

When Influencers Promote Their Own Products: Trust Perceptions Following Explicit Versus Implicit Promotion Styles

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Abstract

In recent years, influencer marketing has become a powerful tool for promoting products due to influencers' unique ability to captivate their followers' attention effectively. Moreover, influencers often enjoy a high level of trust among their followers, enhancing the persuasiveness of their product endorsements. However, a relatively unexplored question in the current literature is how trust perceptions are affected when influencers promote their own branded products. Our research investigates the impact of influencers' own brand promotions on trust, considering explicit endorsement versus subtle implicit integration into content. We find that trust increases when influencers implicitly integrate their branded products, akin to product placement. This is particularly noteworthy when influencers are endorsing their own, lesser-known products, as compared to national brand products. Nevertheless, the implicit promotion may reduce awareness of the promoted product. Mediation analyses reveal opposing effects of trust towards the influencer and product awareness on purchase intentions, nearly offsetting each other.

Keywords: Influencer marketing, product placement, influencer-branded products, trust

Introduction

In recent years, influencer marketing has evolved into a potent means for product promotion, capitalizing on influencers' ability to effectively capture their followers' attention (Chen, Yan, and Smith 2023). Influencers consistently achieve significantly higher engagement rates compared to traditional advertising methods (de Vries, Gensler, and Leeflang 2017), making them indispensable for contemporary marketers. A further distinctive feature of influencer marketing is the high level of trust often enjoyed by influencers among their followers, amplifying the persuasiveness of their product endorsements (Ravula, Jha, and Biswas 2022; Reichelt, Sievert, and Jacob 2014).

However, a notable development in influencer marketing is the growing trend of successful influencers launching their own branded products, including cosmetic lines, fashion products, or cooking utensils. Whereas brands are also worried that influencers' self-promotion may affect their ability to sell a brand's products, this new trend prompts a compelling question relevant to both the brand and the influencer: Does the trust between followers and influencers weaken or strengthen when influencers promote their own branded products? This fundamental question remains relatively unexplored in the current literature.

Our research seeks to investigate how trust perceptions are influenced when influencers promote their own branded products. We propose that the impact on trust depends on whether the influencer explicitly endorses their product or subtly integrates it into their content, for example, by using the product themselves or employing a product placement strategy. Implicit product placement strategies have demonstrated their effectiveness in enhancing product perceptions in traditional media contexts (Kamleitner and Khair Jyote 2013).

Additionally, we recognize a potential drawback of implicit product promotion: products featured in this manner may garner less attention, especially when it comes to the influencer's own branded products, which may be relatively unknown to their followers. Consequently, we aim to understand whether any trust effects resulting from implicit promotion can offset the potential loss in product awareness and how these factors collectively influence followers' purchasing behavior.

To address these conflicting effects, we conducted a between-subjects experiment using selected excerpts from real influencer videos. Our findings suggest that when influencers promote their own branded products, they may be perceived as even more trustworthy than when promoting nationally recognized brands. However, this effect is contingent on the promotion style being implicit, involving the mere use of the product, akin to product placement (Chen, Yan, and Smith 2023). Conversely, implicit promotion styles tend to hinder awareness of the influencer's brand product. Mediation analyses further reveal that trust and product awareness exert opposing indirect effects on followers' purchase intentions, nearly canceling each other out in the end. This underscores the complexity of the influencer-brand relationship and the importance of considering both trust and awareness in influencer marketing strategies.

These results hold significance for both the evolving landscape of influencer marketing and established marketing literature. First and foremost, our study pioneers the examination of influencers promoting their own brands, shedding light on practical implications for influencers looking to market their own products and offering insights into strategies that may enhance sales outcomes. Second, our findings enrich the literature on trust as a pivotal construct for understanding influencer marketing effects (Friestad and Wright 1994; Ravula, Jha, and Biswas 2022; Reichelt, Sievert, and Jacob 2014), uncovering a novel interaction effect between the type of promoted product and the explicitness of the promotion style. Lastly, our research extends the well-established, but in effects often inconclusive literature on product placements (Chan 2012; Guo et al. 2019) by introducing the influencer context, thereby broadening the scope of this field.

