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A STUDY ON THE IMPACT OF INFLUENCERS IN TRANSFORMING E-COMMERCE

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ABSTRACT

The accelerating confluence of social media and online retail has fostered a revolutionary marketing paradigm: the influencer lead e-commerce model. This study investigates the significant and multifaceted impact of social media influencers (SMIs) on consumer purchasing decisions and the resulting growth of this e-commerce format, with a special emphasis on the unique consumer dynamics of Coimbatore city. Influencers, leveraging their perceived credibility and community trust, have emerged as pivotal intermediaries, offering personalized product discovery and authentic endorsements that eclipse traditional advertising. However, despite the powerful sales-driving effect, this trend raises critical questions regarding the transparency of paid promotions, the authenticity of endorsements, and the long-term efficacy of this model across diverse demographic groups. This research utilizes both primary survey data collected from respondents in Coimbatore and secondary data from existing literature to understand the benefits, barriers, and perceived trustworthiness of influencer-endorsed products. The analysis highlights that influencers strongly affect buying decisions across various demographic segments, while simultaneously revealing a moderate level of concern regarding transparency. The findings provide valuable insights for brands, digital marketers, and regulatory bodies to formulate transparent, targeted, and effective influencer marketing strategies, thereby ensuring responsible and sustainable growth of e-commerce in Coimbatore and beyond.

KEY WORDS

Social Media Influencers, E-commerce Models, Consumer Purchasing Decisions, Digital Marketing Strategy, Brand Visibility.

INTRODUCTION

The digital age has brought a profound shift in consumer behaviour and marketing strategies, giving rise to revolutionary models that blend social influence with online retail. Prominently among these, influencer-led e-commerce has emerged as a transformative force, reshaping how products and services are discovered, endorsed, and ultimately purchased across India. This model leverages the credibility and engagement of social media personalities and content creators, who, with their loyal followers, act as powerful intermediaries between brands and consumers, driving sales and enhancing brand visibility.

This rising trend is redefining the very essence of consumer experience, moving away from traditional mass messaging to a more authentic, relatable, and community driven approach. In a landscape where digital connections are paramount, consumers increasingly turn to trusted influencers who often feel more like friends than advertisers for product recommendations and purchasing guidance. From captivating unboxing videos and honest reviews to interactive live shopping sessions and co-created product lines, influencers are not just promoting items; they are building trust, fostering communities, and transforming content into commerce.

STATEMENT OF THE PROBLEM

The evolution of the influencer-led e-commerce ecosystem demands a balanced approach integrating ethics, technology, and clear regulation. Brands and platforms must prioritize ethical promotion by collaborating with genuine influencers who create transparent, relatable content, thereby strengthening consumer trust. This effort should be supported by technology, such as AI-driven audits, to vet influencers and improve campaign credibility. Crucially, strict enforcement of disclosure norms and digital advertising codes is necessary to clarify paid partnerships and ensure consumers make informed choices. Finally, the model's integrity relies on education and awareness, teaching influencers about their ethical duties and encouraging consumers to think critically about online content. By fostering responsible practices, the ecosystem can become a more trustworthy and effective tool for driving growth, especially as digital adoption rises in markets like Coimbatore.

OBJECTIVES

- To analyze the impact of influencer-led promotions on sales conversion and brand visibility in the e-commerce space.
- To examine the difficulties businesses encounter when working with influencers, such as fake followers, measuring ROI, and oversaturation of content.

NEED OF THE STUDY

Consumer behaviour in the digital age exhibits a notable shift from reliance on traditional advertising to trust in peer-like digital personalities. Influencers serve as credible sources of product information and social proof, leveraging perceived similarity, identification, and emotional attachment to shape purchase intention and brand loyalty more effectively than conventional celebrities. By understanding these evolving consumer dynamics is critical to adapt brand with new trust mechanisms and purchasing pathways.

Review Of Literature

Nair, A. (2023)¹: In her study “*Digital Influencers and Gen-Z Purchase Behaviour*”, Nair explored the psychological factors that drive younger consumers toward influencer-led shopping. Results indicated that Gen-Z shoppers place high value on authenticity, relatability, and transparency. Unlike previous generations, this group is less responsive to traditional celebrity endorsements and more influenced by micro-influencers who share everyday lifestyles. The research also noted that Gen-Z consumers frequently engage in impulse buying during flash sales or live sessions, showing a strong preference for time-limited promotions. The study concluded that influencer-led e-commerce aligns closely with the digital-first mindset of younger consumers.

