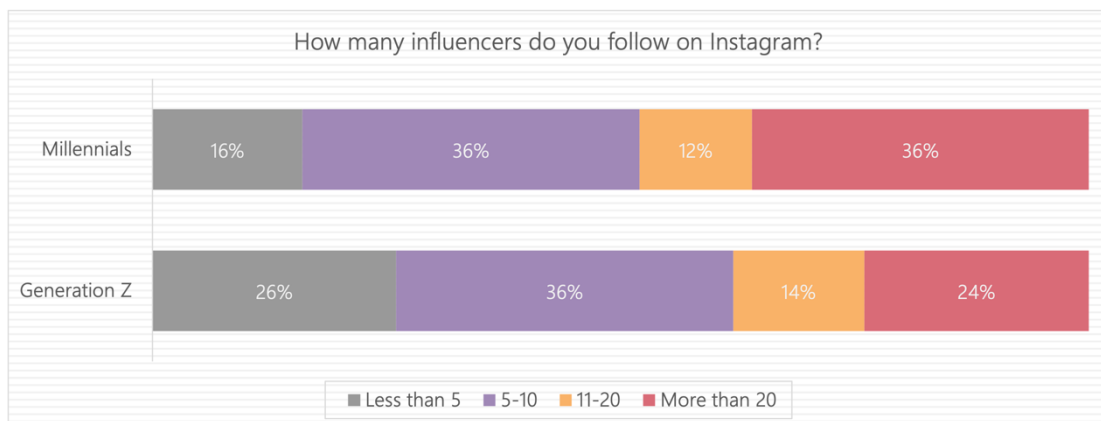
Figure 4: The number of followed Influencers

In addition, engagement rate implies that people actively like posts, share it with the friends, use promotional codes. As we can see from the graph below neither Millennials, nor Generation Z massively use a discount code for a future purchase.
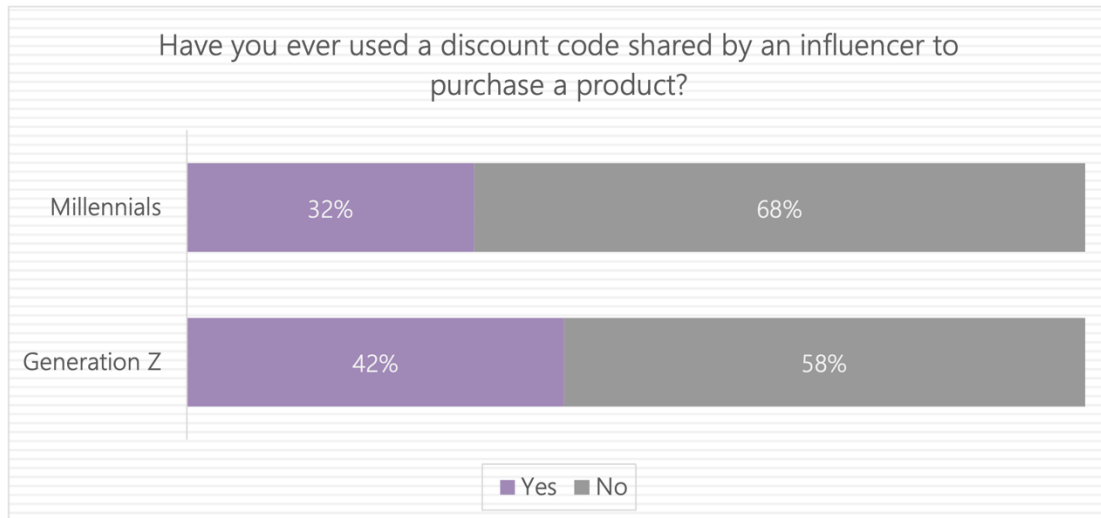
28

Have you ever used a discount code shared by an influencer to purchase a product?

	Yes	No
Millennials	32%	68%
Generation Z	42%	58%

Figure 5: Engagement with influencers

Therefore, the hypothesis is refuted.

As for the trust component, the list of questions in the survey explore this topic thoroughly. The results shows most representatives of Generation Z trust the influencers (64%), while 80% of Millennials find the information they receive from influencers is trustworthy.

Do you trust the opinion of the influencers you follow?

	Yes	No
Millennials	80%	20%
Generation Z	64%	36%
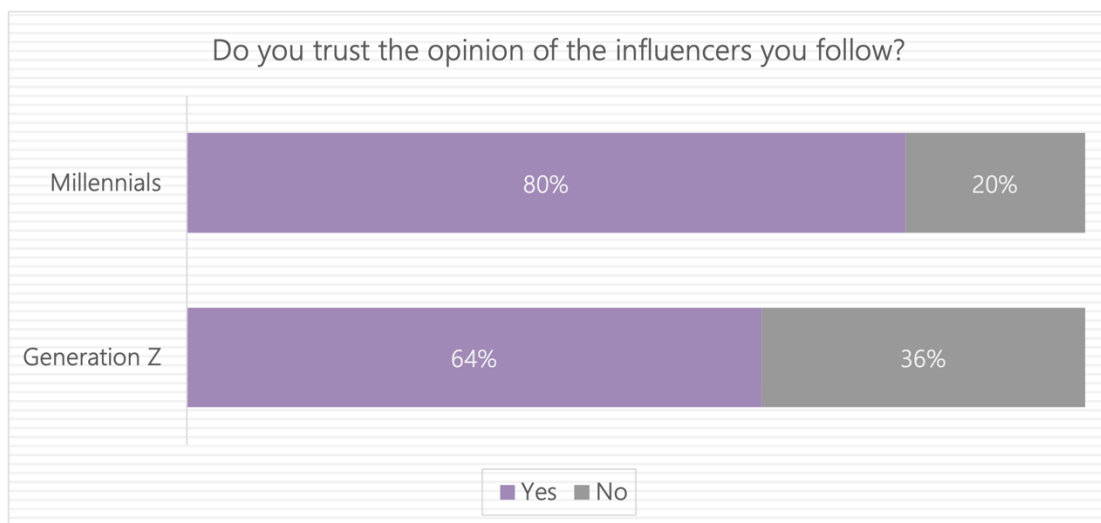
Figure 6: Influencers' trust

Regarding the promotional coupon, if any generational cohort uses the coupon codes the influencers advertise, the engagement rate is quite low. Most Millennials and Generation Z do not use the promotion (with negative reply 68% and 58% respectively).

