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The Effectiveness of Social Media Influencers and Its Impact Digital Marketing Towards the Buying Behaviors among Generation Z in Malaysia

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Abstract

The increasing number of active social media users has given rise to a new form of digital marketing and claims refer to heightened effects with the presence of social media influencers. This strategy leverages individuals with established online identities and reputations to promote products or brands through posts, photos, and videos, shaping consumer perceptions and behaviors. Recognizing its potential, many companies and brands have adopted this approach, particularly when targeting Generation Z. This study aims to determine the effectiveness of social media influencers and their impact on the buying behaviors of Generation Z in Malaysia. Data was collected through an online survey distributed via Google Forms, yielding 120 valid responses, which were analyzed using SPSS software. The findings indicate significant relationships between the variables examined, with all hypotheses supported, revealing that social media influencers positively and effectively impact the purchasing decisions of Generation Z. Furthermore, this research underscores the importance of collaboration between businesses, influencers, and digital platforms to foster sustainable partnerships in digital marketing, aligning with Sustainable Development Goal 17 (SDG 17). By promoting ethical and mutually beneficial partnerships, this study advocates for a more inclusive and sustainable approach to leveraging social media influencers in digital marketing strategies.

Keywords

Influencer Marketing, Social Media Influencers, Generation Z, Consumer Buying Behaviors

Introduction

In this age of globalization, the internet and mobile technology are advancing at an unprecedented rate, leading to a concurrent rise in social media usage. As of January 2021, an estimated 86% of Malaysians were active social media users, representing over half the population, with the majority being members of Generation Z, composed primarily of individuals aged 18 to 24 (Müller, 2021). Social media usage has grown significantly, with a 24% increase in overall users from 2016 (Digital Business Lab, 2021).

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Generation Z, in particular, leverages social media not only for communication and entertainment but also as a critical source of information and product recommendations. Social media influencers have emerged as key players in this ecosystem, shaping opinions and driving purchasing decisions. Up to 86% of Generation Z in Malaysia, especially those aged 16 to 24, follow at least one social media influencer, and a majority have purchased products recommended by these influencers (Joschka, 2022). This dynamic has provided marketers with an opportunity to adopt and drive the trend of influencer marketing, a novel strategy that harnesses the credibility and reach of influencers to promote products and brands effectively.

This study examines the factors influencing Generation Z's trust in social media influencers and how these relationships impact their buying behaviors. Furthermore, it situates influencer marketing within the framework of Sustainable Development Goal 17 (SDG 17), which emphasizes the importance of partnerships in fostering innovation and sustainable development. By collaborating with social media influencers, businesses can create mutually beneficial partnerships that not only drive economic growth but also promote ethical and inclusive marketing practices.

This research underscores the potential of influencer marketing to serve as a model for sustainable partnerships in the digital age. Such collaborations can contribute to a more equitable and responsible digital marketplace, aligning with global efforts to achieve SDG 17 by leveraging partnerships to advance shared goals in the realms of commerce, technology, and sustainability (United Nations, 2020).

Influencer marketing is a social media-based marketing strategy that involves collaboration between a brand or company and influencers to enhance brand recognition and value (Chen, 2020). This strategy is not entirely new; it draws upon the concept of celebrity endorsements that have existed for decades, though its focus has shifted to leveraging the digital presence of influencers. With the exponential growth of social media users, influencer marketing has become one of the most prevalent strategies in recent years (Campbell & Farrell, 2020). According to a survey, the influencer marketing industry was valued at $13.8 billion in 2021, with 80% of marketers acknowledging its effectiveness (Geyser, 2016; MediaKix, 2019).

