

# Analyzing the Influence of Opinion Leaders on Consumers' Purchase Intention in the Context of Social E-commerce

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**Abstract:** With the development of social e-commerce, consumers prefer to refer to information shared by opinion leaders when making purchase decisions. Opinion leader influence has become one of the most important research topics in the academic field. However, Previous researches lack consideration of the development of the social e-commerce environment. There is also few study that combines the relationship between opinion leaders and consumers for analysis. Thus, this study proposes a conceptual model based on the theory of consumption value (TCV) to describe opinion leaders' influence and tests the research model through structural equation modeling from the perspectives of individual characteristics of opinion leaders, characteristics of content recommended by opinion leaders, the relationship between opinion leaders and consumers, and the perceived value of consumers. The results show that opinion leaders' product involvement and popularity, the homophily between opinion leaders and consumers, and informativeness of the content positively influence consumers' perceived functional value and thus their purchase intention.

**Keywords:** social e-commerce, key opinion leader (KOL), perceived value, the theory of consumption value (TCV), purchase intention

## Introduction

A major feature of the community platform is the existence of opinion leaders. Opinion leaders are advanced users with a high contribution rate, a high content quality, and many fans in the community. When opinion leaders provide consumers with objective and fair comments or suggestions that have their own influence, they will have a huge impact on consumers' views, attitudes, and behaviors. Previous research has found that opinion leaders do influence others' attitudes and intentions of offline purchasing behavior. But in consideration of the development of social e-commerce, research on the influence of opinion leaders on consumers' online purchase intention should be further improved. This study aims to explore the influence of opinion leaders on consumers' purchase intention in social e-commerce context from three perspectives (opinion leaders themselves, their recommended content, the relationship between opinion leaders and consumers).

## 1. Theoretical Foundation

### 1.1 The Theory of Consumption Value (TCV)

As for dimensions of perceived value, previous studies mostly regarded perceived value as a multidimensional concept. Among them, the theory of consumption value (TCV) provides a strong foundation for building a perceived value scale. The theory of consumption value (TCV) was first proposed by Sheth, Newman, and Gross. The TCV is useful for understanding the motivation by relating it to the values associated with the consumption of a product, product category, and brand.

There are five consumption values in the TCV: functional value, conditional value, emotional value, social value, and epistemic value. This study explores consumer-perceived value from the two dimensions of functional value and social value.

### 1.2 Research Model and Hypotheses

We have constructed the research model and developed hypotheses.

#### 1.3 Functional Value

Bei and Chiao have found that consumers' recognition of product quality positively affects their satisfaction, thereby enhancing customer loyalty. Li shows that if product-related information released by opinion leaders can help consumers compare product prices and understand product quality, they can effectively help them make purchasing decisions.

H1a: Consumer's perception of functional value is likely to increase the consumer's purchase intention.

#### 1.4 Social Value

Products recommended by opinion leaders often have a good taste symbol, which can bring consumers a certain sense of social identity and thus arouse their perception of social value. Robertson and Rogers researched in the field of opinion leaders and innovative communication. The results show that social value plays an important role in consumer choice owing to information dissemination and interpersonal communication.

H1b: Consumer's perception of social value is likely to increase the consumer's purchase intention.

#### 1.5 Professionalism

Bansal and Voyer stated that consumers are more willing to search for purchase advice from experts than non-expert. Cheung et al. also found that if the information source is professional, the perception of the information receiver regarding the reliability of the information source will be stronger, and the information will be accepted more easily.

H2a: The professionalism of opinion leaders is likely to increase the consumer's perception of functional value.

H2b: The professionalism of opinion leaders is likely to increase the consumer's perception of social value.

#### 1.6 Product involvement

Opinion leaders' high degree of involvement enables them to have the ability to provide high-value information for others' purchase decisions, thereby affecting the audience's willingness to consume. Consumers often refer to opinion leaders' opinions with higher product involvement to assist their purchasing decisions.

H3a: The product involvement of opinion leaders is likely to increase the consumer's perception of functional value.

H3b: The product involvement of opinion leaders is likely to increase the consumer's perception of social value.

#### 1.7 Popularity

In many studies, opinion leaders' popularity is considered one of the most important factors influencing consumers' intentions. The information sent by well-known opinion leaders is usually regarded as a reliable source of information, which affects the behavior of the information receiver.

H4a: The popularity of opinion leaders is likely to increase the consumer's perception of functional value.

H4b: The popularity of opinion leaders is likely to increase the consumer's perception of social value.