However, the engagement rate was much higher when influencers advertise a brand with an included link to the brand's account. Many people click on the

link and when subscribe to the brand's channel. 68% of Generation Z and 55% of Millennials directly engage with the advertised brand.
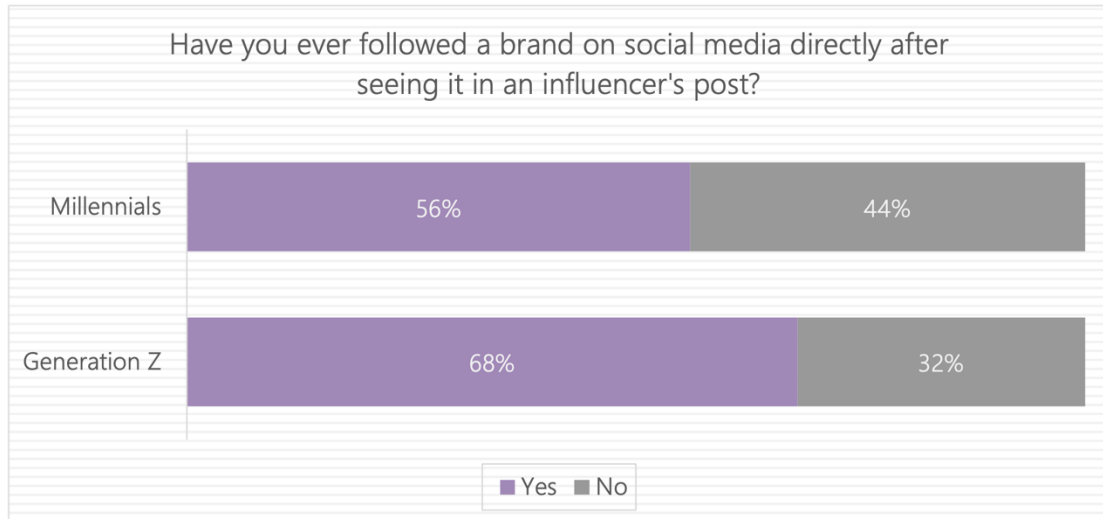

Figure 7: Following brand on social media

H3: Generation Z prefers product recommendations from micro bloggers, while Millennials tend to rely on macro bloggers' recommendations.

Contrary to theoretical study, the results of the survey did not reveal any notable difference in points of view of two generational cohorts. 52% of Millennials prefer macro influencers, while 48 - micro influencers. At the same time, Generation Z prefers micro influencers 54%, and 46% give preference to macro influencers. There is no significant difference in percentage, therefore the hypothesis is refuted.
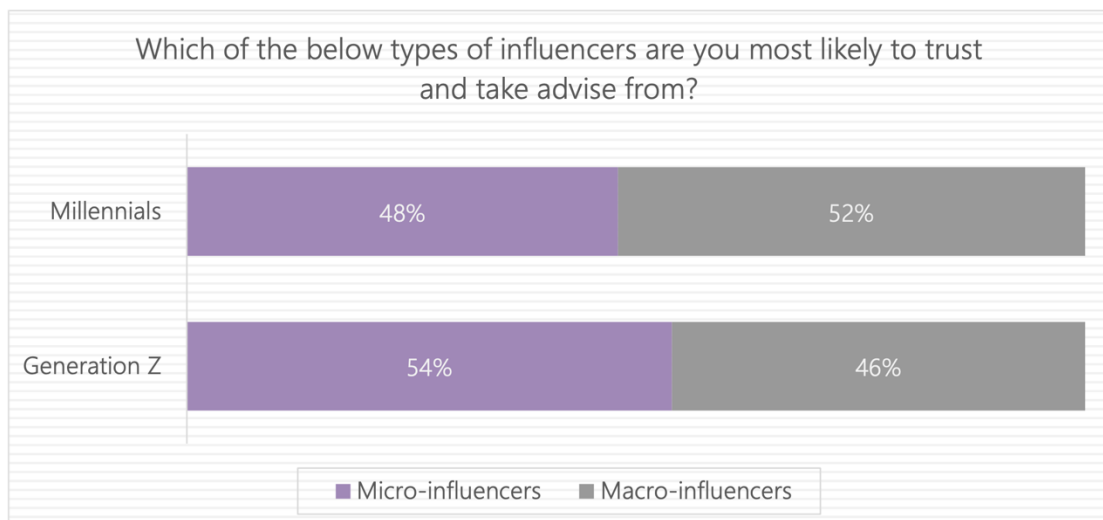

Figure 8: Attitude to micro and macro influencers

For the majority of Millennials and Generation Z content is the most important thing. They do not pay much attention to the number of followers, instead they

are willing to consume equally entertaining and educational quality type of content.

H4: Millennials make the purchasing decision and actually buy new items of clothing based on the recommendation of Instagram influencers more than Generation Z.