In the Malaysian context, the rapid growth of social media adoption has further fueled the relevance of influencer marketing. In 2012, approximately 19 million Malaysians, or 66% of the population, were online, with 70% of them owning Facebook accounts (Wok & Mohamed, 2017). By 2020, Generation Z emerged as the largest demographic group in Malaysia, constituting 29% of the population (Tjiptono, Khan, Ewe, & Kunchamboo, 2020). This demographic's digital nativity and reliance on social media for information, entertainment, and purchasing decisions have positioned them as a primary target for influencer marketing campaigns.

Despite the growing body of research on influencer marketing, certain gaps remain. First, while global studies highlight the effectiveness of influencer marketing, there is limited research focusing on its specific impact on Generation Z's buying behaviors in Malaysia. Most studies have examined influencer marketing through a global lens, neglecting localized factors such as cultural nuances, trust dynamics, and platform preferences unique to Malaysian audiences.

Second, the majority of existing literature centers on general marketing effectiveness metrics, such as return on investment (ROI) and engagement rates (Campbell & Farrell, 2020), with insufficient exploration of the psychological and behavioral mechanisms driving consumer trust in influencers. For example, questions remain about how Generation Z evaluates influencer credibility and how this trust translates into purchasing decisions.

Lastly, while the literature acknowledges the economic success of influencer marketing, there is a lack of critical analysis regarding its sustainability. As global conversations increasingly emphasize ethical and sustainable marketing practices, studies exploring how influencer marketing aligns with these principles, particularly in Malaysia, remain scarce.

This study seeks to address these gaps by investigating the factors influencing Generation Z's trust in social media influencers and their subsequent buying behaviors. Furthermore, it explores how the evolving nature of influencer marketing can contribute to sustainable partnerships and ethical marketing practices, aligning with the principles of Sustainable Development Goal 17 (SDG 17).

Methodology

Since this study is targeting a larger group of people to examine and analyse the buying behaviors of the Generation Z in Malaysia, it is more suitable to use quantitative research methods (Bhandari, 2020) in collecting data and analysing them quantitatively. This study aims to investigate the positive effects of social media influencer in mediating the true reason behind the relationship between digital marketing to buying behaviors, as shown in Figure 1.

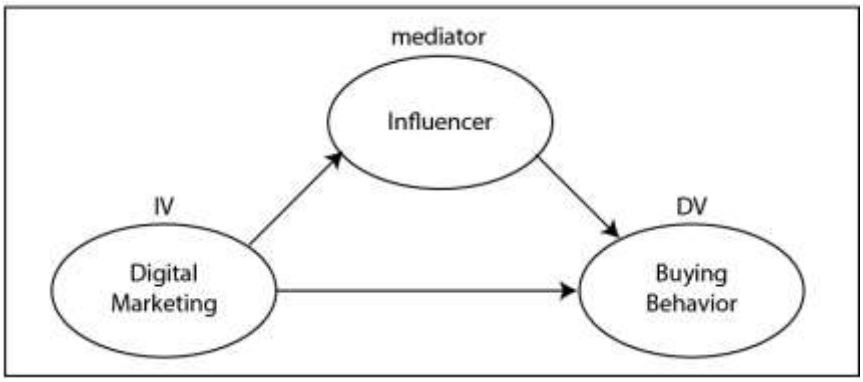

Figure 1. Conceptual Model

With reference to the conceptual model, this study employs the following hypotheses, primarily looking at the relationship between the independent variable (IV), 'Digital Marketing', to the dependent variable (DV), 'Buying Behavior'. The second hypothesis proposes that there is a mediating variable that portrays the real reason between the relationship from the IV to the DV, which is 'Social Media Influencer'. The hypotheses are written as follows:

H_{A1}: Digital Marketing regresses directly with the Buying Behaviors of Generation Z consumers.

H_{A2}: Social Media Influencer mediates a positive relationship between Digital Marketing and Buying Behavior.

In contrast to the null hypothesis (H0), which states that there is no association for the variables in question, the HA1 and HA2 serve as alternative hypotheses, asserting that there is a substantial relationship consistent with the conceptual model.