Ranjani Murugan (2023)²: This paper is entitled on “**The Role of Regional Influencers in Tamil Nadu’s E-Commerce Growth**” provided an in-depth look into influencer marketing in Tier II and III cities. She found that influencers who communicated in Tamil created deeper impact and stronger follower communities. The study analyzed user comments and responses, which showed increased trust and familiarity with local content. In Coimbatore, she observed that lifestyle influencers promoting local products led to more sales than national campaigns. Ranjani concluded that localized influencer strategies are crucial for regional e-commerce success.

RESEARCH METHODOLOGY

In order to achieve the objectives of the study and to analyze the data collected, an appropriate methodology has been developed. A research methodology is a master plan for the conduct of formal investigation. The present study is explanatory as well as descriptive.

Area of the study

The study has been conducted in Coimbatore district. It is the second largest city in Tamil Nadu and 16th largest urban agglomeration in India.

Sample Size

In order to understand consumer attitudes towards influencer-led e-commerce models in Coimbatore city, 287 respondents have been selected for the study.

Sampling method

A random sampling method has been adopted in this study.

Sources of Data

To accomplish the objectives of the study, the data required has been collected by using primary data.

Primary Data

In Order to collect relevant data from the respondents, a questionnaire consisting of 30 questions was constructed. The designed questionnaire has been circulated only to those people who have knowledge about influencer on e-commerce models . Hence, primary data is used for the purpose of the study.

Period of study

The study has spanned over a period of four months from June 2025 – September 2025 in Coimbatore district.

Tools used in the study

The following statistical tools have been used to analyze the primary data collected from the respondents.

- Percentage Analysis
- Chi – Square test
- T-Test
- Descriptive Analysis
- One – Way Anova

LIMITATIONS OF THE STUDY

The sample of this study has been restricted to 287 respondents. This study is purely based on the information supplied by the respondents in Coimbatore district. The findings of the study are not applicable to any other area.

ANALYSIS AND INTERPRETATION

PERCENTAGE ANALYSIS

Table 1 Demographic profile of the respondents

Demographic Profile	Groups	Frequency	Percent
Gender	Male	91	31.7
	Female	196	68.3
Educational Qualifications	Undergraduate	222	77.4
	Post graduate	39	13.6

	Diploma	19	6.6
	Professional	7	2.4
Age	18 to 25	235	81.9
	26 to 35	24	8.4
	36 to 45	15	5.2
	46 to 55	9	3.1
	Above 55	4	1.4
Occupation	Student	219	76.3
	Employee	34	11.8
	Professional	14	4.9
	Business	10	3.5
	Home Maker	10	3.5
Residential Status	Urban	167	58.2
	Semi-Urban	53	18.5

	Rural	56	19.5
	Semi-Rural	11	3.8
	Total	287	100

(Source: Primary Data)

INTERPRETATION :

- **Age:** The percentage analysis reveals that the majority of respondents (81.9%) belong to the age group of 18–25 years, which forms the largest age category among all groups.
- **Gender:** The analysis shows that most respondents (68.3%) are female, indicating a higher participation of female respondents compared to male respondents (31.7%).
- **Occupation:** From the survey, a significant proportion of respondents (76.3%) are students, forming the largest occupational group.
- **Other Occupations:** The percentage analysis further indicates that 11.8% of respondents are employees, 4.9% are professionals, 3.5% are business owners, and 3.5% are homemakers, showing a smaller representation of these groups.
- **Residential Status:** In terms of residential area, 58.2% of respondents reside in urban areas, marking the highest frequency, followed by 19.5% in rural, 18.5% in semi-urban, and 3.8% in semi-rural areas.
- **Educational Qualifications:** The majority of respondents (77.4%) hold an undergraduate qualification, followed by 13.6% with a postgraduate degree, 6.6% with a diploma, and 2.4% with a professional qualification.