#### 1.8 Perceived commercial orientation

Previous research has shown that opinion leaders are willing to recommend products when incentivized. Therefore, if consumers find that opinion leaders have any biased intentions (e.g., advertising hints for commercial purposes, they will have serious doubts and even critical attitudes about their recommendation.

H5a: Consumers' perception of opinion leaders' commercial orientation is likely to decrease consumers' perception of functional value.

H5b: Consumers' perception of opinion leaders' commercial orientation is likely to decrease consumers' perception of social value.

#### 1.9 Social tie

Chow and Chan found that e-WOM recipients believe that information from strong-tie sources is more credible than weak-tie sources. Baker et al. also stated that in WOM conversations, the strength of social ties plays a significant role in purchase intention, and strong-tie WOM has a main positive influence on purchase intention.

H6a: The social ties between opinion leaders and consumers are likely to increase consumers' perception of functional value.

H6b: The social ties between opinion leaders and consumers are likely to increase consumers' perception of social value.

#### 1.10 Homophily

The homophily theory has been widely used. Previous research has shown that homophily contributes to persuasiveness, especially when similarity is related to information. In other words, the greater the homophily, the more convincing the communicator's information. This is because similar people are more likely to trust each other.

H7a: The homophily between opinion leaders and consumers is likely to increase the consumer's perception of functional value.

H7b: The homophily between opinion leaders and consumers is likely to increase the consumer's perception of social value.

#### 1.11 Informativeness

Erdem et al. found that customers tend to show more signs of searching for product information and obtain more information through interpersonal information exchange. The informativeness of user-generated content on social media platforms is important for the effectiveness of promotion, and it directly affects customers' attitudes, intentions, and behaviors toward the brand or product.

H8a: The informativeness of content recommended by opinion leaders is likely to increase the consumer's perception of functional value.

H8b: The informativeness of content recommended by opinion leaders is likely to increase the consumer's perception of social value.

#### 1.12 Entertainment

Moon believes that when the e-WOM information content is delightful, it can significantly change the attitude and behavior of consumers when browsing information. Dao et al. proved that the information, entertainment, and credibility of digital advertising positively impact consumers' perceived value of advertising, which in turn affects their purchase intentions.

H9a: The entertainment of content recommended by opinion leaders is likely to increase the consumer's perception of functional value.

H9b: The entertainment of content recommended by opinion leaders is likely to increase the consumer's perception of social value.

#### 1.13 Irritation

Consumers may be irritated by advertising tactics when advertising employs techniques that annoy, offend, or are overly manipulative. Due to the irritation of internet ads, people tend to avoid online advertising. Irritating shopping experiences may lead visitors to think that suppliers lack benevolence, competence, reliability and even integrity.

H10a: The irritation of content recommended by opinion leaders is likely to increase the consumer's perception of functional value.

H10b: The irritation of content recommended by opinion leaders is likely to increase the consumer's perception of social value.

## 2. Methodology

### 2.1 Data and Sample

In this study, the data were collected through a survey. We selected Chinese beauty blogger Li Jiaqi as the opinion leader for this research and his followers as the survey respondents. The survey was designed in the following steps: First, we selected a video of Li Jiaqi recommending a particular lipstick and saved the Tiktok code of the video. We placed the Tiktok code on the initial page of the questionnaire and asked respondents to save the code and then open the Tiktok app to view the video. After watching the video, respondents were asked to answer a video-related question to decide whether they could continue. Next, they answered the survey items according to their true feelings.

Finally, respondents were asked about their demographic information.

The survey was conducted through WJX.com for one month. Anyone who followed Li Jiaqi could participate in the survey. 322 questionnaires were collected, and after deleting the participants who is not a follower of Li Jiaqi and the participants who failed the attention-check questions, we were left 211 participants for data analysis with a valid return rate of 65.5%. Many of the participants was female (64.93%). More than two-thirds were under the age of 25, and most of whom were university students. Meanwhile, more than half of the respondents had been following Li Jiaqi for less than a year, and around half of them shopped online four to seven times a month.

### 2.2 Measurement

To test this research model, we referred to survey items that had demonstrated reliability and validity in previous literature and created several items based on the operational definition of each construct. The items used and the operational definition of each construct are listed in the appendix. All constructs were measured with a 5-point Likert scale from “Strongly Agreed (5)” to “Strongly Disagreed (1)”.

