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The 9th International Conference on Marketing and Retailing**INFLUENCER MARKETING STRATEGY AND SUSTAINABILITY
OF MILLENNIAL ENTREPRENEURSHIP**

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Abstract

Digital marketing has decomposed the basic assumptions of theory of reasoned action and theory of planned behaviour where any planned decision to purchase by consumers may be easily swayed by the testimony given out by social media influencers and other forms of digital social media. This study is the first part of a bigger study on influencer marketing and sustainability of millennial entrepreneurship. It explores the strategic approach adopted by millennial entrepreneurs in using social media influencers to achieve the sustainability of their businesses. Qualitative data was collected using the semi-structured personal interview method participated by seven millennial business owners and/or key decision makers. Using thematic groupings, findings from this study is able to provide a useful model for firms in enhancing their entrepreneurial sustainability and allowing it to have a long-lasting competitive advantage. Besides, a model for sustainable product and services that explain social media and networking behaviour among consumers can drive entrepreneurial innovation and sustainability.

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1. Introduction

Social media explosion was powered by the millennial generation. This generation subscribed to different attitudes, values and preferences compared to the baby boomers and generation X (Muslim et al., 2020). Theirs is also a generation that embraced social networking sites rather effortlessly when it was introduced in the mid-1990s. From the times of Friendster and MySpace to the present social media platforms like Facebook, Instagram, You Tube and most recently, Tik Tok, the millennials are always in the forefront of digital transformation initiatives. This unique generation is the first that advocated the work-life balance and would have no qualms of quitting their jobs if things did not go their way and job loyalty is rather alien to them (Bahar et al., 2022). Their preference to doing things their own way has naturally drawn them towards venturing into entrepreneurial ventures and adopt a very innovative stance in dealing with any problems. As early adopters of various social media platforms to share their personal activities, the millennials soon realised that they can capitalise their network of relationships to reach out to their followers as potential consumers of the businesses' product and services. Thus, they took to revising the communication narratives for brand advertisements and gave rise to influencer marketing strategy.

The widespread popularity of social media marketing has drawn corporations, brands, retailers, and even solopreneurs to jump into the bandwagon (Bu et al., 2022). While studies on social media influencers predominantly take on the consumers perspectives using a quantitative approach (Cooley & Parks-Yancy, 2019; Dhanesh & Duthler, 2019; Indahingwati et al., 2019; Liu et al., 2019), this study takes on a qualitative approach from firms' perspective. The objective of the study is to appraise the decision by entrepreneurs to adopt the influencer marketing strategy for business sustainability. This approach is taken as a precursor to identifying the constructs of social media influencer marketing leading to consumer's purchase decision.

2. Literature Review

As a generation who are early adopters of various social media platforms to share their personal activities, the millennials soon realised that brands have not been very successful in engaging them using print advertisement and paid commercials. As social media users themselves, millennial entrepreneurs soon realised that brands are finding is challenging to create interactive social media contents engaging enough be able to influence positive consumers behavioural actions resulting in sustainable purchases. Thus, millennial entrepreneurs become among the earlier proponents in capitalising the network of relationship to reach out to their followers as potential consumers of the businesses' product and services.

(Campbell & Farrell, 2020) attributed the rapid growth of influencer marketing to changing dynamics among consumers, which include, having preference for online media from print media; finding explicit advertisement no longer appealing, being able to connect with fellow consumers adds authenticity against contents produced by brands, having more time to deliberate over purchase decisions, and social media algorithms has made is possible for consumers to interact with others who share similar interests. The rapid growth of social media as a marketing tool has been used to its fullest potential by millennial entrepreneurs and embraced by millennial consumers to maximal impact. This media, especially the You

Tube, Instagram, Facebook and Tik Tok, have shown explosive growth in their usage to compete for scarce attention of past users of products/services who in turn would use similar media to spread the information potential users and influence them to buy the products/services (Remco, n.d.). They further elucidate consumers are generally affected by normative social compliance, which is an inherent need to accepted, bond with others and to accept and belief the opinion of others. This is consistent with the views of (Hillmann & Trier, 2013) that social influence “provides a broad range of concepts to explain how people’s individual actions are affected by other people as a result of interaction” implying that influencing through social interactions is a natural process. With the social media explosion, people or businesses have taken advantage of them to change a person’s attitude or behaviour.

The explosive growth of social media usage among the millennial supported by accessibility to online purchasing driven by digital transformation of business transactions has challenged business owners to be more innovative in reaching out present and potential customers. Millennial entrepreneurs have resorted to engaging social media influencers (SMIs), who have created a new profession from making digital contents of products/services to be marketed to potential consumers and help simplify the purchasing processes. As eager users of social media platforms, the millennial entrepreneurs were very quick to capitalise all these platforms to promote their products and services using the SMIs. Besides, millennial purchasers have developed a preference for reviews from other users though User Generated Contents (UGC) in making purchase decisions (Indahingwati et al., 2019).

