A Contrastive Study of Influencer Marketing and Traditional Marketing in New Product Promotion Effectiveness: The Case of Chanel Lipstick

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Abstract: The influencer marketing has realistic significance to promote new products during the rise of online celebrity economy. Marketers and consumers are paying more attention on this emerging marketing approach from traditional mass one. In order to precisely compare the effectiveness of influencer marketing and traditional marketing, this work firstly clarifies the three criterions based on relevant literatures, including brand attitude, advertisement attitude and purchase intention. Then the quantitative method is adopted to calculate the contrastive effectiveness when a Chanel new product is launched in 2019 called ROUGE COCO FLASH. The final research results indicate that influencer marketing creates more value than traditional marketing when launches a new product.

Keywords: Influencer marketing, Effectiveness, Brand attitude, Advertisement attitude, Purchase intention

1. Introduction

Traditional marketing uses established methods to promote products such as billboards, and TV commercials or magazine ads. However, users are getting fatigue towards traditional marketing methods with the tendency to avoid and block those advertisements. Meanwhile, more attentions are paid on influencer promotion tailored to a relevant target audience with actual content compared with traditional methods which are not aimed at specific groups. Social media promotes products and services through interested followers who further share these products and continue to spread influence (Folidis, 2019)[1]. Inviting celebrities to make an endorsement for the brands is a regular marketing method to reach a certain segment precisely. In contrast to the traditional marketing where traditional celebrities such as actors and musicians are preferred, influencer marketing relies on the influencers who attract new followers or retain old ones through promoting their work and products in the social media (Bercazyk, 2007), and reach their audience mainly through social-media channels (Gräve, 2017) [2,3]. To evaluate the effectiveness, three criterions are referred to, namely brand attitude, advertisement attitude and purchase intention. The better acquaintance of how these relationships work to impact the effectiveness of marketing can act as a catalyst to the marketing activities.

1.1 Brand attitude

Marketers also consider using the fitting image of promoting celebrity as an important tool to benefit the brand image (Atkin & Block, 1983) [4]. The influencer adorers tend to imitate their following's choices and attitudes, which, at the end, results in their own way to consume. Specifically, they keep pace with the endorsers they follow and gradually, the long-term buying relationship to the brand can be rooted in the perception. The fans of influencers may view the endorsed brand with a sense of belongings which results in positive attitudes (Singh & Banerjee, 2019) [5].

1.2 Advertisement attitude

Advertisement is a crucial tool used in various marketing strategies. The role of advertisement is regarded as an important parameter of the marketing and it is evident from the findings that it has the consumers' attitude changed towards celebrity advertisement (Singh & Banerjee, 2019) [5]. Getting influencers involved in advertisements makes a difference for the consumer's perception and attitude (Lee & Koo, 2016) [6]. According to the fMRI study of advertisement by Chang and Arkin (2016), the appearance of a celebrity in an advertisement deepens the memory of viewers [7].

1.3 Purchase intention

Lou and Yuan (2019) stated that influencers trigger positive brand awareness and purchase intention to customers [8]. It has a positive correlation between influencer trustworthy and purchase intention (Leparoux, Minier & Anand, 2019) [9]. Thus, it is significant to use purchase intention as an index to analyze the effectiveness of influencer marketing.

The above literature review shows an overview of two marketing strategies and impacts and provides reliable criterions for our research model. However, as influencers are quite a new marketing character, there are not a lot precise comparisons on the reaction of customers when they face the two marketing strategies. To address the gap, this research aims to evaluate the effectiveness of influencer and traditional marketing in promoting the adoption of a new product.

2. Research methodology

2.1 Design and material

To validate the effectiveness of influencer and traditional marketing strategy on the three criterions mentioned above, online questionnaires were applied. We manipulated the level of fit between the two experimental groups using a prerequisite as considering lipstick a necessity.

The study incorporated Chanel, the cosmetics brand's newly-launched product called ROUGE COCO FLASH as the research object. Authors also believe that lipstick of Chanel brand is typical enough to support us to provide future research directions to the lipstick industry.

The experimental group was given the lipstick advertisement which was promoted by a webcast celebrity - Jiaqi Li, who owned more than 50 million followers in China. The control group was given a TV advertisement of the same product. Finally, each participant needed to scale their own attitudes towards the advertisement, the brand and after that, they were asked to validate their purchase willingness.

2.2 Procedure and Measurements

Recruited online, the participants needed to inform their relevant basic information such as age, education background, need for lipstick products and frequency in using lipstick. Through these questions, the respondents who were not in the target area would be excluded.

After that, participants were instructed to observe the advertisement and rate their brand attitude, advertisement attitude and purchase intention with scale a 6-point Likert scale. First of all, they were asked to scale their attitude towards brand, for example, to what extent they believe that "My view of the brand using celebrity endorsement is fairly pleasant."

Followed by evaluation of advertisement attitude, the participants were required to weigh items such as "The ad is attention-getting" to show us what they think about the advertisement they had seen. Lastly, the participants rated their agreements on the questionnaire such as "It's probably for me to purchase the Chanel product endorsed by this celebrity"

The authors then utilized these rates to find out the relations between three dimensions.