## 3. Analysis and Results

### 3.1 Measurement Validation

The data was tested by confirmatory factor analysis and structural equation modeling (SEM) using AMOS 23.0. SPSS26.0 completed the reliability test. The results of our reliability analysis showed that composite reliability values were all above 0.7 for all the constructs, and all average variance extracted (AVE) values are above 0.5, which shows that convergent validity is acceptable (Table1). Discriminant validity is acceptable as the square root of AVE is greater than the correlation value between the latent variables. Table 2 shows the correlations between constructs.

### 3.2 Structural Equation Modeling and Hypotheses Testing

First, we ran a SEM algorithm to estimate the models' path coefficients. H1a was supported, but H1b was rejected. Social value has no significant effect, but the functional value has an overwhelmingly positive effect on consumers' purchase intentions because of the high path coefficient with a value of 0.841\*\*\*. H2a and H2b are rejected. The coefficients of professionalism are 0.005 and 0.075, whereas the other variables related to the personal characteristics of opinion leaders were 0.233\*, 0.206\*\*, 0.261\*, and -0.248\*\*. As can be seen, the coefficient of professionalism is much smaller than other variables, and therefore, professionalism becomes relatively unimportant, as if it had no effect. Meanwhile, H3a was supported, and H3b was rejected. The product involvement of opinion leaders positively influences consumers' perceived functional value. Additionally, opinion leaders' popularity and the homophily between opinion leaders and consumers, and informativeness of the content positively influence consumers' perceived functional value, and H4a, H7a and H8a are supported. Finally, opinion leaders' popularity, commercial orientation, social ties and homophily between opinion leaders and consumers and informativeness of the content positively influenced consumers' perceived social value, thus H4b, H5b, H6b, H7b and H8b are also supported. However, H5a, H6a, H9(a,b), H10(a,b) were not supported. The effects of opinion leaders' commercial orientation, social ties between opinion leaders and consumers, and entertainment and irritation of the content on consumers' functional value were not supported.

## 4. Discussions

This study examined the impacts of three major aspects of key opinion leaders (KOLs) together – the characteristics of KOLs, the relationship between KOLs and customers, and characteristics of recommended content – on functional value and social value, and subsequently, the purchase intention based on the theory of consumption value (TCV) to figure out the crucial factors which affect consumers' purchase decision in influencer marketing. The survey results from 211 respondents demonstrate the importance of popularity and homophily on functional value as well as that of functional value, informativeness and entertainment on purchase intention. Although there are intriguing findings, the results should be interpreted considering the limitations of the study. First, most of the questionnaire respondents were millennials under the age of 25 years. The opinions by the generation over 25 can be different. Next, as mentioned in the literature review, the performed value is a multidimensional concept, but this study only selected two dimensions for analysis. In future research, more dimensions can be used to have the complete picture of the performed value.

## 5. Implications

The first unexpected finding is the insignificant relationship between the social value and the purchase intention. We expected the significant relationship between two because the opinion leaders are expressing their opinions in the social media where the social value is appreciated by nature. However, in this study, the relationship turns out to be insignificant. As the definition of social value tells us, it refers to the utility of a product that can help consumers associate with other social groups, and thus it is little things to do with the platform, social media. In other words, a certain product can have more social value than others. Thus, we may argue that the product chosen for this study, the lipstick has no social value while other products can have. The similar things can go for the product involvement of opinion leaders in our opinion. Thus, future research may examine other types of products such as luxury bags to figure out the differences. Next, the professionalism of opinion leaders has no significant impact on consumers (H3a, H3b). Since Li Jiaqi has been an opinion leader for a long time, and the most of products he sells are cosmetics. Therefore, we believe that people have already assumed that Li Jiaqi is professional when it comes to cosmetics.

On the other hand, the popularity of opinion leaders positively influences consumers' purchase intention through functional value while the informativeness and the entertainment of the information recommended by opinion leaders positively impacts consumers' purchase

intentions. However, the irritation of the information recommended by opinion leaders does not have a significant impact. Since we have chosen one already famous opinion leader in China, consumers may have felt no or little irritation from him. In the future, researchers may choose less-known opinion leaders to make comparisons. This study empirically tested the impact of perceived commercial orientation which has not been examined in prior studies, and it did not affect functional value but negatively affected social value. This result is meaningful although the social value does not affect purchase intention because the commercial orientation of opinion leaders can have negative effect depending on how an opinion leader is involved in a particular product in a particular product. This relationship should be investigated with different types of products in the future.