Most Millennials (80%) bought clothing (at least once) after getting a recommendation from influencers. While 60% of Generation Z purchase an item after seeing it in the post. The hypothesis is accepted.
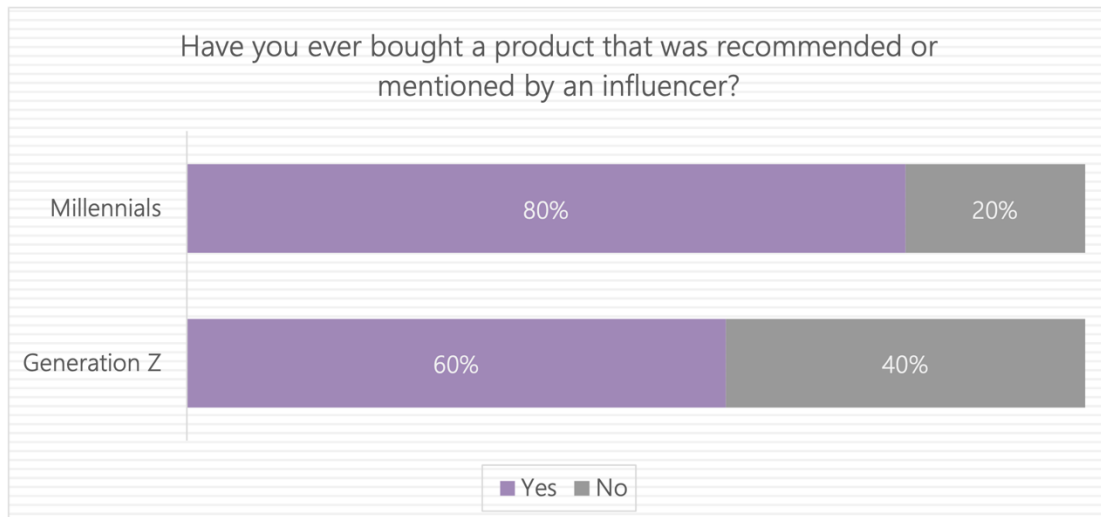

Figure 9: Purchasing behavior

Hypothesis 5:

H5: Influencers' values orientations (such as sustainability, equality) play more important role for Generation Z rather than for Millennials .
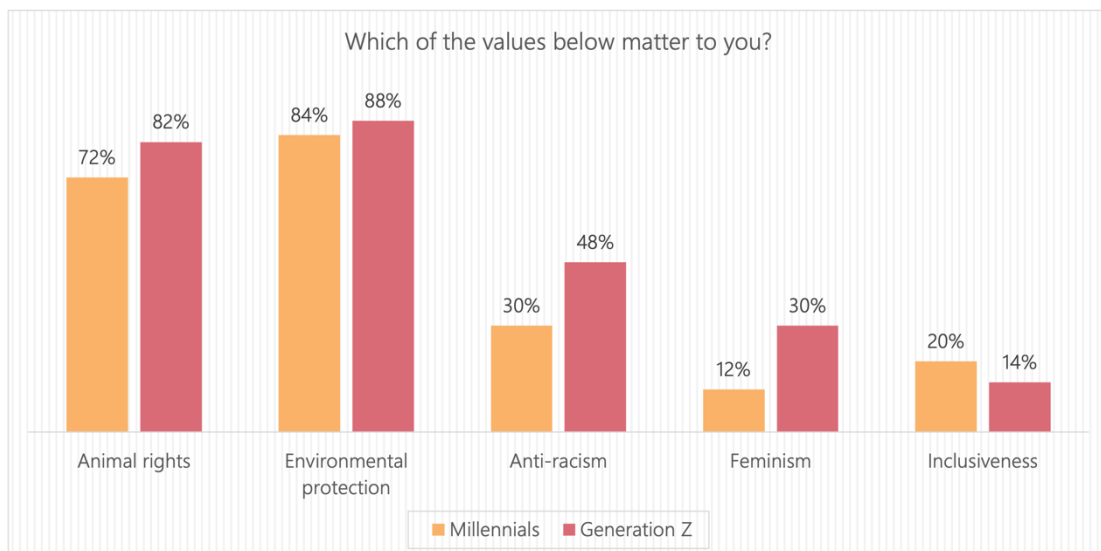

Figure 10: Influencers' value orientation

As we can see from the chart, environmental protection along with animal rights are the most appreciated values. Although, Generation Z is a bit more tolerant and cares more about anti-racism, feminism, inclusiveness, there is no significant difference between their views on environment and animal rights. Therefore, since it is an inconclusive result, the hypothesis is refuted.

Hypothesis 6:

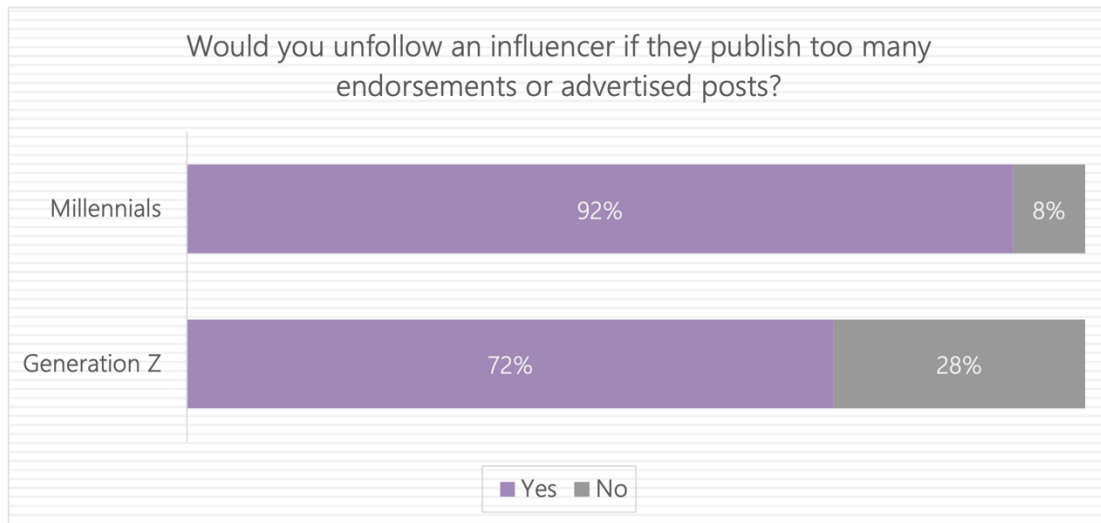H6: Both Millennials and Generation Z dislike sponsored ads.