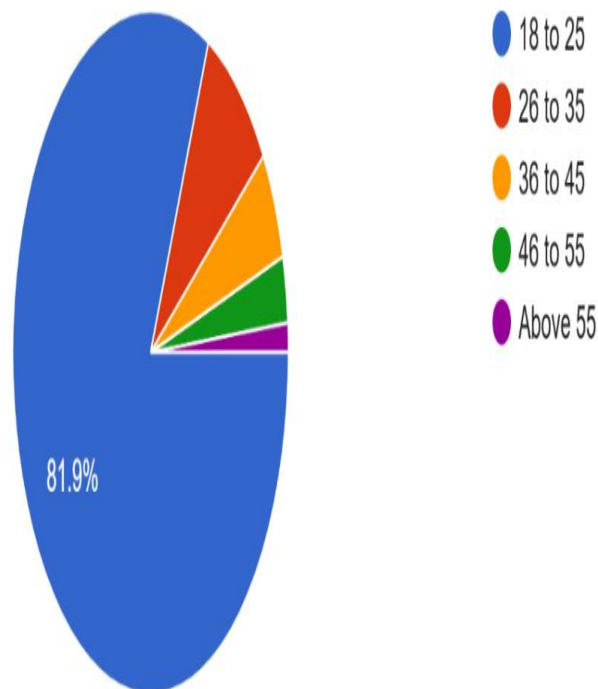
Based on Age of the respondents

The analysis of respondents' age distribution from the table reveals a varied demographic representation. A notable 81.9% of respondents fall within the age range of 18 - 25years, indicating a significant portion of the surveyed population.

Additionally, 8.4% of the respondents fall within the age range of 26 - 35 years, reflecting a substantial representation of younger individuals. Meanwhile, 5.2% of respondents fall within the age group of 36 - 45 years, suggesting a considerable yet slightly smaller portion compared to the younger demographics. The remaining 3.1% of respondents are above 46 to 55 years old and 1.4% of above 55 , marking a less notable presence of the older individuals out of the entire respondents.

• Chart 1

Age
287 responses



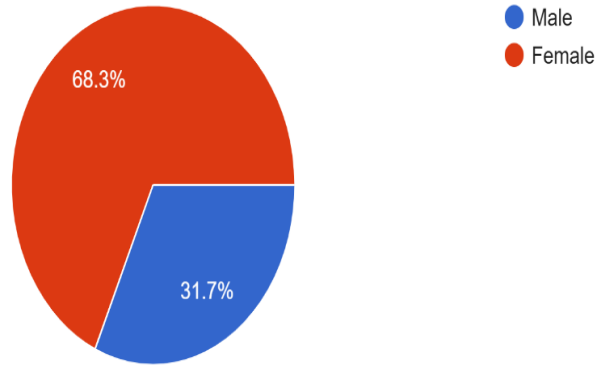
Based on the Gender of the respondents

Notably, 68.3% of respondents are female, indicating a significant proportion of the entire respondents while the remaining 31.7% of the respondents are male.

- Chart 2

Gender

287 responses



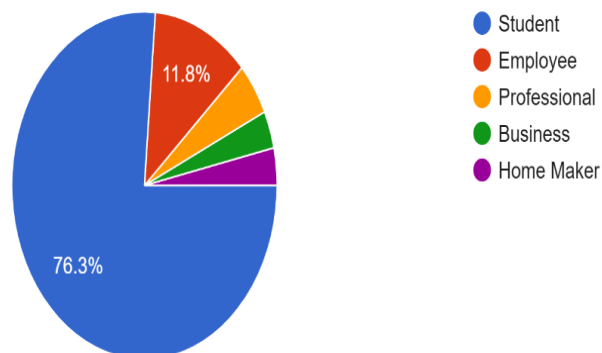
Based on Occupation of the respondents

The analysis of the occupation of the respondents shows that the notable representation of respondents are students with a percentage of 76.3%, while 11.8% of the respondents are employees. In the meanwhile, professional of 4.9%, business and home makers with of 3.5 % and 3.5 % respectively . These occupations mark a less notable presence .