Due to ease of instant access to information, products and services it is almost effortless for consumers to obtain “social proof” via consumer socialisation processes in online communities (Cooley & Parks-Yancy, 2019; Peslak et al., 2012). Soon, a culture of virtual “experts” that offer unsolicited views and feedbacks on almost anything was created. Since the internet transcends across borders, geographic locations no longer becomes an issue. Influencers become diffusers of information, inspiration, and idealism in the millennials' social networks. Due to their enormous collective power millennials went on to become a very dominant purchasing group. Their strong and influential social networking behaviour that is putting unprecedented challenge to the assumptions of theory of reasoned action and theory of planned behaviour to explain consumers’ decision to purchase.

3. Research Methods

Consistent with the main objective of the study to gain an initial understanding of the phenomenon within influencer marketing as a business strategy, an exploratory research is deemed to be most appropriate. The aim is to ascertain how the business owners rationalise the adoption of influencer marketing strategy for their business. Also, while the owners themselves are active in social media platforms, they still engage social media influencers to promote their products. At this point of study, it is not yet intended to for its outcome to be generalisable to the targeted population as typical of any quantitative study. Instead, it is intended to have a better appreciation of the phenomenon which has become increasingly popular in Malaysia. A qualitative approach is adopted.

Data was collected from businesses offering different product types using semi-structured in depth interviews. Interviewees were the business owners and/or main decision-maker of the business. At the

initial stage, a total of seven interviews were administered at three locations, Kota Bharu, Kuantan and a few locations in Selangor.

Questions for the interview are divided into three sections. In section 1, the interviewee was asked to provide particulars about the business. Section 2 was about getting the interviewee’s view about influencer marketing strategy and the role of social media influencer in their business, and section 3 was to find out if the influencer marketing strategy was able to bring the desired impact.

SIMs engaged by millennial entrepreneurs were grouped into seven categories: (a) owner-influencer, (b) opinion leader, (c) celebrity influencer, (d) mega influencer, who have amassed over one million followers, (e) macro influencer, whose followers are between one hundred and one million, (f) micro influencer has followers between ten thousand and one hundred thousand, and (g) nano influencer, who has less than ten thousand followers.

A semi-structured interview was used to help keep the discussion within its scope and at the same allowing the participants the liberty to share their views of the concept of influencer marketing and rationalise their decision to adopt this strategy for their business. Each session was recorded with the interviewee’s permission.

4. Findings

The objective of this study is to have a better understanding of how millennial entrepreneurs rationalise the adoption of influencer marketing as a business strategy towards ensuring the sustainability of their business.

Seven firms participated in this study. Data collected from the interview are grouped into three parts: Particulars of the business were tabulated and presented as Table 1 and Table 2 presents the benefits obtained from adopting influencer marketing strategy and how social media influencers contributed to millennial entrepreneurship; Table 3 summarises the collaboration between millennial entrepreneurs and social media entrepreneurs in executing the influencer marketing strategy, and Table 4 shows the contribution of influencer marketing strategy to millennial entrepreneurship. Data obtained from the interview was first transcribed and grouped into relevant themes, and then tabulated to facilitate analysis. Although all participants have engaged social media influencer for various reasons, an analysis and synthesis of the data across participants is able to highlight their similarities and differences for further evaluation.

Particulars of the participating firms are provided in Table 1.

Table 1. Particulars of the business of participants

Types	N	Products offered	Generation of owners	Years in business	Years adopting IM
Retail	1	Optometry products	Gen Y	12 years	7 years
Beauty & health	3	Skin care, health drinks, cosmetics	Gen Y (2 firms) Gen Z (1 firm)	6 years (2) 3 years (1)	3 years 3 years
Food & beverages	1	Restaurant	Gen X	15 years	5 years
Diversified	1	Retail, Farming, Property	Owner - Gen Y *MD – Gen X	4 years	2 years
Clinic	1	General practitioner, Health	Gen Y	10 years	Owner-influencer

	supplements, Beauty care	(9 years) SMI (1 year)
Total	7	

*MD – Managing Director (not business owner)

Although it was initially assumed that business owners would all be from the millennial generation, the data indicates that although influencer marketing strategy may have been proliferated by the millennials, its impactful business model very soon caught up with the earlier and subsequent generations. While it took a longer time for generation X management to adopt such business strategy, the one from generation Z accepted this business model it effortlessly.