Figure 11: Attitude to sponsored ads

The figure shows that the absolute majority of Millennials and Generation dislike sponsored ads to the extent that they are ready to unfollow an influencer who post too much paid content. Hypothesis is accepted.

4. Findings

These results can be used to respond to the research question, in view of which the paper was composed. The research question "How influencers marketing affects the consumer behavior towards fashion products of Generation Z and Millennials?" has thus been answered to some extent.

The topics discussed in the literature review helped the readers to understand that relationship between consumer behavior, influencers and brand management. The motive behind this paper was to mainly identify whether there is a difference in the impact of influencer marketing on two age groups: Generation Z and Millennial in Russia towards their favorite cosmetic brand.

The literature provided was used to develop a framework model that was followed throughout the paper. Followed by, the results derived from inferential statistics will be used to conclude whether the framework can be held true or not. The reasonable conceptual model produced for the thesis was utilized to make a relationship among the consumers, influencers and fashion brands and this model would be utilized to respond to the research question.

As shown in the thesis, the use of influencer marketing does have an impact on the brand awareness of Generation Z and Millennial by creating several variables through which the consumers create a relationship with the brand. It is mostly young females who follow these influencers; hence the age factor comes into the role, which are seeking recommendations and validation on social media platforms. These users create a personal relationship with the influencers as they represent a part of the user's characteristic or would have a similar personality trait.

Other reasons for following influencers will also include the factor that these influencers promote certain brands that are liked by the user. Hence, this relationship enables the influencer to create more awareness among their followers about certain fashion brands and the users on social media platforms tend to buy products from these brands because a person with more authority recommends it. If the brand is viewed positively, the consumers will tend to engage more with the brand on social media platforms. They will like or comment on their posts, share their posts with their friends, and even recommend their products to other people. Eventually, the rate of engagement with the brand increases, which further can develop into brand loyalty.

An increase in brand loyalty is one of the main objectives of any brand and using the method of influencer marketing is enabling the fashion brands to reach more users through social media. These consumers may not follow traditional channels for updates and news, and they require a more interactive experience when purchasing a product. Therefore, the use of influencer marketing can have an impact on increasing brand loyalty among young

generations. This overall model representing the relationship between the consumers, influencers, and fashion brands gives a detailed layout of how influencer marketing has an impact on consumer behavior, especially on Generation Z and Millennials.

Answering the sub-questions of the research paper:
1. Is there a significant difference between respondents in Russia and respondents from other countries?

Comparing the results of the survey with the theoretical background and empirical data gathered for this research, certain differences were found between Russians respondents and respondents from all over the world. What is interesting, that Millennials behavior mostly corresponds with their peers from western world, while the behavior of Generation Z differs in many domains. Even when it comes to time spending online on Instagram, in Russia Generation Z spend much less time than in other countries. In most countries Generation Z prefers deeper connection with the influencers, that is why they prefer smaller size of the followers that will ensure tighter communication with the blogger. The survey did not show such dependence in Russia. Both generational cohorts follow influencers based on the content they offer and not the crowd size.

2. In which areas there is a difference between Millennials and Generations Z in their perception of influencer marketing advertising?

In general, the level of trust varies between these two cohorts. For example, when influencer recommend a product, most Millennials get interested, they click on the links, and sometimes make an actual purchase, As for Generation Z, this type of behavior is more rare. They can easily recognize once they encounter the paid content, while many Millennials struggle to identify if the post is sponsored or not.

3. In which areas there are similarity between these two cohorts in the perception of influencer marketing advertising?

Contrary to theoretical materials, both generational cohorts nowadays are heavily invested in the problem of sustainability, inequality and climate change. According to the literature analyzed for this study, it is mostly Generation Z who are actively surfing the Internet, are very concerned about the modern challenges and problems of the world. Nevertheless, the current geopolitical, epidemiological, ecological situation in the world make people across generations think more about the future.

4. Can a marketing campaign be executed that appeals to both generations or there is a need for personal approach to each cohort?

34

Altogether, these two generations have their own specific traits, but also do not have very striking differences. They both grew up using the Internet on a daily basis. What is important to understand is that content is the king in an increasingly competitive online environment. With the significant different level of trust of these cohorts it is important to appeal to the individual values of each generations more than to rely on luck. In-depth analysis of motivational factors will help to get a better insight into consumer behavior, determine the core values and drivers behind buying preferences, and equip companies with instruments for targeting precisely the chosen groups of consumers without relying on mass consumption.

5. Conclusions, Limitations, and Recommendations

The research has the goal to extend the implications of the findings beyond the group of the respondents who participated in the study. Furthermore, the results of the research have the implications for policy and strategy development. The main purpose of the present research was to indicate factors that brands should consider in order to successfully engage with both generational cohorts: Millennials and Generation Z through the Instagram influencers. By identifying fundamental aspects of their consumer behavior, we envision the comprehensive guidelines for development of the strategy that companies should pursue when communicating with Millennials and Generation Z in order to successfully position and advertise brands.

In the past consumers made decision based on rational thinking, generation X and Baby Boomers were guided by rationalism and utilitarianism. However, nowadays consumer engagement took another form, with both Millennials and Generation Z getting involved more on emotional rather than cognitive level.

The penetrating nature of new technology signifies that both Millennials and Generation Z consumers are more likely to make a purchasing decision based on Internet referrals and feedbacks from their friends, peers and influencers rather than believe in traditional television, newspaper advertising or celebrities promises. Influencers are willingly engaging with brands, starting discussions and praise or criticize the product. Their ability to find both negative and positive aspects build their image of trustful, unbiased and honest people and attract devoted followers.

Brands should leverage the power of word of mouth and contact the main influencers for Millennials and Generation Z audience in order to promote their fashion brand. The choice of a person has to be made not solely upon the popularity, but also upon the shared values with the brand making the person for suitable for the marketing campaign.

