

Majors: MKT
No. M1

***“THE INFLUENCE OF ENDORSEMENT TYPES ON PURCHASE INTENSION WITH
MEDIATING ROLE OF CREDIBILTY AND PARASOCIAL RELATION IN THE FASHION
INDUSTRY OF PAKISTAN”***



By:

NARFAH HASSAN

01-221221-012

Supervisor:
Dr. Kasheer

Department of Business Studies

Bahria University Islamabad

Spring-2023

FINAL THESIS APPROVAL SHEET

Viva-Voce Examination

Viva Date 13 / 07 / 2023

Topic of Research: THE INFLUENCE OF ENDORSEMENT TYPES ON PURCHASE INTENSION WITH MEDIATING ROLE OF CREDIBILITY AND PARASOCIAL RELATION IN THE FASHION INDUSTRY OF PAKISTAN

Names of Student(s): Narfah Hassan

Enroll# 01-221221-012

Class: (MBA-1.5/MKT)

Approved by:

Dr. Kasheer

Supervisor

Maleeha Mansoor

Internal Examiner

Sher Afzal Khan

External Examiner

Dr. Syed Haider Ali Shah

Research Coordinator

Dr. Khalil Ullah Mohammad

Head of Department

Business Studies

ABSTRACT

The use of social media influencers and brand endorsers has become a popular marketing strategy in recent years, but little is known about how these endorsements impact consumer purchasing behavior in Pakistan. Additionally, not only human influencers but also AI influencers are getting attention from consumers as well as marketers. This study aims to investigate the influence of endorsement types (celebrity, macro influencer, micro influencer, and AI influencer) on purchase intention with the mediating roles of credibility and parasocial relations in the Pakistani fashion industry, respectively.

To address this gap in the literature, this research employs a quantitative research method using an experimental methodology to gather data from a sample of Pakistani consumers. The survey measures participants' perceptions of endorser types (celebrity, macro influencer, micro influencer, AI influencer), as well as their intentions to purchase the endorsed product by these endorsers. Additionally, the survey assesses participants' perceptions of credibility and parasocial relationships with endorsers.

The collected data is analyzed using SPSS software and statistical techniques like one-way anova to determine if there is a significant difference in the effectiveness of endorser types (celebrity, macro influencer, micro influencer, and AI influencer) on consumer purchase intention. Furthermore, in the moderation and mediation testing analyzed, credibility and parasocial relations mediate the relationship between endorser types (celebrity, macro influencer, micro influencer, AI influencer) and consumer purchase intention, respectively.

The findings of this study provided insight into the current marketing landscape in Pakistan and contributed to an understanding of how parasocial relations and credibility affect the effectiveness of endorser type's endorsements on consumer purchase intention. Additionally, this study provides valuable information for marketers who are looking for effective ways to influence consumer purchase intention through endorser types in Pakistan.

Overall, this study provides valuable insights not only for marketers and researchers in Pakistan but also for other countries where the use of social media influencers and celebrities as brand endorsers is prevalent. The results add to the existing body of knowledge on the topic and provide a foundation for future research in this area.

Acknowledgement

I would like to express my deepest gratitude to Allah for His constant guidance and support throughout this journey.

I would also like to express my gratitude to my thesis advisor Dr. Kasheer, for his unwavering support and guidance throughout the entire process of my research. Their patience, encouragement, and understanding provided a constant source of motivation.

My deepest appreciation also goes to my parents for their unwavering support throughout my academic journey. Their encouragement and understanding have been a source of strength and inspiration throughout the years, I am forever grateful for their love and support.

I am also grateful to my friend Sabeera Khaliq for helping me with my research and for providing me with the resources and support necessary to complete this research.

Finally, I would like to thank my siblings for their collective support and encouragement. Your encouraging words, motivating actions, and unwavering confidence in my abilities have helped me remain focused and inspired throughout the entirety of this thesis. This thesis would not have been possible without the unwavering support and confidence of everyone. I will be eternally thankful of the affection and support.

Big Thanks to all!

