MICRO-INFLUENCERS ON INSTAGRAM IN THE 21ST CENTURY IN HUNGARY

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Abstract

The aim of our research is to study the activities of micro- and nano-influencers in the Hungarian Instagram community and to examine the factors influencing their activities. The study defines the basic characteristics of influencers as well the methods of their categorization. Micro- and nano-influencers are essential players in the 21st century´s marketing. As their digitalization and virtualization intensify, also, their role is expected to grow. Consequently, the observation of the factors influencing the activities of influencers is important in our research. Based on the results of the analysis, there is a significant correlation between the size of the follower base and the received monthly invitations. Therefore, the number of followers will also be decisive for the marketing activities of micro- and nano-influencers. Influencers with a larger follower base received more valuable inquiries from companies. At the same time, there was no correlation between the follower base and the length of time spent on the influencer activities. The size of the follower base was therefore influenced by other factors (such as consumer habits that have changed due to the Covid-19 pandemic, and the power of new influencers appearing on the market).

Key words: influencer, micro influencer, follower base, influencer marketing

JEL Code: M31, M37, O35

Introduction

Social media influencers have emerged as a new force shaping the social exchange of ideas in the digital space and shaping attention to socio-political topics (Li & Feng, 2022). The activity of modern influencers is also manifested in influencing consumer behaviour, which is a complex process. A special category of opinion leaders is micro- and nano-influencers, who have a significantly smaller follower base. However, they are able to establish a closer relationship with their followers. In addition, through communication, they can influence their followers' opinions and increase their willingness to buy. They are important players in the company's marketing strategy. Various researchers have already dealt with the power of

influencers on followers' decisions. Smit et al. (2022) analysed the motivative factors of influencers to promote healthy behaviour and the importance of prevention. Based on their results, by satisfying the psychological needs of the influencers, it is possible to get the opinion leaders to spread specific content. However, they mention aspects that determine the long-term continuation of their activities. Corvalán and Torres (2021) examined the impact of content shared by Instagram influencers active in the tourism category on destination choice. It was found that the similarity between the lifestyle of the influencer and the follower will be a relevant factor in the follower's tourism decision-making. At the same time, he noted that the style of the content created by influencers will be determined by the feedback received from followers. So, there is a mutual dependence between influencers and their followers. However, the research results do not say which other factors affect the activities of influencers. Due to that, examining the factors influencing the work of influencers would fill a gap in the field of influencer research. The research can provide interesting results about the behaviour of influencers for the brands employing them, and it can help to understand the activities of influencers.

1   Defining the phrase of influencer

The concept of influencer became more and more popular with the technological development. Also, the appearance of the Internet has created a fresh new area for influencers in the world of marketing. We can find many, various definitions of influencer. Based on Brown and Hayes´ (2008) publication, an influencer is a third party who can significantly shape the consumer's purchase decision or is responsible for it. According to other opinions, influencers essentially represent a reference group, i.e., there are people admired and respected by people, who want to adopt their attitudes (Bearden & Etzel, 1982). According to Gross and Wangenheim (2018), today's influencers are individuals or groups of individuals who can gather a significant follower base on the Internet and on other platforms. They have special knowledge or connections, thanks to which they can influence the purchasing decisions of other individuals. In addition, they receive feedback from their audience, due to which they are under influence as well. The ordinary people who watch these influencers are followers. There are many ways to categorize influencers. We can group influencers according to the number of followers (Tab. 1). Based on the described categorization, micro-influencers have a smaller group of followers, but the engagement of their followers is

stronger. In addition, the posts they share are about their personal experiences with the presented product or service, thanks to which people consider them authentic.

Tab. 1 Division of influencer by the number of their followers

Categories	Abroad	Hungary
Star and mega-influencer	>1,000,000	>500,000
Macro-influencer	100,000-1,000,000	100,000- 500,000
Micro-influencer	10,000-100,000	10,000-99,999
Nano-influencer	<10,000	< 10,000

Source: Campbell and Farrell (2020); Papp-Váry (2020)

As a result, their followers feel greater loyalty and trust towards micro-influencers (Campbell & Farrell, 2020). According to Abidin (2016), from the perspective of followers, these posts are more authentic and persuasive than paid advertisements. The results of a Dutch market research also showed that nowadays consumers are more likely to trust micro-influencers operating on a smaller scale. These results were confirmed by several marketing agencies (Janssen et al., 2020). Westerman et al. (2012) also found that influencers with a moderate number of followers can influence followers more positively than influencers with too many or too few followers. Increasing consumer skepticism towards traditional marketing makes it difficult for companies to influence and acquire consumers. Moreover, it contributes to the growth of influencers and "influencer marketing" operating primarily online (Leung et al., 2022).