The study shows that there is certain differences between Millennials and Generation Z from all over the world and Russia. Even though, globalization has a prominent role in development of individuals within the two generations, because of its effect and intensifying interconnectedness which has enabled most individuals in developed and BRICS countries to share the same behavioral characteristics. The cultural differences and political and economic realities vary from country to country.

The findings of this study can be used as an insightful outlook into the behavior of Generation Z and Millennials on a digital platform Instagram. The information provided in this thesis can be used to understand consumer behavior on a digital platform. This research can be used as a guide for businesses and influencers on what attracts consumers about influencer advertising, how they choose certain products and bloggers, what motivates

them to communicate with them and how brands can collaborate with influencers.

Fashion brands should also stay up-to-date with marketing campaigns and strategies in order to keep the consumers interested and to create even more creative content.

As the current generation of consumers have an easy access to information online and they are able to identify the genuineness of information they are receiving, brands should focus on being more authentic. Hence, companies should bring in line their message with the values of both generations. Both generation nowadays feel even more strongly about ethical and environmental issues than before the pandemic. It's important that brands consider these issues when creating content. Both Millennials and Generation Z demand that brands represent their values. Influencer marketing campaigns that put values into action are more likely to resonate with these cohorts.

It is important to note that Generation Z particularly rates ethical principles higher than quality of service as a reason to be brand loyal.

Another recommendation is to focus more on visual content – to introduce more videos that highlights the positive sides of the brand. The video does not have to be glossy, simplicity in how the videos support content or clearly transmit a message will appeal to both Generation Z and Millennials.

Lastly, the results of this study further show that both Millennials and Generations Z prefer native advertisement over banner or display advertising. If there is too much sponsored content, people easily unsubscribe from the intrusive content.

It is important to evaluate the weaknesses and the strengths of the study, to identify the challenges that were presented in the study and describe limitations that prevented from getting the accurate results.

The collected sample was relatively small, only 100 representatives of Millennials and Generation Z participated in the survey. There were difficulties in reaching a wider audience through social media, since many respondents did not answer due to their busy schedule or lack of desire to participate in the research. However, on the other hand the samples for this study did not have a vast ratio between the age group. Out of 100 respondents, 50 people were between 15 and 25 years old (Generation Z) and 50 were people between 26 and 40 years old. That means the overall study was not distorted and did not give the priority to any generations, while every sample was equal to compare with the other group.

Nationality was also considered as a factor of the analysis. The socio-political, cultural and economic realities shape the common system of values of the people, and these values play a significant role in their lives. The usage of social media platforms differs all over the world and depends on the

geographical location. It was beneficial to keep the nationality in mind and discover if there is a pattern of change due to the difference in nationalities and regulations of specific countries.

Moreover, the questions regarding the influencers were focused on influencers as a whole. The respondents probably have their specific kinds of influencers who they follow such as beauty bloggers, celebrities, some other types of influencers, etc. and this factor should be taken into account to understand the primary reasons why people for following these influencers.

This may initiate a more detailed study in the future in the field of influencers types which in turn will help to develop new theories on how to use influencer marketing most efficiently. In addition, in further research it would be useful to analyze the opinion of influencers and to create another sample group for research design that would consist of influencers and bloggers. In this particular research the focus was on the most popular social media platform for advertising fashion products – Instagram. This choice narrowed down the scope of the study and led to the exploration of the entire topic of influencer marketing only on Instagram. If a bigger sample is collected for further research, it can be determined that some consumers may behave differently on other social media platforms, where they might feel more connected with the influencers and consequently with a brand.

Bibliography

Amed, I., Balchandani, A., Beltrami, M., Berg, A., & Hedrich, S. (2019, February 12). *The influence of "woke" consumer on fashion.* Retrieved from McKinsey&Company: https://www.mckinsey.com/industries/retail/our-insights/the-influence-of-woke-consumers-on-fashion

Amed, I., Berg, A., Balchandani, A., Hedrich, S., Rölkens, F., & Young, R. (2020). *The State of Fashion 2020 Coronavirus Update.* McKinsey&Company.

Baron, J. (2019, July 3). *The Key To Gen Z Is Video Content.* Retrieved from Forbes: https://www.forbes.com/sites/jessicabaron/2019/07/03/the-key-to-gen-z-is-video-content/#:~:text=A%20Google%20study%20showed%20that,helps%20them%20feel%20more%20connected.&text=Gen%20Z%20even%20consumes%20shows,about%203.4%20hours%20every%20day.

Baron, J. (2019, July 3). *The Key To Gen Z Is Video Content.* Retrieved from Forbes: https://www.forbes.com/sites/jessicabaron/2019/07/03/the-key-to-gen-z-is-video-content/#:~:text=A%20Google%20study%20showed%20that,helps%20them%20feel%20more%20connected.&text=Gen%20Z%20even%20consumes%20shows,about%203.4%20hours%20every%20day.

Bellavista, P., Foschini, L., & Ghiselli, N. (2019). Analysis of Growth Strategies in Social Media:the Instagram Use Case. *2019 IEEE 24th International Workshop on Computer Aided Modeling and Design of Communication Links and Networks (CAMAD).*

Berg, Achim, Haug, L., Hedrich, S., & Magnus, K.-H. (2020). *Time for change. How to use the crisis to make fashion sourcing more agile and sustainable.* McKinsey&Company.

Bodker, I. (2020). *Instagram Marketing: Does Influencer Size Matter?* Retrieved from Markerly: https://markerly.com/blog/instagram-marketing-does-influencer-size-matter/

Bona, C., Koslow, L., Frantz, R., Nadres, B., & Ratajczak, D. (2020). *How Marketers Can Win with Gen Z and Millennials Post-COVID-19.* Boston Consulting Group.

Bruhn, M., Schoenmüller, V., Schäfer, D., & Heinrich, D. (2012). Brand Authenticity: Towards a Deeper Understanding of Its Conceptualization and Measurement. *Advances in Consumer Research, 40,* 567-576.