Narfah Hassan

Table of content

Chapter 1

1. Introduction	1
1.1 Background	1
1.2 Problem statement	3
1.3 Research Gap	3
1.4 Research Objective	4
1.5 Research Question	4
1.6 Significance of study	4

Chapter 2

2. Literature Review	5
2.1 social media marketing	5
2.2 Fashion Endorser	6
2.3 Celebrity Endorser	6
2.4 Macro Influencer	7
2.5 Micro Influencer	8
2.6 AI influencer	9
2.7 Credibility	9
2.8 Parasocial Relation	10
2.9 Purchase Intention	11
2.10 Relation between variables	13
2.10.1 Endorser types and credibility	13
2.10.2 Endorser types and Parasocial Relation	14
2.10.3 Endorser types and Purchase Intension	15
2.10.4 Mediating role of credibility on Endorser types and Purchase Intensions	16
2.10.5 Mediating role of Parasocial Relation on Endorser types and Purchase Intensions	17
2.11 Theoretical Framework	18

Chapter 3

3. Methodology	19
3.1 Research Approach	19
3.2 Research Design	19

3.3 Unit of Analysis	20
3.4 Time Horizon	20
3.5 Population	20
3.6 Sample size	20
3.7 Data collection Procedure	20
3.8 Data Analysis Technique	21
3.9 Instrument	21
Chapter 4	
Analysis and Result	23
4. Introduction	23
4.1 Gender	23
4.2 Age	24
4.3 Monthly Income	24
4.4 Descriptive statistics	25
4.5 Hypothesis Test	27
4.6 Contrast Test	27
4.7 Mediators	28
4.7.1 Credibility as mediator	29
4.7.2 Parasocial Relation as mediator	32
Chapter 5	
5. Introduction	36
5.1 Discussion	36
5.2 Theoretical Implementation	38
5.3 Practical Implementation	40
5.4 Conclusion	41
5.5 Recommendations and Future Research	41
5.6 Research Limitations	42
References	44
Appendix 1 - Research Questionnaire	52

CHAPTER 1

INTRODUCTION

1.1 Background

One of the most significant components of modern life is the internet. People utilize internet to expend their business on social media. Social media has become a crucial tool for sharing information and promoting products. Traditional marketing strategies have seen a radical transformation over the past ten years. Brands struggle every day to attract potential customers in the intensely competitive realm of marketing. In recent years, one of the major buzzwords has been influencer marketing. One strategy used by brands to promote their products is to collaborate with "fashion influencers," or individuals with more than a million followers on social media platforms and how they influence their audience. A social media figure with a significant followers who focuses on making fashion-related posts and impact on purchasing decisions of consumers is known as a fashion influencer. Influencers on social media are evolving into a new kind of celebrities. These social media influencers have a distinctive brand and a significant viewership. This new phenomena affects peoples opinion of celebrities and requires for a review of the traditional celebrity endorsement models. Despite the fact that the efficiency of celebrity endorsement is well documented but comparison of both (influence marketing and celebrity endorsement) effectiveness are unclear and doubtful. The popularity of influencer marketing among Pakistanis has increased alongside the country's rapidly expanding social media infrastructure. Businesses worldwide are quick to adopt the latest buzzwords and trends. Companies are using digital marketing to generate personal connections with consumers.

However, a new type of social media influencer has recently emerged. AI influencers are computer-generated artificial characters. The concept of AI influencers may appear weird at first, but it has gained traction in the past few years. AI influencers are being used by businesses, particularly those in the fashion and beauty industries, to market their products on social media platforms such as Instagram, TikTok, and YouTube. AI influencers have large number of follower on social media, they are providing businesses an immense revenue possibility.

Advertising companies devote more time and resources to social media in order to successfully promote everything. This strategy is known as "Influencer marketing" in today's world. It focuses on specific individuals rather than a larger audience. They target those who can easily influence people and convert them into potential consumers. Brands in Pakistan are now using influencer marketing to attract and engage customers to their product, by far this has proven to be successful (Muhammad & Ghulam 2019).

The goal of this thesis is to analyze influence of endorsement types on consumer purchasing intention within fashion industry of Pakistan, with credibility and para social relation as a mediator. Celebrity Endorsements have been utilized for years and have received much analysis. But influencer marketing has evolved rapidly with the increasing use of social media, and it is still a largely unexplored area of study. It's reasonable to argue that celebrity endorsement was the first type of influencer marketing, but in the modern day, marketers are more likely to find success working with social media influencers who have a dedicated following in a specific niche. A new kind of public figure has grown in the field of social media. In addition to a large fan presence, these individuals also enjoy a distinct online identity. Because of this new development, the standard celebrity endorsement models need to be updated. That's why we're going to take a look at celebrity endorsement models and see whether they can be adapted to the world of influencer marketing. Although traditional celebrity endorsing has been shown to be successful. It's possible that influencers, as opposed to celebrities, are better at endorsing products. According to certain specialists who are keeping up with the latest trends, AI influencers will eventually out number human influencers and become common place in the advertising sector (Appel, 2020). This is supported by a study conducted by Jiménez-Castillo & Sánchez-Fernández (2019) the role of clothing firms in society has been significant. Fashion is a way for people to express who they are. Customers frequently go to their favorite social media influencers for information about the latest fashion trends. Businesses can enhance sales by promoting their goods and services on social media platforms like Instagram and Facebook.