This study executes the convenience sampling method as a sort of nonprobability sampling in which participants are randomly selected because participants are chosen based on their availability and willingness to participate, which fits the nature of this research. The data was collected through a survey using Google Form over the course of 2 months between January to March 2022. A total of 120 responses ranging from 18 to 24 years old, which defines as Generation Z in Malaysia participated in the survey. The survey includes 4 sections in total. Section A covers the general demographics, followed by Sections B, C and D that focus on reflective based questions in representing the unobserved variables from the conceptual model. The questions are designed based on a likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

For the validity test, this study utilises the SPSS (*version 26*) software to analyse the data collected in this study. The result presents the inferential statistics using Regression Data Analysis in evaluating the data collected from the survey. Figure 2 shows the statistical model that is converted from the conceptual model.

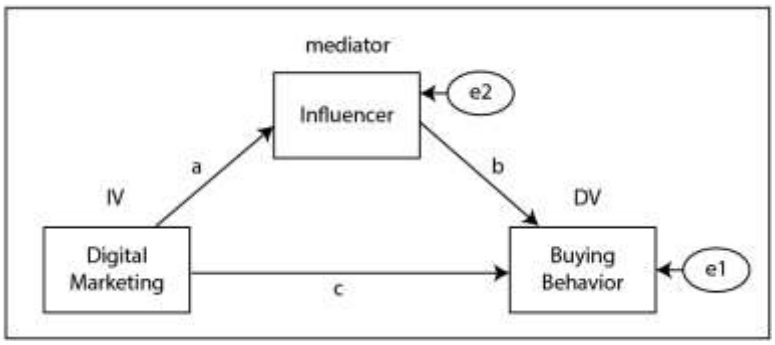

Figure 2 Statistical model

The first test analyses relationships from the IV to the DV, which is denoted as path c as shown in Figure 3.

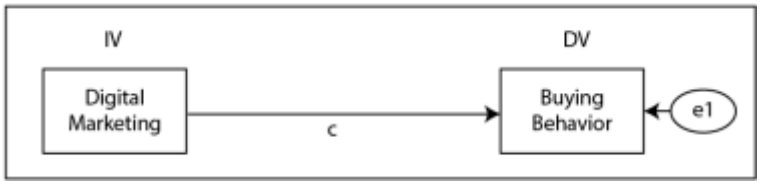

Figure 3 Direct relationship (without mediation)

Upon confirming that path c is significant, this study continues the regression analysis in measuring the significant effects of the IV onto the mediator, denoted as path a as shown in Figure 4, as well as the effects of the IV and the mediator onto the DV, denoted as path b and path c' as shown in Figure 5.