Budac, C., & Baltador, L. (2014). Strategic Consideration on how Brands Should Deal with Generation Z. *Revista Economică , 66*(5).

Deloitte CIS Research Center. (2019). *Internet content monetization trends. Media consumption in Russia - 2019.* Moscow .

Demeritt, L. (2013). *Reimagining Health and Wellness.* Group.

Dimock, M. (2019). *Defining generations: Where Millennials end and Generation Z begins.* Pew Research Center.

East-West Digital News. (2019). *Influencer Marketing in Russia.*

Enberg, J. (2019, December 12). *Global Instagram Users 2019.* Retrieved from eMarketer: https://www.emarketer.com/content/global-instagram-users-2019

Gazzola, P., Pavione, E., Pezzetti, R., & Grechi, D. (2020). Trends in the Fashion Industry. The Perception of Sustainability and Circular Economy: A Gender/Generation Quantitative Approach. *Sustainability* , 1-19.

Gräve, J.-F. (2019). What KPIs Are Key? Evaluating Performance Metrics for Social Media Influencers. *Social Media + Society*, 1-9.

Green, D. (2019, July 2). *The most popular social media platforms with Gen Z.* Retrieved from Business Insider: https://www.businessinsider.com/gen-z-loves-snapchat-instagram-and-youtube-social-media-2019-6?r=US&IR=T

Gross, J., & von Wangenheim, F. (2018). The Big Four of Influencer Marketing. A Typology of Influencers. *Marketing Review St. Gallen*, 30-38.

Gupta , S., & Mahajan , R. (2019). Role of Micro-Influencers in Affecting Behavioural Intentions. *International Journal of Recent Technology and Engineering*, 189-192.

Hollebeek, L. (2017, December). Exploring customer brand engagement: Definition and themes. *Journal of Strategic Marketing, 19*(7).

Hughes, C., Swaminathan, V., & Brooks, G. (2019). Driving Brand Engagement Through Online Social Influencers: An Empirical Investigation of Sponsored Blogging Campaigns. *Journal of Marketing, 83 (5)*, 78-96.

Hughes, C., Swaminathan, V., & Brooks, G. (2019). Driving Brand Engagement Through Online Social Influencers: An Empirical Investigation of Sponsored Blogging Campaigns. *Journal of Marketing*.

IBM Institute for Business Value. (2017). *Gen Z brand relationships Authenticity matters.* IBM Corporation.

Influencer Marketign Hub. (n.d.). *The State of Influencer Marketing 2019: Benchmark Report [+Infographic].* 2020.

Kay, S., Mulcahy, R., & Parkinson, J. (2020). When less is more: the impact of macro and micro social media influencers' disclosure. *Journal Journal of Marketing Management*, 248-278.

Kraus, M. (2018). Comparing Generation X and Generation Y on their Preferred Emotional Leadership Style. *Journal of Applied Leadership and Management*, 62-75.

Loginova, O. (2019, January 31). *Influencer Marketing в России: рассказывают эксперты.* Retrieved from GeekBrains: https://geekbrains.ru/posts/influencer_marketing_howto

Loginova, O. (2019, January 31). *Influencer Marketing in Russia.* Retrieved from Geek Brains : https://geekbrains.ru/posts/influencer_marketing_howto

Lokithasan, K., Simon, S., Zahrawaani Binti Jasmin, N., & Ajeerah Binti Othman, N. (2019, September). Male and female social media influencers: the impact of gender on emerging adults. *International Journal of Modern Trends in Social Sciences, 2*(9), 21-30.

Monberg, J. (2015, February 25). *Authenticity Is King Because Branding Bores Everyone.* Retrieved from Fast Company & Inc.: http://www.fastcodesign.com/1663269/authenticity-is-king-because-branding-bores-everyone

Morning Consult. (2019). *The Influencer Report: Engaging Gen Z and Millennials.*

Nadanyſova, M., Gajanova, L., Majerova, J., & Lizbetinova, L. (2020). Influencer marketſng and Its Impact on consumer lifestyles. *Forum Scientiae Oeconomia, 8*, 109-120.

Parment, A. (2013). Generation Y vs. Baby Boomers: Shopping behavior, buyer involvement and implications for retailing. *Journal of Retailing and Consumer Services*(20), 189-199.

Ponirin, P., Scott, D., & von der Heidt , T. (2015). E-Loyalty: Its Antecedents, Implications and Differences between Developed and Developing Countries. In *Cultural Perspectives in a Global Marketplace* (pp. 77-82).

Rahi, S. (2017). Research Design and Methods: A Systematic Review of Research Paradigms, Sampling Issues and Instruments Development. *International Journal of Economics & Management Sciences, 6*(2), 1-5.

Rahman, S. (2017, July 23). The Advantages and Disadvantages of Using Qualitative and Quantitative Approaches and Methods in Language "Testing and Assessment" Research: A Literature Review. *Journal of Education and Learning, 6*(1), 102-112.

Risitano, M., Sorrentino, A., Romano, R., & Quintano, M. (2017). The impact of consumer-brand engagement on brand experience and behavioural intentions: An Italian empirical study. *British Food Journal ·, 119* (8), 1884-1896.

Sudha, M., & Sheena, K. (2017). Impact of Influencers in Consumer Decision Process: the Fashion Industry. *SCMS Journal of Indian Management*, 14-30.

Taylor, C. (2020, July 30). *Is COVID Making Marketing Influencers More Influential?* Retrieved from Forbes: https://www.forbes.com/sites/charlesrtaylor/2020/07/30/is-covid-making-marketing-influencers-more-influential/#237d789f4200

The Boston Consultign Group. (2014). *The Reciprocity Principle How Millennials Are Changing the Face of Marketing Forever.* Boston, Massachuetts: The Boston Consulting Group, Inc.