2   Methodology

The impact of influencers on consumer decisions has already been examined in several studies. Parádiová´s (2019) research concentrates on the influence of influencers on the customer attitudes of female consumers of Generation X and Y. Kovács et al. (2018) examined the effectiveness of using influencers in tourism marketing campaigns. Pramono et al. (2020) analyzed the influence of Youtubers, as social media actors, on the subscribers in the gaming category. Yun and Yi (2020) researched factors influencing influencer brand building and follower loyalty. However, no attempt has been made to investigate the factors influencing the activities of Hungarian Instagram micro-influencers, yet. The results of our research can therefore put the image of Hungarian micro-influencers' marketing activities into a new perspective. For this reason, we consider the research important. Moreover, as well as

based on the justification described in the introduction, we formulated the following research questions.

    • Is there a correlation between the size of the follower base and the value of monthly requests of influencers in the case of micro- and nano-influencers, or is the value of cooperation request influenced by other factors (such as the quality of shared content, increasing virtualization or the engagement of followers) (Q1)?

    • Is there a correlation between the time spent on the influencer activities and the size of the built-up follower base, i.e., more experienced micro- and nano-influencers typically have a higher number of followers, or is there no correlation between the two factors (Q2)?

During our exploratory research, we used quantitative research method. The data was collected with online questionnaire. With the help of the questionnaire, we asked 60 micro- and nano-influencers actively being present on the Hungarian social media site, concretely on Instagram about their activities. The sample is not representative, so we cannot draw general conclusions regarding the activities of the micro-influencers present on the mentioned social media site. Regardless, our research provides valuable additional information about their work. Sampling was done by using snowball, non-random sampling method. The following selection criteria were defined during sampling. We asked micro-influencers who have more than 1,000 but less than 100,000 followers, share at least one advertising-type content on their profile, and are actively present on the Hungarian social media site Instagram to fill out the questionnaire. The data was processed in Microsoft Excel. When examining the correlations between the variables, we used the cross-tabulation analysis method, and for testing the existence of the correlation, we used Pearson's Chi-square test.

3   Results of the Research

Opinion leaders present their experiences about certain products or services on their profiles created on different platforms, thus influencing the buying habits of the audience following them. The closer the influencer develops a relationship with his followers, the more the influence is exerted. As we mentioned before, micro- and nano-influencers are able to develop a close, often friendly influencer-follower relationship. On the other hand, the size of the follower base naturally also determines the number of available customers. The more followers a given influencer has, the wider range of potential consumers they can reach, and the more valuable they are as a marketing partner for companies. The online questionnaire

was completed by 60 micro- and nano-influencers. 56 of the respondents were female influencers. 10% of the respondents were under the age of 18, 86.67% were between the ages of 19 and 40, and 3.33% were over the age of 40 (Tab. 2). Only 6 respondents stated that the influencer activity is their only income generator activity.

Tab. 2: Respondents based on experience

Starting date of activities	Women (%)	Men (%)
2019 and before	25.00	1.67
2020	18.33	1.67
2021	50.00	3.33

Source: Own elaboration based on the questionnaire

The correlation between the size of the follower base and the value of the monthly cooperation requests received by influencers was examined using cross-tabulation analysis. During the analysis, we considered the size of the follower base as an independent variable. We divided the influencers into two groups based on whether they had less or more than 9,000 followers. As a dependent variable, the value of the monthly requests was grouped under HUF 10,000, between HUF 10,000 and HUF 30,000, and over HUF 30,000 (Fig. 1).

**Fig. 1: Division of influencers based on the number of their followers**
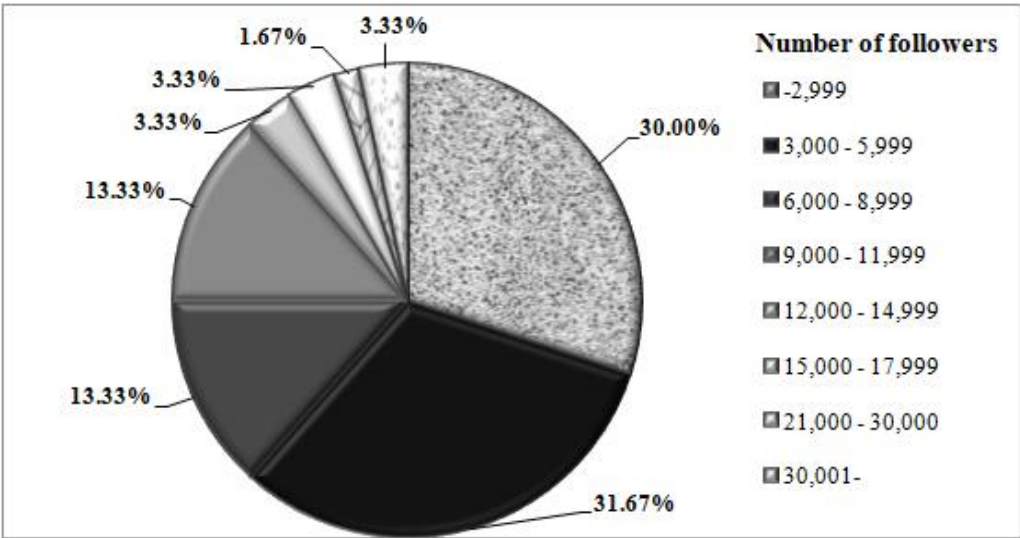
Source: Own elaboration based on the questionnaire