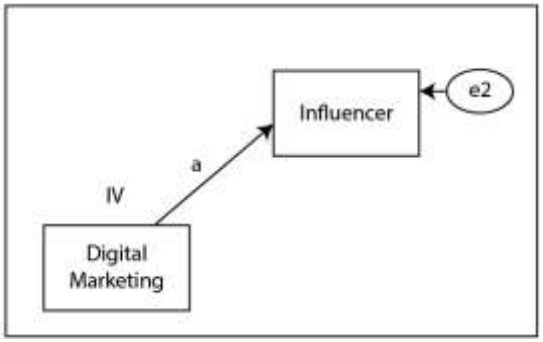

Figure 4 Direct relationship from IV to mediator

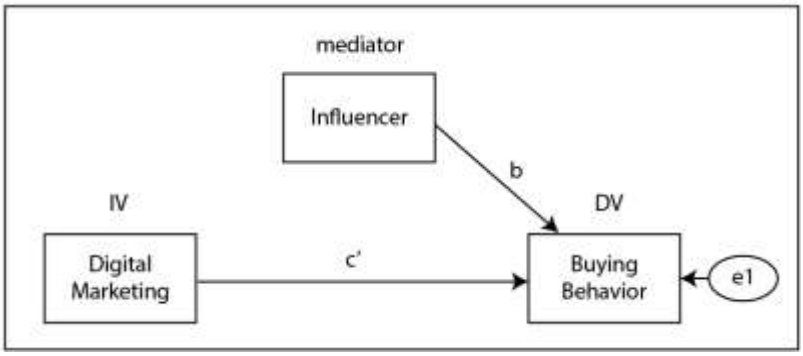

Figure 5 Direct relationship of the IV and mediator affecting the DV

Once the analytics of the regression measures are acquired, the final part of the significance test converges to the Soble test in finalising the overall significance of the mediated model as well as the effect size representing the relationships, thus confirming the hypotheses of this study.

Results and Discussion

A total of 120 responses from the Generation Z in Malaysia were successfully being collected and the buying behaviors of these respondents will be looked into and being analysed to examine the effectiveness of the social media influencers and the impact that they can bring towards the buying behaviors.

Table 1 shows that the significant value (p-value) is 0.023 and this means that the relationships between these two variables are significant as the p-value is less than 0.05 (<0.05). The unstandardized coefficients weightage of the social media influencers is a positive value of 0.399 and this shows that the buying behaviors of the Generation Z in Malaysia increases 0.399 for every one unit of change on the social media influencers.

Table 1. Coefficients Table representing path c (direct measures)

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	2.820	.654		4.310	<.001
	avg_SMI	.399	.173	.208	2.310	.023

With the significant results representing the direct measures of the IV to the DV, this study continues to measure the indirect relationship encompassing the mediating variables by calculating paths a, b and c' as shown in Table 2 and 3.

Table 2 Coefficients Table representing path a

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	1.381	.284		4.868	<.001
	avg_SMI	.528	.081	.516	6.552	<.001

As shown in Table 2, there is a significant relationship between the IV and the mediator, with the p-value less than 0.05. The unstandardized coefficients value of the social media influencers is a positive value of 0.528 with the standard error of 0.081.

Table 3 Coefficients Table representing path b and c'

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	1.538	.521		2.951	.004
	avg_SM	.368	.154	.236	2.387	.019
	avg_SMI	.356	.158	.223	2.254	.026

From the output shown in Table 3, both path b and path c' are significant with the p-value below 0.05. This clearly shows that there is partial mediation in the relationship. Based on Table 3, the unstandardized coefficients value for path b is 0.368 with the standard error of 0.236. Similarly, path c' reports coefficients value of 0.356 with the standard error of 0.158. The output from the analytics are relayed to the Sobel test and calculated using the Sobel calculator (Preacher & Hayes, 2008) as shown in Figure 6.

Input:			Test statistic:	Std. Error:	*p*-value:
a	0.528	Sobel test:	2.12953668	0.08826709	0.03320988
b	0.356	Aroian test:	2.10749933	0.08919006	0.03507432
s_a	0.081	Goodman test:	2.15228012	0.08733436	0.0313753
s_b	0.158	Reset all	Calculate		

Figure 6 Sobel Test results

The Sobel test has three main forms: the (Aroian, 1947) version includes the third denominator term, which Baron and Kenny popularised as the Sobel test, The (Goodman, 1960) version, which subtracts the third denominator term, and one that omits it entirely. By using Sobel's test, the test statistic was 2.13 and the p-value was 0.03. Since the p-value is less than 0.05, it is significant and can be considered a good model. This indicates that the mediator played an effective relationship in this study, and the researcher can move on to the next step to calculate the effect size. The effect size is acquired through the multiplied values of path a and b, giving the total of 0.194.

Based on the results and findings that have been developed from this study, social media influencer considered effective in mediating the real relationship between digital marketing and buying behavior, particularly in addressing Generation Z. The study assessed the mediating role of reliability and assurance on the relationships defined by the conceptual model, and the results revealed a significant indirect impact that confirms the hypotheses of this study.

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