Thomas, M. (2020, December 1). *Top 8 Instagram Metrics to Track in 2021*. Retrieved from Later: https://later.com/blog/instagram-metrics-to-track/

Yorgan, A. (2019, March 19). *10 key statistics on social media usage in Russia (2019)*. Retrieved from Russian Search Marketing: https://russiansearchmarketing.com/10-key-statistics-social-media-usage-russia-2019/

Zdenka Kadekova, M. H. (2018). Influencer marketing as a modern phenomenon creating a new frontier of virtual opportunities. *Communication Today*, 90-105.

Appendix - Consent form

CONSENT TO PARTICIPATE IN RESEARCH

I agree to participate in the research project entitled (title of the research project) undertaken by the researcher(s) named below (name of the researcher)

By signing below, I acknowledge that:
- I have agreed to participate in this study.
- I have been informed of and understand the purpose of this study.
- I understand that I can withdraw from the study at any time without prejudice.
- I understand how the data collected will be used, and that any confidential information will be seen only by the researchers and will not be revealed to anyone else.
- Details relating to anonymity and confidentiality have been explained and I understand these.
- I have had the opportunity to ask any questions.
- With full knowledge of all foregoing, I agree, of my own free will, to participate in this study.

Signature: _____   Date: _____

1. Which of the following social media networks do you actively use? Please, select all that apply.
   - ☐ Instagram
   - ☐ YouTube
   - ☐ Facebook
   - ☐ VKontakte
   - ☐ Odnoklassniki
   - ☐ TikTok
   - ☐ Snapchat
   - ☐ Other

2. How much time do you usually spend on Instagram per day?
   - ○ Less than an hour
   - ○ 1-2 hours
   - ○ 2-3 hours
   - ○ More than 3 hours

3. What type of Instagram content do you like? Please, select all that apply.
   - ☐ Images
   - ☐ Videos
   - ☐ Stories
   - ☐ IGTV
   - ☐ Live streams

4. How many influencers do you follow on Instagram?
   - ○ Less than 5
   - ○ 5-10
   - ○ 11-20
   - ○ More than 20

5. Do you trust the opinion of the influencers you follow?
   - ○ Yes
   - ○ No

6. Which of the below types of influencers are you most likely to trust and take advise from?
   - ○ Micro-influencers (between 10,000 and 100,000 followers)
   - ○ Macro-influencers (between 100,000 and 1 million followers)
7. Have you ever bought a product that was recommended or mentioned by an influencer?
   - ○ Yes
   - ○ No

8. Have you ever used a discount code shared by an influencer to purchase a product?
   - ○ Yes
   - ○ No

9. Have you ever followed a brand on social media directly after seeing it in an influencer's post?
   - ○ Yes
   - ○ No

10. Would you unfollow an influencer if they publish too many endorsements or advertised posts?
    - ○ Yes
    - ○ No

11. How much do you agree with the below statements?

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
The quality and type of content on an influencer's page is more important to me than the number of followers they have.	○	○	○	○	○
When I see an influencer wearing or using a specific item of my interest, it makes me long for that product.	○	○	○	○	○
I discover new trends by following influencers on social media.	○	○	○	○	○
I would pay more for a product endorsed by my favorite influencer.	○	○	○	○	○

12. Select the amount you agree or disagree with each of the following statements:

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
I can tell if content on an influencer's page is paid for or authentic.	○	○	○	○	○
I am less likely to trust a product review or recommendation by an influencer if it is sponsored.	○	○	○	○	○
I trust reviews from my friends more than reviews from social media influencers.	○	○	○	○	○
I actively seek out multiple online reviews before making purchase decisions.	○	○	○	○	○

13. Which of the values below matter to you? Please, select all that apply.
   ☐ Animal rights
   ☐ Environmental protection
   ☐ Sustainability
   ☐ Anti-racism
   ☐ Feminism
   ☐ Inclusiveness
   ☐ Other

14. How old are you?
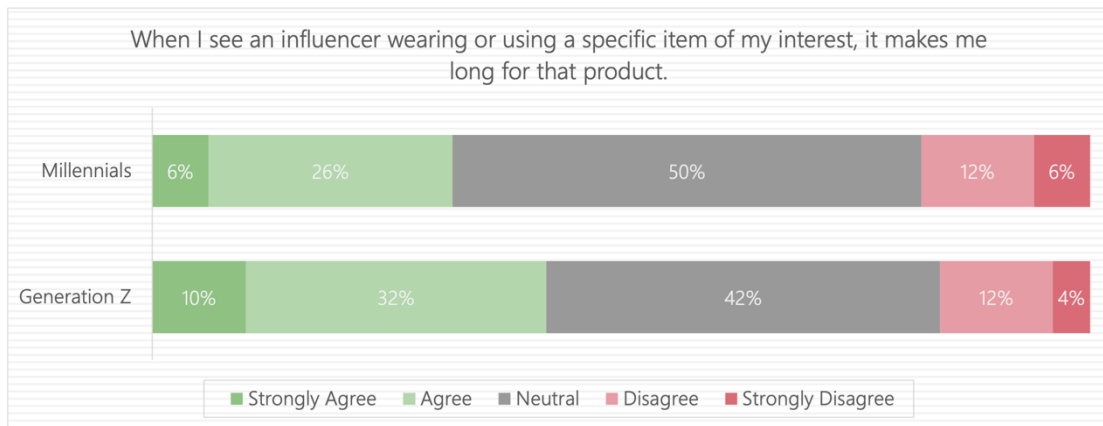
Extra results from the survey:
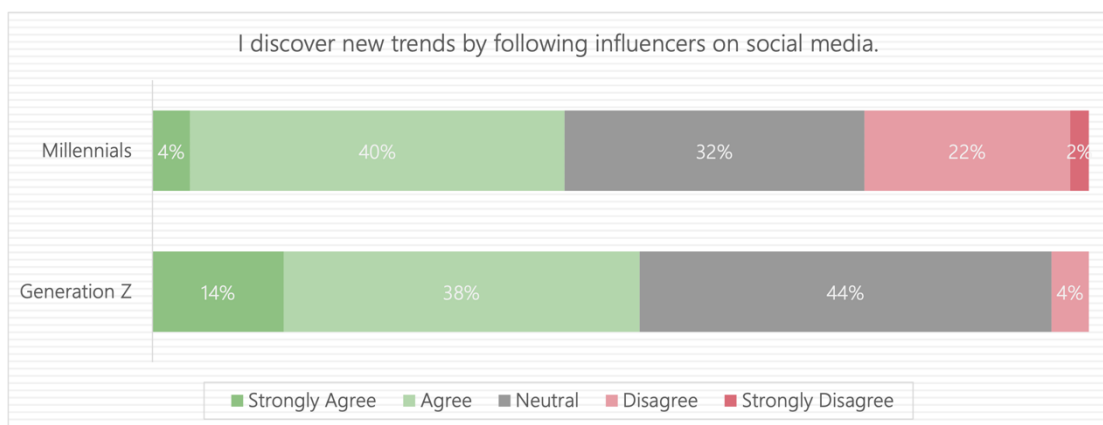