The adoption of influencer marketing strategy resulting from a collaboration between millennial entrepreneurs and SMIs has brought about different outcomes to different millennial entrepreneurship. This is made more apparent from the analysis made on transcribed notes of the interview. Table 2 provides an insightful summary of how each firm benefited from engaging a social media influencer and the contributions made by the (SMIs). Common benefits derived from influencer marketing strategy by all millennial entrepreneurships are the ability to increase the market reach beyond the consumers who interact directly with the business. Contributions made by the SMIs to millennial entrepreneurships, among others, included promoting the firms' products and services, creating the market presence, increase market share and creating brand awareness.

The execution of influencer marketing strategy involves a close collaboration between the millennial entrepreneurs and the SMIs. Each firm was guided by their own set of criteria in their selection of appropriate SMIs and the execution process was guided by mutually agreed terms. For example, in the matching of the category of SMIs with the strategic objectives of each firm, the different platforms used by each SMIs, the roles assumed by the SMIs, the extent of control accorded to the SMIs, the intended audience type, the number of products to be promoted, and if the SMI was serving a single client/product or was allowed to promote other products or services simultaneously.

Table 2. Outcomes from adopting influencer marketing

Business types	Benefits of using influencer marketing	SMIs contributions
Skin care	<ul style="list-style-type: none"> Benefit from large followers 	<ul style="list-style-type: none"> Good for promoting products and branding
Health drinks	<ul style="list-style-type: none"> Build public trust Empower women 	<ul style="list-style-type: none"> Direct interaction with consumers Create loyal consumers
Retail	<ul style="list-style-type: none"> Reach diverse consumers Consistent mention of business translates to sales 	<ul style="list-style-type: none"> Create market presence increase market reach Creates brand awareness
Restaurant	<ul style="list-style-type: none"> Promote the business Increase awareness of Islamic business concept 	<ul style="list-style-type: none"> Promote Islamic business practices
Beauty	<ul style="list-style-type: none"> Reach out to wider circle of consumers 	<ul style="list-style-type: none"> Creates market presence
Diversified	<ul style="list-style-type: none"> Promote specific product Multiple reach Quick business turn around after pandemic 	<ul style="list-style-type: none"> Promote business For all products offered (use different influencer)

						<ul style="list-style-type: none"> • Specific selection criteria • Keep up with the trend
Clinic	<ul style="list-style-type: none"> • Reach out to followers • Give genuine testimony • Promote non-clinical products • Educate public on health issues 					<ul style="list-style-type: none"> • Expand market share • Diversify - dropship/agent market support • Medical messaging • Quality products • Promote social entrepreneurship

Table 3. Implementation of influencer marketing

Business	Category of SMI	Platform used	Role of SMI	Extent of control	Type of audience	Products promoted	SMI exclusivity
Skin care	<ul style="list-style-type: none"> • Owner-influencer • Celebrity 	<ul style="list-style-type: none"> • Instagram 	<ul style="list-style-type: none"> • Content creator 	Full	<ul style="list-style-type: none"> • Engaged – IG story & live 	Single	Selected product categories only
Health drinks	<ul style="list-style-type: none"> • Owner-influencer 	<ul style="list-style-type: none"> • Instagram • Tik Tok • Facebook • Radio soc-med 	<ul style="list-style-type: none"> • Content creator 	Full	<ul style="list-style-type: none"> • Large audience • Engaged – FB live 	Single	No
Retail	<ul style="list-style-type: none"> • Celebrity • Mega influencer 	<ul style="list-style-type: none"> • All major soc-med platforms • Telegram • Whatsapp • Google review 	<ul style="list-style-type: none"> • Content creator • Creates multiplier effect • Champion particular cause 	Full	<ul style="list-style-type: none"> • Large audience • Engaged – Instagram live 	Single	No
Restaurant	<ul style="list-style-type: none"> • Celebrity • Mega influencer 	<ul style="list-style-type: none"> • Instagram • Facebook • You Tube 	<ul style="list-style-type: none"> • Moderator 	Full	<ul style="list-style-type: none"> • Large audience 	Single	No
Beauty	<ul style="list-style-type: none"> • Celebrity 	<ul style="list-style-type: none"> • Instagram • Tik Tok 	<ul style="list-style-type: none"> • Content creator • Brings multiplier effect 	Full	<ul style="list-style-type: none"> • Large audience 	Single	No
Diversified	<ul style="list-style-type: none"> • Celebrity 	<ul style="list-style-type: none"> • All major soc-med platforms • Telegram • Whatsapp 	<ul style="list-style-type: none"> • Guided content creator 	No	<ul style="list-style-type: none"> • Large audience 	Multiple	No
Clinic	<ul style="list-style-type: none"> • Celebrity 	<ul style="list-style-type: none"> • Instagram • Tik Tok 	<ul style="list-style-type: none"> • Content creator • Brings multiplier effect 	Full	<ul style="list-style-type: none"> • Large audience 	Single	<ul style="list-style-type: none"> • For social entrepreneurship only

As shown in Table 3, guided by the prior agreed terms, except for one firm, all other firms gave full control to the SMIs to decide the social media platforms to be used, the types of audience to interact with and the selection of social media contents.