1.2 Problem statement

When a customer identifies its need or a problem, it is the initial phase of the purchasing decision process. The need is a gap between the consumer's present state and their ideal state. In this stage where different types of endorser were used. The influencer's or celebrity promote a product and encourage consumer to purchase. Additionally, it can be a brand-new product that the consumers had no idea they needed or desired until they heard the influencer or celebrity talking about it. There is several studies on celebrity credibility and impact towards consumer purchasing intensions but there is no previous studies focus on celebrity vs different types of influencer's (credibility, prosocial relation) towards consumer purchasing intension in Pakistan. A real problem that is addressed in our research is that how is influencers and celebrity marketing affecting the consumer purchase intention differently in Pakistan and we have also evaluated that how factors associated with celebrity and influencers like credibility and prosocial relation. Additionally, the impact of endorser types on consumer behavior in relation to fashion industry in Pakistan is still being studied (Zafar & Sarwar, 2021). In the past years the role of celebrity-social media influencers on purchasing habits and purchase intention has gathered a lot of attention but limited or no research has been done with AI influencer.

1.3. Research gap

This research is highlights the influence of endorsement types on purchase intension with mediating role of credibility and para social relation, there is several studies on celebrity effective impact and social media influencer's credibility towards consumer purchasing behavior but there is no previous studies focus on two dimensions of endorsement types (credibility and prosocial relation) in Pakistan. In previous studies Social media influencers do have a lot of power and have become a critical element in shaping consumers purchase decisions (Szalkiewicz, 2021), All the current research paper focuses on the generic online influencer advertising impact on the consumer purchase behavior that how advertising through influencers will help in increasing the sales by affecting the consumer behavior (Spry et al., 2018). The influence of source credibility on consumer behavior was studied by certain authors (Chetioui et al., 2019).

1.4 Research Objective

1. To investigate the endorser types (celebrity, macro influencer, AI influencer, micro influencer) relationship with purchasing intension in the context of fashion industry in Pakistan
2. To investigate credibility act as a mediator between endorser types and purchase intention
3. To investigate para social relation act as a mediator between endorser types and purchase intention

1.5 Research questions

1. What is the impact of endorse types (celebrity, macro influencer, micro influencer, AI influencer) on purchase intention?
2. What is the effect of the mediating role of credibility on the relationship between endorser types and purchase intentions?
3. What is the effect of the mediating role of Para-social relations on the relationship between endorser types and purchase intentions?

1.6 Significance of the study

The impact of Endorse types (Celebrity, macro influencer, AI influencer, micro influencer) marketing on purchase intention of consumer toward various brands throughout Pakistan will be uncovered, emphasized, and analyzed through the thorough research on "the influence of endorsement types on purchase intensions with mediating role of credibility and Para-social relation."

It would be beneficial for Pakistani brands or businesses to comprehend the impact of celebrities and influencers in selecting the best match when they are to promote their brands and products. By examining the effects of credibility and para-social relation, the study has added to the body of knowledge and will help students comprehend how celebrity vs influencer marketing affects customer purchase intentions in Pakistan. Finding relevant endorsers for the chosen targeted audience in Pakistan who can advance the brand communication and story while developing a close relationship with the followers will therefore be a difficult issue for marketers

CHAPTER 2

Literature Review

2.1 Social media marketing

According to the different definitions of social media marketing that are still being developed, it can be concluded that social media marketing primarily makes use of social media platforms as a medium for communication with customers and interaction. By attracting customers' attention to a brand, product or service, it seeks to deliver worthwhile offers and boost sales. Second, social media marketing promotes information sharing, content marketing, and communication (Ebrahim, 2019). In order to draw in and keep potential customers, content marketing, a crucial component of social media marketing, focuses on creating and disseminating pertinent, dependable, and valuable material (Kushwaha, Singh, Varghese, and Singh, 2020). Celebrities are well-known, well-liked, and well-recognized individuals in their experience-related fields who not only enjoy global recognition but also have the power to significantly influence the way of life of their viewers (Spry et al., 2018). Since influencers also have the ability to persuade their followers, enhance interaction for the brand, add value for them, and ultimately drive buy interest, many businesses are now using influencer marketing to boost demand for their products (Lou & Yuan, 2019; Nordstrom & Pannula, 2020). The primary function of social media platforms is communication, which has fundamentally changed how knowledge is distributed. Businesses have considered social media an essential advertising medium after realizing its potential and rapid growth. On social media platforms, they spend a significant portion of their advertising budget (Agarwal et al., 2020).