Figure 12: Desire to purchase
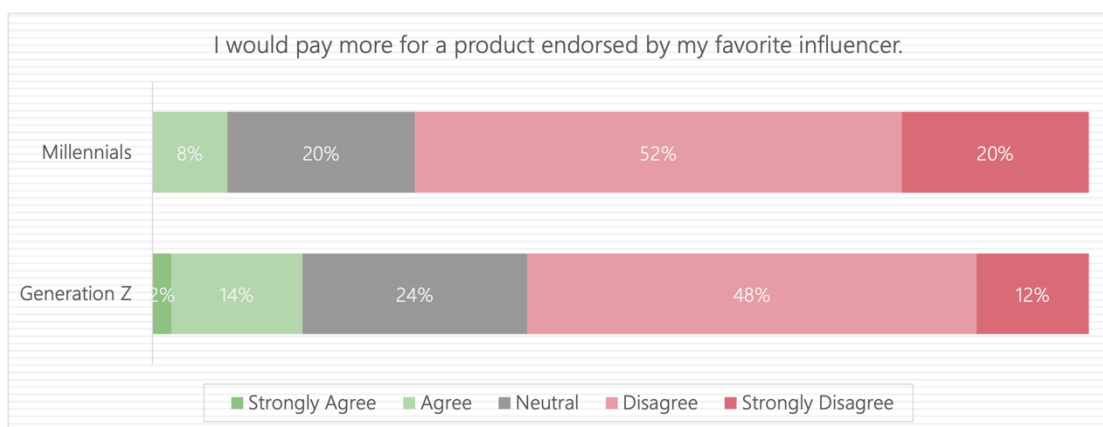

Figure 13: The reason for following influencer
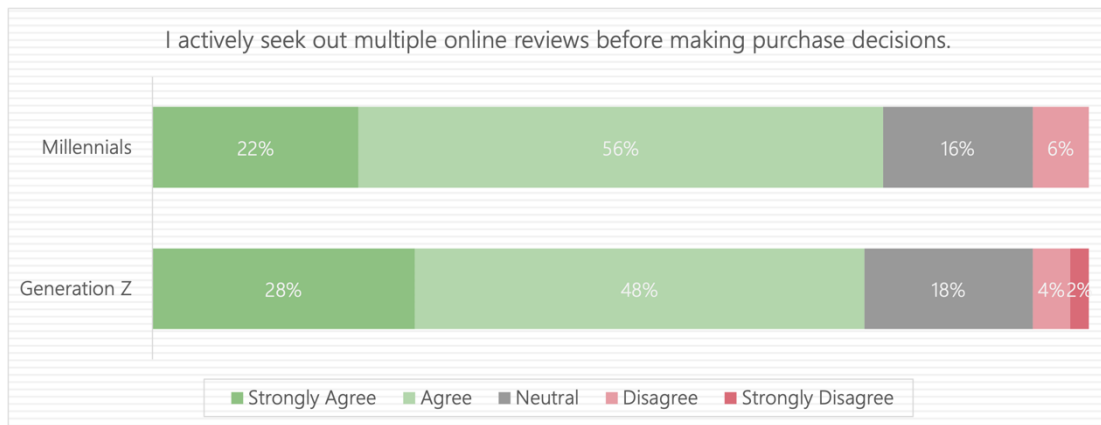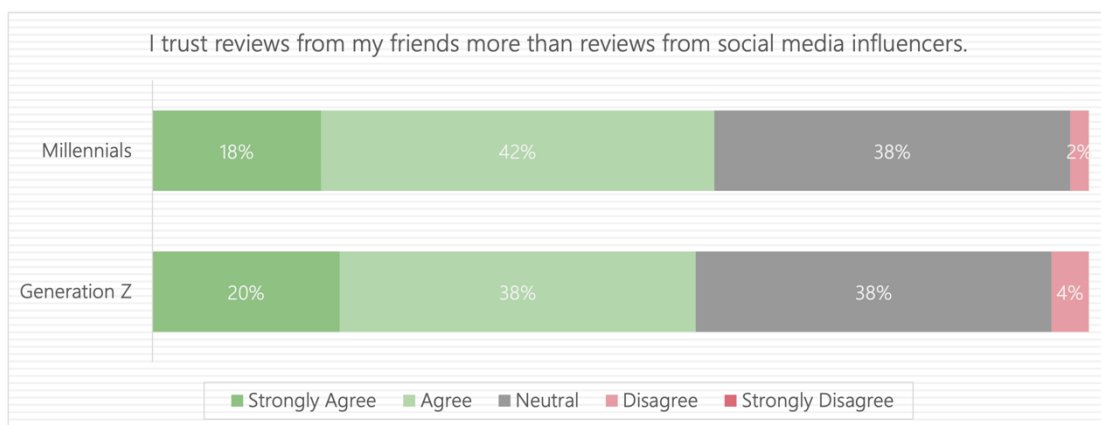

Figure 14: The authority of influencers

Figure 15: Purchase research

Figure 16: Friends reviews vs. influencers