Background and Hypotheses

Brands often employ influencers to indirectly reach a target group. Specifically, an influencer recommends a product to their followers, who in turn become aware of the product and trust the influencer as to the product's benefits (Gross and von Wangenheim 2018). However, followers are becoming increasingly aware of these persuasion attempts (Belanche et al. 2021), hence trust towards the influencer becomes an increasingly prominent mechanism through which the influencer's message can have an effect on follower intentions or behaviors (Ravula, Jha, and Biswas 2022; Reichelt, Sievert, and Jacob 2014).

One way to maintain trust and mitigate persuasion knowledge (Friestad and Wright 1994) could be to merely show the product in influencer content. Such an implicit promotion style (as compared to an explicit endorsement) is akin to product placements (Guo et al. 2019); it is particularly effective when the product is still prominent to the content (Wang and Chen 2019) and seen in use by the actor (here the influencer) (Kamleitner and Khair Jyote 2013).

We further argue that this trust-improving effect of implicit promotion styles is particularly important for the influencer's own brands (as compared to a third-party national brand), because when an influencer actually uses their own brand, it reinforces the idea that the influencer's expertise and judgement went into selecting or designing the influencer-branded product to create a benefit.

Taken together, we hypothesize:

- **Hypothesis H1a:** An implicit promotion style strengthens trust towards the influencer, when compared to an explicit promotion style.
- **Hypothesis H1b:** An implicit promotion style when using an own influencer brand (national brand) further enhances (buffers) trust towards the influencer.
- **Hypothesis H2:** Trust mediates the effect of implicit promotion style and influencer own brand on follower purchase intentions.

However, implicit promotion styles akin to mere product placements obviously reduce awareness perceptions of the promoted product when compared to more explicit promotion styles (Chan 2012; Guo et al. 2019). However, this may depend on the followers familiarity with the promoted product. It is well known in advertising studies, for example, that highly familiar brands receive more awareness benefits from advertising campaigns (Delgado-Ballester, Navarro, and Sicilia 2012; Rhee and Jung 2019), whereas unfamiliar brands first require repeated exposures to the message to achieve familiarity and overcome "wear-in" (Schmidt and Eisend 2015). Consequently, the typically more unfamiliar influencer brand suffers more from implicit promotion styles in terms of awareness, compared to a typically more familiar national brand. We hypothesize:

- **Hypothesis H3a:** An implicit promotion style reduces awareness of the promoted product, when compared to an explicit promotion style.
- **Hypothesis H3b:** An implicit promotion style when using an own influencer brand (national brand) further reduces (mitigates reductions of) awareness of the promoted product.
- **Hypothesis H4:** Product awareness mediates the effect of implicit promotion style and influencer own brand on follower purchase intentions.

To test these hypotheses, we conduct an experimental study in the context of an influencer promoting products. The study independently and randomly manipulates promotion style (implicit/explicit) and promoted product (influencer-branded/national brand).

Experimental Study

We designed a 2 (explicit versus implicit promotion style) by 2 (influencer brand product versus national brand product) between-subjects experiment. As stimuli, we edited four videos of a prominent German YouTube influencer who specializes in baking, baking and kitchen utensils, and who recently launched her own line of baking utensils. The national brand condition referred to a Kenwood helper device, which the influencer explicitly promoted in one video, and merely used while preparing a recipe in another video. The own brand condition referred to a branded cake-baking aid, which she also explicitly promoted or implicitly used in a baking video. All four videos were cut to a similar length of about one minute.

The video stimuli were embedded into an online questionnaire on the SosciSurvey platform and randomized for the four experimental conditions. Participants of the experiment were asked to watch the video to the end before continuing with the questionnaire. An attention check in the form of two still-images from the shown or a different video followed. We considered only participants who correctly selected the shown image as valid respondent.

Three constructs were measured in the questionnaire, using 5-point Likert scales. First, *Awareness* of the promoted product with two items (“The video presented [PRODUCT] in detail”; “I couldn’t see a presentation of [PRODUCT] in the video” [reverse coded]), then *Trust* with two items (“The influencer seems trustworthy”; “The influencer is just trying to sell pushy” [reverse coded]), and finally *Purchase Intention* using two items (“I would buy the product shown”; “The video shown arouses interest to buy the product”). The survey closed with questions on gender and age.