In Table 4, it can be seen how adopting influencer marketing brings positive impacts to all of the participating firms, albeit in varying degrees. This strategy has proven to contribute much in making the business sustainable through the challenges brought about by the pandemic Covid-19. Most firms' performance were affected by the imposition of the movement control order (MCO) but by changing their business strategy to influencer marketing, their performance was able to show positive changes and able to sustain the good performance even after the Covid-19 pandemic has turned endemic.

Table 4. Millennial entrepreneurial sustainability

Business	Trend of business performance for past 3 - 5 years	Annual % increase in market share	Contribution of IM to market share	Values brought by influencer to business
Skin care	2020 - pandemic Year 1 - sales increase 2021 - 22 slowed down 2022 - slowly increasing	<ul style="list-style-type: none"> Stable before pandemic Pandemic and after - dropped 50% 	10%	<ul style="list-style-type: none"> Brand awareness
Health drinks	Steady increase	30%	20%	<ul style="list-style-type: none"> Increase in followers Increased viewers
Retail	<ul style="list-style-type: none"> Less affected by pandemic Increased thereafter 	35%	30%	<ul style="list-style-type: none"> Increased ROI
Restaurant	Remained steady	25%	30%	<ul style="list-style-type: none"> Maintain sustainability
Beauty	<ul style="list-style-type: none"> 2020 - pandemic Year 1 - sales maintained 2021 - 22 slowed down 2022 - slowly increasing 	100%	80%	<ul style="list-style-type: none"> Maintain engagement with consumers/followers
Diverse	<ul style="list-style-type: none"> Dropped 50% during MCO Pick up after MCO 	35%	80%	<ul style="list-style-type: none"> Create market trust Help stabilise the business
Clinic	<ul style="list-style-type: none"> Increasing in last 5 years 	Last 3 years 300%	25%	<ul style="list-style-type: none"> Keep followers engaged Create role model Positive outlook

5. Discussion

Whilst past studies on social media influencer marketing was predominantly from the consumer behaviour perspective (Cooley & Parks-Yancy, 2019; Dhanesh & Duthler, 2019; Indahingwati et al., 2019; Liu et al., 2019), this study takes on a business strategy perspective. The findings are not intended

to determine the impact of social media influencers on entrepreneurial sustainability but rather to gain better insights for adopting influencer marketing strategy by millennial entrepreneurs and how they planned and implemented such strategy.

Findings from the study shows that the ability to reach out to a wider circle of consumers has been translated into an increase in sales and contributed to their ability to sustain their business during and after the covid-19 pandemic and continued right into the endemic phase. Through the SMIs, millennial entrepreneurs are able to reach out to potential consumers beyond what print media can ever do and convert them into loyal consumers through continued engagement between the SMIs and their followers.

The above analyses indicates that consumers intention to purchase would not necessarily translate into the actual purchases. The narratives by SMIs were able to influence the purchase decisions of consumers and decompose their attitudinal beliefs as advocated by (Taylor & Todd, 1995).

Likewise, all millennial entrepreneurs agreed on that the effectiveness of influencer marketing strategy and its ability to contribute effectively towards sustaining the business during and post-pandemic as evident from Table 4. Findings also show the SMIs' ability to convince their mass of loyal followers to become sustainable purchasers which in turn contributed to business sustainability of the millennial entrepreneurship. The SMIs played a very significant role in converting the state of intention to purchase into actual purchases.

From the practical perspectives, findings from this study is able to provide strategic insights to other business owners and entrepreneurs from different generations who have yet to adopt the influencer marketing strategy. Consumers have become more discerning when making purchase decisions. To ensure sustainability of their business, other entrepreneurs must be able to select the right SMIs who have the capacity to influence their current and potential followers to accept and remain loyal to the brands they promote. Business owners can no longer underestimate the power of social influence in coercing consumers into making unplanned purchases.

6. Conclusion and Recommendations

Owing to the qualitative nature of this study, the findings certainly lacks generalisability but through thematic analysis, it could lead to the conduct of a larger scale quantitative study to validate the constructs of influencer marketing strategy. It enables the development of a conceptual model to be tested using a deductive approach. Pursuant to findings from this study, the on-going second phase of the overall study is to explore the narrative strategy of SMIs to keep their followers engaged with the brand and the findings will subsequently be used in the final phase to have the consumers validate the effectiveness of the SMIs communication strategy toward brand loyalty.

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