3. Data analysis and results

3.1 Participants

After excluding unusual and incomplete cases and data of participants in the experiment group of influencer marketing who did not like the celebrity given in the posts and who were lack of lipstick-purchase experience, the final sample size is 260. All participants were females. The age covered a range of under 18 to 40, and the majority were in 18 to 30 (93.1%). 86.1% of the participants had an education level of undergraduate. Lipstick act as a necessity in 75.4% of the participants' daily life. Approximately, 29% of the participants buy a lipstick once a month.

The appropriate tests indicate no significant differences between the groups in terms of

• agea, $\chi^2(5, N = 260) = 1.94$, p = .46;

• educational levelb, $\chi^2(6, N = 260) = 9.56$, p = .06;

• need for lipstickc, $\chi^2(2, N = 260) = 0.746$, p = .39;

• frequency of purchasing lipsticksd, $\chi^2(5, N = 260) = 3.64$, p =.46.

a. age:1="under 18";2="18~30";3="31~40";4="41~50";5="over 51";

b. education level:1="primary school and below";2="middle school";3="high school";4="junior college";5="bachelor";6="master and above";

c. need for lipstick:1="Yes";2="No";

d. frequency of purchasing lipsticks:1="more than once per week";2="once per week";3="more than once per month";4="once per month";5="once over a month";6="never".

3.2 Results and Discussion

A reliability test had been done before testing the hypotheses, indicating that the questions had a high reliability (α=.933). The result of the Kaiser-Meyer-Olkin test (KMO=.895) and the Bartlett's test (p<.001) indicated the high validity. The relevant data is given in the Table 1.

Table 1 Contrastive experiment results

Dependent variable	Influencer Marketing (n=130)		Traditional Marketing (n=130)	
	M	SD	M	SD
Brand attitude	2.05	0.78	1.57	1.08
Advertisement attitude	2.07	0.81	1.27	1.23
Purchase intention	1.54	1.07	1.15	1.35

N = 260. A 7-point Likert scale (-3 to +3) was employed.

3.3 Brand attitude

Influencer marketing also plays a positively significant role with consumer's brand attitude in the present research. Specifically, the result of t-test demonstrates significant difference between the effectiveness of influencer marketing and traditional marketing on the new Chanel product (t(260) =4.14, p < .001). In terms of the Mean index, influencer promotion is 2.05 while the traditional one results lower numeric value with 1.57 merely which indicates that the influencer promoting method contains more effectiveness regarding consumers' brand attitude. The smaller index of Standard Deviation of influencer marketing (0.78) in brand attitude implies the strong effectiveness compared with 1.08 of traditional marketing technique.

3.4 Advertisement attitude

The average number of advertisement attitudes in the influencer marketing is 2.0718, while the standard deviation is 0.81437. The average for the traditional marketing is 1.2744, and the standard deviation is 1.22806. The F value of the Levise homogeneity test of advertisement attitude is 24.186, and the P value is less than 0.001.

Comparing the two groups ($t(260) = 6.17$, $p < .001$) indicates that these two groups have different influences on advertisement attitude. The average number of influencer marketing is larger than that of traditional marketing and can play a greater role in advertising attitudes. Influencer marketing has a smaller standard deviation than traditional marketing and it has more concentrated data, while the traditional marketing group is more discrete. It can be concluded that influencer marketing has a larger and more positive impact than traditional marketing in the advertisement attitude.

3.5 Purchase intention

Purchase intention is measured by 3 items, and it has a significant difference between the experiment groups ($t(260) = 2.59$, $p= .01$), Influencer Marketing (M=1.54,SD=1.07) and Traditional Marketing (M=1.15, SD=1.35).

Influencer Marketing also has a positive influence on the purchase intention, nonetheless, is considered to have the least effectiveness ($b = .16$, $p =.01$) compared to the brand attitude and the advertisement attitude.

3.6 Conclusion & Limitations

Influencer marketing has better results in all three criterions especially in advertisement attitude and brand attitude, which means that influencer marketing has a higher effectiveness than traditional marketing. Also, influencer marketing has strong comparative advantages in the influence on advertisement attitude and brand attitude while it has a weak comparative advantage on purchase intention. The hypothesis is verified through collected data, indicating that it may be significant to develop the influencer marketing when promoting new product as we have known the competiveness of influencer marketing.

Although the data verified our hypothesis which is influencer marketing is more effective than traditional marketing when promoting new product, some parts of this approach may be criticized. Firstly, the sample size is small which cannot possibly represent the total customers of Chanel. Meanwhile, the interval of age of the sample group may be too broad to classify target group and non-targeted group, which may lead to the imprecise result. Apart from those, although our report has contributed to the effectiveness of influencer marketing compared with traditional marketing in aspects of brand attitude, advertisement attitude and purchase intention, and other factors should be considered in future researches.

4. Conclusion

As the result displays in the research, it is suggested for Chanel to spend more marketing budget on influencer marketing which may bring them more value and have a more positive impact on the potential customers. Furthermore, it is reasonable to hypothesize that the influencer marketing creates higher value in lipstick industry since most brands within have very similar products and target customers. Thus, the effectiveness of influencer marketing may still be higher than traditional marketing within the industry. Authors are curious to see if further hypothesis is proper and would like to produce substantial suggestions for lipstick industry practitioners.

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