As respondents, we contacted German university students via an e-mail newsletter. The survey was completed 386 times, but 13 did not correctly answer the attention check, leaving a sample of 373 respondents. As expected from a sample consisting mostly of students the mean age was 25.2 years; 209 identified as male, 156 as female, and 8 as diverse. All subsequent analyses were conducted in the JASP software.

Results

To test hypotheses H1a and H1b, we conduct a two-way ANOVA for Trust. Table 1 shows the results, Figure 1 illustrates the group means with 95% confidence intervals. The ANOVA and group mean plots confirm a significant effect of Promotion Style: implicit promotions increase Trust towards the influencer (H1a). This effect is significantly further enhanced for influencer-branded own products, thus confirming hypothesis H1b. Tukey post-hoc tests confirm a significantly higher trust perception in the implicit-and-influencer-brand group, compared to all other three groups.

Table 1: ANOVA Results on Trust

Cases	Sum of Squares	df	Mean Square	F	p
Product	3.812	1	3.812	3.656	0.057
Promotion Style (H1a)	16.029	1	16.029	15.371	< .001
Product × PromotionStyle (H1b)	6.308	1	6.308	6.049	0.014
Residuals	384.791	369	1.043		

Note: Significant F tests ($p < 0.05$) marked in bold.

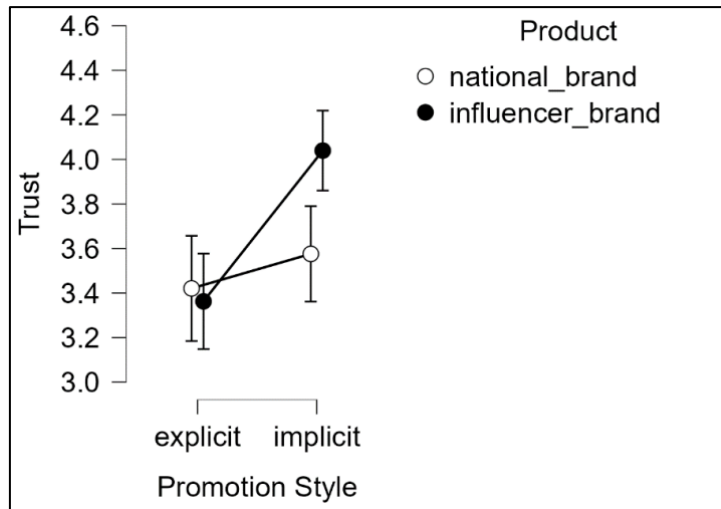


Figure 1: Group Means of Trust with Confidence Intervals

Table 2: ANOVA Results on Product Awareness

Cases	Sum of Squares	df	Mean Square	F	p
Product	19.495	1	19.495	30.160	< .001
Promotion Style (H3a)	57.141	1	57.141	88.403	< .001
Product × PromotionStyle (H3b)	27.312	1	27.312	42.254	< .001
Residuals	238.512	369	0.646		

Note. Significant F tests ($p < 0.05$) marked in bold.

A second ANOVA on Product Awareness tests hypotheses H3a and H3b. Table 2 shows the F-test results, Figure 2 again illustrates the group means with 95% confidence intervals. The ANOVA and group mean again plots confirm a significant effect of Promotion Style: implicit promotions reduce Product Awareness (H3a). This effect is even more reduced for influencer-branded own products but mitigated for national brands, thus confirming hypothesis H3b. Tukey post-hoc tests again confirm a significantly lower awareness of the product perception in the implicit-and-influencer-brand group, compared to all other three groups.