### Contribution

There are several contributions in this study. As for the theoretical contributions, this study involves analyzing the influence of the relationship between opinion leaders and consumers on purchase intentions, and the mediation effect of perceived value, which has not been done in previous studies. Additionally, perceived commercial orientation was added to this study as a new variable. We examined that opinion leaders' commercial orientation decreases consumers' social value.

As for the practical contribution, we have identified the key factors by which opinion leaders influence consumers' purchase intentions and provide companies with ideas on better using them. In other words, companies are more likely to be profitable if they choose an opinion leader who has been involved in a specific product area for a long time and is very popular and highly homogeneous with their target audience to share more enjoyable and informative content.

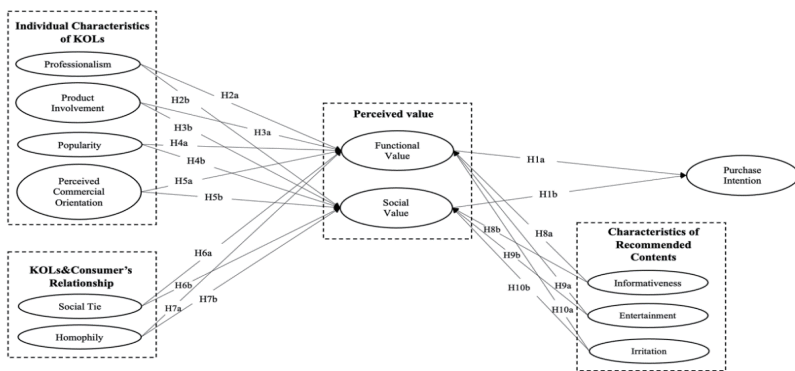


Figure 1. Research Model

Constructs	Mean	Standard Deviation	Variance	Cronbach's Alpha	Composite Reliability	AVE
Pro	4.074	0.810	0.655	0.891	0.890	0.729
Proin	4.276	0.757	0.572	0.905	0.907	0.765
Papu	3.910	0.885	0.784	0.913	0.971	0.786
PCO	4.078	0.783	0.614	0.864	0.863	0.560
ST	1.907	1.008	1.015	0.890	0.889	0.728
Homo	3.111	0.865	0.748	0.842	0.861	0.622
Info	3.611	0.974	0.948	0.936	0.930	0.816
Enter	3.919	0.967	0.936	0.927	0.939	0.838
Irr	1.893	0.948	0.898	0.952	0.954	0.873
FV	3.805	0.726	0.527	0.907	0.910	0.718
SV	3.141	1.124	1.264	0.957	0.958	0.882
PI	3.697	0.807	0.652	0.916	0.915	0.730

Table1. Results of Convergent Validity and Statistics

	Pro	Proin	Papu	PCO	ST	Homo	Info	Enter	Irr	FV	SV	PI
Pro	0.854											
Proin	0.765	0.875										
Papu	0.367	0.344	0.897									
PCO	-0.119	-0.064	-0.124	0.749								
ST	0.18	0.114	0.271	-0.191	0.853							
Homo	0.424	0.397	0.48	-0.185	0.463	0.789						
Info	0.581	0.545	0.602	-0.166	0.33	0.563	0.915					
Enter	0.718	0.675	0.483	-0.155	0.225	0.502	0.463	0.904				
Irr	-0.281	-0.269	-0.348	0.185	0.256	-0.084	-0.282	-0.248	0.935			
FV	0.508	0.527	0.571	-0.138	0.244	0.594	0.608	0.536	-0.283	0.847		
SV	0.324	0.261	0.482	-0.277	0.481	0.556	0.569	0.374	-0.054	0.53	0.939	
PI	0.591	0.523	0.609	-0.137	0.294	0.649	0.74	0.649	-0.336	0.728	0.516	0.854

Table2. Correlations among the latent constructs

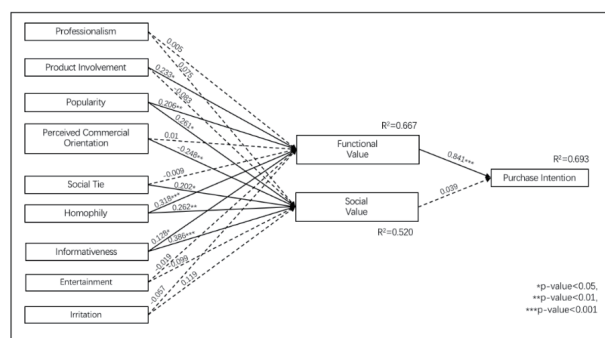


Figure 2. Results of SEM

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