Based on the results, the empirical value (x^2) was 14.63. During the analysis, at a 95% confidence level, a significant correlation was shown between the two variables. Based on the Goodman-Kruskal gamma coefficient (0.81), there is a significant positive relationship

between the two ordinal variables. In other words, the size of the influencer's follower base influenced the value of the monthly received invitations (combined monetary rewards and gifts) (Q1).

Fig. 2: Monetary value of monthly requests (cash rewards and gifts)
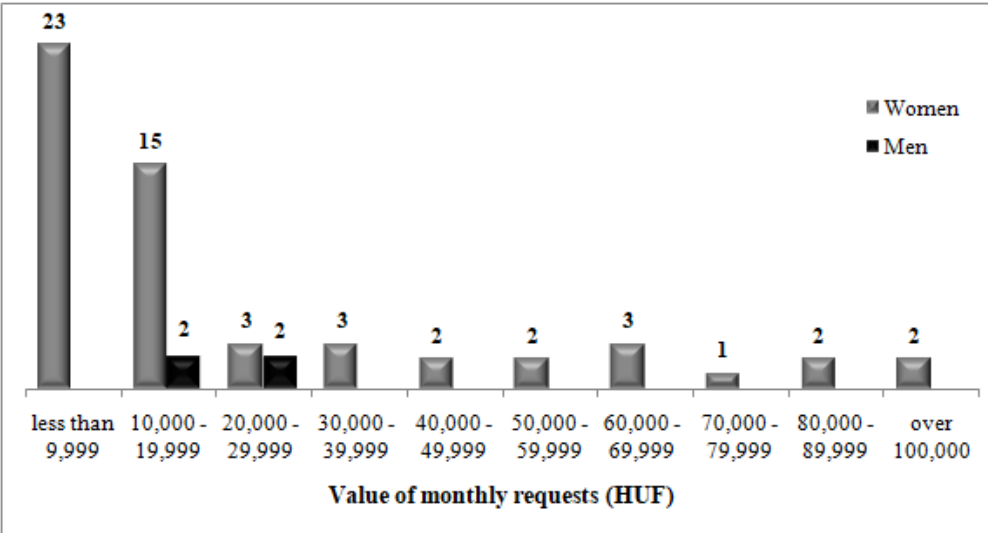
Source: Own elaboration based on the questionnaire

Respondents who had a follower base of more than 9,000 people received more valuable monthly requests than those who had a smaller follower base. While influencers with higher follower base have received requests worth over HUF 10,000 without exception, 38.33% of the influencers received monthly monetary rewards and gifts of less than HUF 10,000. In the case of influencers with a follower base of over 9,000 people, the number of monthly requests exceeding HUF 30,000 was also higher (Fig. 2). In addition, the number of monthly invitations to influencers with a smaller follower base was also lower. 75% of influencers with less than 9,000 followers are approached by companies with a maximum of 3 cooperation opportunities per month. In contrast, 20% of opinion leaders with a follower base of more than 9,000 receive 7-9 requests per month, and another 20% receive 10-14 requests for cooperation per month. So, the number of followers is also a determining factor for micro- and nano-influencers. Influencers who are successful among their followers can count on more valuable corporate inquiries and possibly long-term cooperation. Our thought and state was confirmed by the results of the questionnaire survey and previous research. Similar results were obtained by Janssen et al. (2021), according to whom influencers with a larger number of followers have greater social influence. A high number of followers positively affects the attitude towards the promoted products and the purchase intention. Based on the

principle of popularity in social media, they claim that influencers with a larger network of followers have a greater reach on their shared content. This is a determining factor from the point of view of the commissioning brands. In contrast, Kovács et al. (2019) states that micro-influencers are ahead in terms of targeting, which can make a social media campaign more effective, as well as reaching the target group, and with which micro-influencers can make up for their lag compared to macro-influencers with a huge follower base.