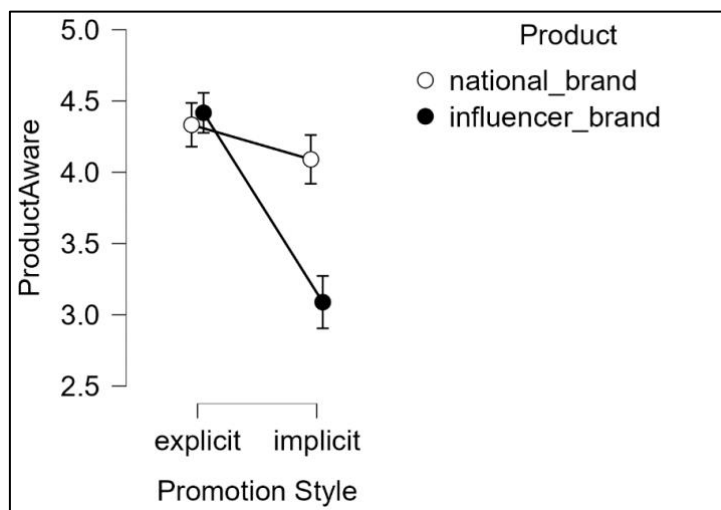


Figure 2: Group Means of Product Awareness with Confidence Intervals

Table 3: Mediation Model Results

Effects			Estimate	Std. Error	Lower 95%CI	Upper 95%CI
<i>Indirect Effects</i>						
Product (influencer-brand)	→ Trust	→ PurchaseIntent	-0.023	0.060	-0.141	0.095
Product	→ ProductAware	→ PurchaseIntent	0.011	0.017	-0.022	0.044
PromotionStyle (implicit)	→ Trust	→ PurchaseIntent	0.060	0.059	-0.056	0.177
PromotionStyle	→ ProductAware	→ PurchaseIntent	-0.032	0.022	-0.074	0.011
Product × PromotionStyle (H2)	→ Trust	→ PurchaseIntent	0.203	0.086	0.034	0.372
Product × PromotionStyle (H4)	→ ProductAware	→ PurchaseIntent	-0.141	0.072	-0.282	-0.000
<i>Direct Effects</i>						
Product		→ PurchaseIntent	0.164	0.149	-0.128	0.455
PromotionStyle		→ PurchaseIntent	0.050	0.147	-0.238	0.337
Product × PromotionStyle		→ PurchaseIntent	-0.212	0.216	-0.635	0.211
<i>Total Effects</i>						
Product		→ PurchaseIntent	0.152	0.161	-0.164	0.468
PromotionStyle		→ PurchaseIntent	0.078	0.158	-0.232	0.388
Product × PromotionStyle		→ PurchaseIntent	-0.150	0.220	-0.582	0.281

Note. Significant estimates ($p < 0.05$) marked in bold.

Finally, a mediation model tests hypotheses H2 and H4. Table 3 shows the model estimates for indirect, direct, and total effects, including bootstrapped 95% confidence intervals (5000 draws) for the estimates. We find that Trust mediates the positive interaction effect of implicitly promoted influencer-brand products on Purchase Intentions (confirming H2), and that Product Awareness mediates the negative interaction effect of implicitly promoted influencer-brand products on Purchase Intentions (confirming H4). Taken together, both effects cancel each other out as there is no significant total effect. We furthermore find no remaining direct effects that would point to another missing mediator.

Discussion

In an experimental study we address a timely research question: Does the trust between followers and influencers weaken or strengthen when influencers promote their own branded products? Our findings show that trust increases, conditional, however, on the promotion style being implicit. Influencers who want to launch and promote their own branded products without hurting the trust of their followers therefore are recommended to implicitly place them in their content and show their products in use. Future research could investigate if this effect lends itself to more general personal brand building, as our findings imply that then switching to more implicit promotional styles may be beneficial.

However, implicit promotion styles also hinder awareness of the influencer's branded product. We demonstrate with mediation analyses that trust and product awareness exert opposing indirect effects on followers' purchase intentions, nearly canceling each other out in

the end. As a result, influencers wanting to push their branded products through an explicit promotional style could do so without much (short-term) harm to their bottom line.

Taken together, the two counteracting effects suggest an interesting opportunity for future research: as the negative indirect effect comes from a reduced awareness, those products where followers are already familiar with could be promoted implicitly without the harm, but benefitting from increased levels of trust. This suggests a first-explicit-then-implicit dynamic strategy. The influencer could first explicitly promote their unknown own products, and when these become more familiar to their followers switch to implicitly placing and using the products to bolster trust without reducing awareness perceptions. A future ordered repeated exposure experiment could test this idea.

Furthermore, our study is limited in the tested setup to only two products. As prior research has shown, a product-influencer congruence is a particularly important context condition for effective influencer marketing (Ju and Lou 2022; Kim and Kim 2021). Future studies therefore could explore how influencer own brands, and potential brand extensions, are further affected by the congruence with their image and expertise.

In summary, our study provides insights into a novel trend in influencer marketing, particularly when influencers venture into promoting their own branded products. Our findings offer actionable guidance for influencers and connect the literatures for influencer marketing with the product placement literature.

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