- Chart 3

Occupation

287 responses



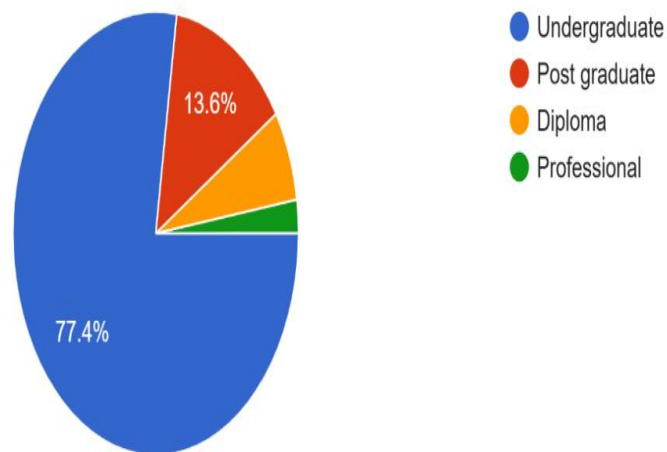
Based on the Educational Qualifications of the respondents

The analysis of the educational qualifications of the respondents shows that the notable representation of respondents are Undergraduates with a percentage of 77.4% and 13.6% of post graduates have responded. Another 6.6% of diploma and 2.4% of respondents are professional.

- Chart 4

Educational Qualifications

287 responses



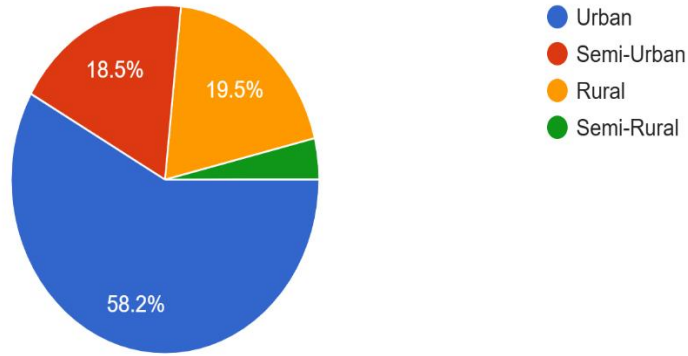
Based on the residential status of the respondents

The analysis of the educational qualifications of the respondents shows that the notable representation of respondent majority of them are from Urban with the percentage of 58.2%, next highest responses are rural with 19.5% of respondents and 18.5% of semi-Urban respondents . lastly, 3.8% of semi -rural respondents.

• Chart 5

Residential Status

287 responses



CHI-SQUARE TEST

Table 2 Tamil-speaking influencer or national one

Demographic Factors	Group	Percentage of Tamil-speaking influencer or national one										Chi square	Sig
		P1		P2		P3		P4		Total			
		No	%	No	%	No	%	No	%	No	%		
Gender	Male	35	38.46	17	18.68	12	13.18	27	29.67	91	100	4.028	.258
	Female	68	34.69	29	14.79	18	9.18	81	41.32	196	100		
Educational Qualifications	Undergraduate	75	33.78	31	13.96	24	10.81	92	41.44	222	100	11.849	.222
	Post graduate	16	41.02	8	20.51	3	7.69	12	30.76	39	100		
	Diploma	10	52.63	4	21.05	2	10.52	3	15.78	19	100		
	Professional	2	28.57	3	42.85	1	14.28	1	14.28	7	100		

Age	18 to 25	82	34.89	34	14.46	23	9.78	96	40.85	235	100	10.425	.579
	26 to 35	10	41.6	5	20.83	2	8.33	7	29.16	24	100		
	36 to 45	6	40	3	20	2	13.33	4	26.66	15	100		
	46 to 55	3	33.33	3	33.33	2	22.22	1	11.11	9	100		
	Above 55	2	50	1	25	1	25	0	0	4	100		
Occupation	Student	78	35.61	32	14.61	19	8.67	90	41.09	219	100	15.033	.2405
	Employee	12	35.29	7	20.58	6	17.64	9	26.47	34	100		
	Professional	4	33.33	4	33.33	1	8.33	3	25	12	100		
	Business	3	25	3	25	3	25	3	25	12	100		
	Home Maker	6	60	0	0	1	10	3	30	10	100		
Residential Status	Urban	58	34.73	26	15.56	16	9.58	67	40.11	167	100	19.701	.020
	Semi-Urban	14	26.41	12	22.64	6	11.32	21	39.62	53	100		
	Rural	29	51.78	8	14.28	4	7.14	15	26.78	56	100		
	Semi-Rural	2	18.18	0	0	4	36.36	5	45.45	11	100		