Building a stable and loyal following base is a long and energy-intensive process, but it is rewarding. Influencers can collect followers based on emotional attachment, i.e., the emotional bond between the influencer and another consumer entity (Jun & Yi, 2020). Creating an emotional bond, and consequently building a follower base, is a long process. However, the results of our questionnaire survey and the cross-tabulation analysis showed the opposite. Based on the results of Pearson's Chi-square test (with a 95% confidence level), there was no correlation between the two variables. More experienced micro- and nano-influencers who have been present for a longer period of time in the field of influencer marketing, and who had more time to build the aforementioned emotional bond and follower base, typically did not have more followers (Q2). Only 10% of influencers who were already present on the market before 2019 had more than 9,000 followers. In contrast, 15% of the influencers active since 2020 and 2021 had a follower base of more than 9,000 people, and 58.33% had a follower base of nearly 9,000 people. As a result, the size of the follower base was not influenced by the time spent in the market (experience), but by other factors (the changed consumer habits due to the Covid-19 pandemic, the increase in the number of electronic purchases and the length of time spent online, the transformation of traditional consumers into followers). As a result of the technological development, the Internet and the time spent online have increased enormously, Internet (1.01 billion people in June 2021) and social network users (930.8 million people in January 2021, i.e., 64.6% of the population). Li and Feng (2022) also warn of an increase in the number of influencers and, in this context, an increase in the role of influencers (society-policy makers). In addition, the constant fear of Covid-19 epidemic has also resulted in excessive spending of time in cyberspace and on the Internet. The stated sentence was supported by further results of our questionnaire survey. Building a follower base was the biggest problem for influencers who entered the market in 2019 and before (37.5%) In contrast, only 20.45% of respondents who have been active as influencers since the first and second wave of the Covid-19 epidemic had difficulty gaining followers (Tab. 3).

Tab. 3: Disadvantages of influencer activity

Frequency of indicating influencing factors (disadvantages)	Women	Men
Time-consuming	26	2
Negative comments	24	1
Building follower base	13	2
Content creation	5	0
No disadvantage	5	0
Lack of creativity	4	1
Communication with companies	2	0
The attitude and behavior of other influencers	1	0

Source: Own elaboration based on the questionnaire

Furthermore, 46,7% of our respondents have claimed that for them the most significant factor influencing negatively the influencer activity is the amount of time, they need to spend for the activity. They consider it time-consuming. Other 41,7% thought that the negative comments arriving from the follower base is another important disadvantage, which can influence their activity and its quality.

Conclusion

The aim of the study was to analyze and study the activities of micro- and nano-influencers being present on the Hungarian social media site, on Instagram. In the research, we looked for an answer, whether there is a correlation between the size of the influencer's follower base and the monthly value of inquiries to influencers (Q1), and in this connection between the time spent on the influencer activities and the size of the established follower base (Q2). The results of the cross-tabulation analysis showed a significant correlation between the size of the follower base and the number monthly requests of influencers. Therefore, the number of followers will also be decisive for the marketing activities of nano- and micro-influencers. Influencers with a larger follower base received higher value enquiries, gifts and monetary rewards from the collaborating companies. As Janssen et al. (2021) also mentions, consumers tend to consider the number of followers as a heuristic signal when judging the value of shared content. Consumers' opinions are decisive for companies and brands. At the same time, other research results warn that there is a curvilinear effect in the case of the number of followers, based on which too many or too few followers (connections) can result in a less favourable perception of expertise and reliability (Westerman et al., 2011). Another result of our research is that, the development of the follower base does not depend on the length of time spent on the activities. Opinion leaders considered to be more experienced in the profession had fewer followers (Q2). One of the reasons for this is the digitalization that

intensified due to the aforementioned coronavirus epidemic, which made it easier for influencers starting their careers to gain followers. The use of social media increases during different types of crises. Crises and risky events tend to create uncertainty, which prompts people to seek information to help manage uncertainty. Nowadays, a significant part of this information is provided by social media, networks and their actors (Westerman et al., 2011). On the other hand, thanks to the novelty of influencers starting their careers, their follower base grows more intensively. However, the process can also be explained by changing the category of influencers. Younger influencer aspirants who join the life style category gain the trust of followers relatively quickly, while veteran influencers gradually switch to the parenting and homemaking genre, which also means the need to acquire a new layer of followers (Abidin, 2016).

Among the limitations of our research, it should be mentioned that only 60 micro- and nano-influencers were involved in the survey. The sample is therefore not representative. This number of responses is not enough to make general and reliable statements about the world of Hungarian Instagram micro-influencers. In order to confirm the results, it is necessary to increase the number of influencers participating in the survey. The research therefore requires more detailed data collection and analysis.

In the future, it would be advisable to continue and extend the research in several countries. We can get interesting information about the marketing activities of micro-influencers operating in different cultural environments, as well as the factors influencing their activities. It would also be worth researching the extent of the influence of the influencer position-related factors (advantages and disadvantages) in their activities. It would also be worth examining how the COVID-19 epidemic affected the marketing role of influencers.

Acknowledgment

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