(Source: Primary Data)

INTERPRETATION

Chi-square analysis was employed to examine the association between the demographic characteristics of respondents, namely age, gender, educational qualification, occupation, and residential status, and their preference for Tamil-speaking or national influencers. The results revealed that demographic factors such as gender, educational qualification, age, and

occupation did not exhibit any significant association with the preference for a specific influencer type. In contrast, residential status was found to have a significant association, indicating its influence on this preference. With respect to gender, the Chi-square value ($\chi^2=4.028$) with a significance level of 0.258 showed no significant association, suggesting that both male and female respondents followed similar patterns when choosing between Tamil-speaking and national influencers, leading to acceptance of the null hypothesis at the 5% level. Similarly, for educational qualification, the Chi-square value ($\chi^2=11.849$) with a significance level of 0.222 confirmed no significant association, and thus the null hypothesis was accepted. However, residential status presented a different result, with the Chi-square value ($\chi^2=19.701$) and a significance level of 0.020 indicating a significant association, which led to the rejection of the null hypothesis at the 5% level. This confirms that where a respondent lives (Urban vs. Rural) significantly influences their preference for a regional versus a national influencer. Age-wise analysis further revealed no significant association ($\chi^2=10.425, p=0.579$), thereby confirming that respondents from various age groups exhibited nearly identical patterns. Overall, the findings suggest that while gender, age, educational qualification, and occupation do not substantially affect the choice of influencer type, the area of residence plays an important role in shaping the preference between regional (Tamil-speaking) and national influencers.

ONE - WAY ANOVA

TABLE 3

Agreeability score of the respondents towards buying decision

Demographic profiles	Groups	Agreeability score of the respondents towards buying decision					
		N	Mean	SD	F-value	Sig. value	S/NS
Gender	Male	91	2.5165	1.40129	1.966	.162	S
	Female	196	2.7449	1.22630			
Educational Qualifications	Undergraduate	222	2.7162	1.30976	.463	.709	NS
	Post graduate	39	2.5897	1.25064			
	Diploma	19	2.4211	1.12130			
	Professional	7	2.4286	1.27242			

Age	18 to 25	235	2.6511	1.28334	.470	.758	NS
	26 to 35	24	2.9583	1.301148			
	36 to 45	15	2.4467	1.24595			
	46 to 55	9	2.6667	1.50000			
	Above 55	4	3.0000	1.41421			
Occupation	Student	219	2.6712	1.28207	1.381	.241	S
	Employee	34	2.7059	1.24388			
	Professional	12	2.1667	1.26730			
	Business	12	3.3333	1.49747			
	Home Maker	10	2.4000	1.17379			
Residential Status	Urban	167	2.6467	1.33117	.089	.966	NS
	Semi-Urban	53	2.6792	1.22118			
	Rural	56	2.7143	1.23162			
	Semi-Rural	11	2.8182	1.32802			

(Source: Primary Data)

INTERPRETATION

ANOVA was applied to test whether the agreeability scores towards the factor "buying decision" (likely the degree to which influencers affect buying decisions) differ significantly among respondents based on demographic factors such as gender, age, educational qualification, occupation, and residential area. The analysis was conducted at the 5% significance level ($\alpha=0.05$). The analysis revealed that gender-wise mean scores (Male =2.5165, Female =2.7449) with an F-value of 1.966 showed no significant difference ($p=0.162$), leading to the acceptance of the null hypothesis (NS). The table is incorrectly marked 'S' (Significant). Educational Qualification-wise scores Undergraduate (2.7162), Post graduate (2.5897), Diploma (2.4211), and Professional (2.4286) with an F-value of 0.463, and Age group scores 18 to 25 (2.6511), 26 to 35 (2.9583), 36 to 45 (2.4467), 46 to 55 (2.6667), and Above 55 (3.0000), both showed no significant differences ($p=0.709$ and $p=0.758$ respectively). Thus, the null hypotheses for Educational Qualification and Age were accepted (NS). The table is incorrectly marked 'S' (Significant) for Age. For Residential Status, the mean scores Urban (2.6467), Semi-Urban (2.6792), Rural (2.7143), and Semi-Rural (2.8182) with an F-value of 0.089 indicated no significant variation ($p=0.966$), again leading to the acceptance of the null hypothesis (NS). However, Occupation-wise analysis showed mean

scores of Student (2.6712), Employee (2.7059), Professional (2.1667), Business (3.3333), and Home Maker (2.4000), with an F-value of 1.381, indicating no significant difference ($p=0.241$). This factor is incorrectly marked 'S' (Significant) in the table; the null hypothesis must be accepted. These findings suggest that all demographic factors tested—gender, age, educational qualification, occupation, and residential area—do not significantly influence the agreeability towards the statement concerning influencer impact on buying decisions ($p>0.05$ for all factors), reflecting uniformity across all groups.

T – Test

Table 4

The Perception of the influencer lead e-commerce models:

Statements	Gender	N	Mean	Std. Deviation	Std. Error Mean
purchase decision	Male	91	2.5934	1.28217	.13441
	Female	196	2.5561	.95644	.06832
fake promotions or overhyped products	Male	91	1.9121	1.23512	.12948
	Female	196	1.9949	1.04020	.07430
paid promotions	Male	91	2.6593	1.35170	.14170
	Female	196	2.5255	1.20867	.08633

(Source: Primary Data)

INTERPRETATION

Purchase Decision: Male respondents (mean=2.5934) and female respondents (mean=2.5561) show a negligible difference in the mean score for the factor "purchase decision" (likely "Influencers provide enough information for me to take a confident purchase decision"). Male respondents report a slightly higher mean score, suggesting they agree

marginally more than female respondents that influencers provide sufficient information for making a purchase decision.

Fake Promotions or Overhyped Products: Male respondents (mean=1.9121) and female respondents (mean=1.9949) both indicate a low level of exposure or agreement with "fake promotions or overhyped products". Female respondents report a slightly higher mean score, indicating they perceive or are exposed to such issues marginally more often compared to male respondents.

Paid Promotions: Male respondents (mean=2.6593) and female respondents (mean=2.5255) show a difference in the mean score regarding "paid promotions". Male respondents report a higher mean score, suggesting they agree marginally more than female respondents that they encounter or are aware of paid promotions.

Both genders have been analyzed with respect to their perception of the influencer-led e-commerce model, with the results presented in the table. The difference in means for all three statements is very small, indicating that male and female respondents generally hold similar perceptions. However, male respondents tend to show a marginally higher mean for both sufficient purchase information and paid promotions, while female respondents show a marginally higher mean regarding fake promotions/overhyped products.

SUGGESTIONS

- **Prioritize Regional & Vernacular Content:** The significant association between Residential Status and influencer preference (with Rural dwellers favoring regional, Tamil-speaking influencers) highlights a clear market segmentation. Brands should invest in regional, language-specific influencer campaigns to effectively penetrate II Tier and rural markets surrounding Coimbatore.
- **Enhance Transparency and Ethical Disclosure:** Given the core concern regarding transparency of paid promotions, brands and influencers must strictly adhere to digital advertising codes.
- **Focus on Product Fit Over Demographic Targeting:** The finding that the influencer's impact on buying decisions is uniform across gender, age, education, and occupation (non-significant ANOVA results) suggests that marketing efforts should focus on product category relevance and high-quality content over narrowly defined demographic targeting.

- Leverage Data Analytics: Brands should analyze influencer performance metrics such as engagement rate, conversion ratio, and audience demographics to choose the most effective influencers.

CONCLUSION

The study, "A STUDY ON THE IMPACT OF INFLUENCERS IN TRANSFORMING E-COMMERCE," conclusively demonstrates that the influencer-led e-commerce model is a transformative and highly effective force in reshaping local consumer purchasing decisions. The analysis confirms that the influence on buying decisions is robust and uniform across most key demographic segments, including gender, age, educational qualification, and occupation, indicating the broad reach of this modern marketing strategy.

However, the study reveals a critical regional insight: the preference for the type of influencer (Tamil-speaking vs. National) is significantly driven by Residential Status, highlighting the deep connection and higher trust placed in regional content creators by rural populations. Ultimately, while the influencer-led e-commerce model is undeniably powerful for driving sales and brand visibility in Coimbatore, its long-term viability and integrity are dependent on prioritizing ethical practices and transparency to mitigate consumer concerns surrounding fake promotions and maintain the essential element of trust.

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