Advertising on social media platforms is increasingly being customized by businesses in an effort to better serve consumers. Based on understanding their preferences and routines learned via the gathering of personal information (Hayes et al., 2021). In order to retain the principles of mass message delivery, personalized advertising is defined as a message that is tailored to specific consumers based on their past behaviors and perceived preferences. By allowing the tracking of their personal data, consumers can receive more pertinent information about goods or services that interest them with little effort and frequently right when they need it (Hayes et al., 2021).

2.2 Fashion endorser

An individual with a significant social media following who primarily provides content about fashion and has the power to influence others' opinions and purchasing decisions is known as a fashion endorser. Endorsers have the ability to affect the preferences of their followers. Every follower will probably follow an influencer in everything they do, from how they dress to how they begin a task or any activity. Influencers who promote fashion on social media have the power to drastically change people's opinions and purchasing habits. One quality that a fashion endorser has to possess in order to finally connect with consumers, grab their attention, and convince them to buy the fashion goods that endorsers have supported is credibility.. (Elena, 2020) As a societal and cultural phenomena, the fashion industry is significant towards the modern economy. Consumer behavior and thought processes have evolved as a result of the introduction of the Internet, and particularly Web 2.0. In all phases of the customer decision-making procedure, including information collecting and buying, the digital world is an effective tool.

2.3 Celebrity endorsement

Aligning the appearance of celebrity endorsers with the endorsed product is one of the most frequently applied advertising techniques, therefore it has been a hot topic of research from both consumers and marketers perspectives (Arora et al., 2019; Lee & Koo, 2016). A celebrity endorsement is a kind of marketing communication in which a public figure from the field of entertainment, sports, academia, fashion, or any other profession makes use of their position or reputation to further a product, concept, or service. (Arora et al., 2019). Companies, according to Erdogan (1999), have a lot of power over celebrity endorsers since they build them. Marketers build personalities that are in line with their brands and target demographics and make sure that these personalities are exclusively promoting particular items. However, as celebrities have gradually developed their public identities, businesses have little power over them (Erdogan, 1999). In previous studies it is still indistinct since both celebrity and influencer endorsers have benefits (Keel & Nataraajan, 2012). Several research indicate that the effect of endorsers types (celebrity, macro influencer, AI influencer, micro influencer) on brand image , customer purchasing intentions, and advertisement attitudes. (Keel & Nataraajan, 2012). While some research have shown that influencer endorsers are more effective than celebrity endorsers, other studies have demonstrated that celebrities are more effective. (Keel & Nataraajan, 2012; Tom et

al., 1992). Despite more than 50 years of study, there is still a very poor understanding of how recommendations affect consumer purchasing behavior. This is hardly unexpected for the various variables that affect celebrity endorsements' efficacy and make them a challenging advertising strategy (Schimmelfennig & Hunt, 2019). Expertise, congruency, reliability, popularity, recognition, charisma, interpersonal influence, and a variety of other human traits, for instance, have been demonstrated to affect brand perception, buying behavior, and other efficacy factors (Schimmelfennig & Hunt, 2019).

2.4 Macro influencer

It is described as social media influencers with at least 100,000 and up to one million followers on social media platforms who do not concentrate a certain industry while promoting a product. Unlike mega social media influencers, who are usually celebrities, macro social media influencers are ordinary individuals who have become well-known due to their regular involvement and interaction on social media platforms. (Rios, et al., 2021). In order to get credibility, trustworthiness, and to mature their already existing communities on social media platforms, macro influencers utilize tactics including consistently uploading aesthetically attractive user-generated content (UGC) in the type of live chat , videos, photographs, comments, status, reels, likes.(Kay, et al., 2020) Due to their high levels of involvement on their social media platforms, Macro influencer commonly share their daily routines, personal life, more often than other social media influencer. According to several studies macro influence I trusted source of recommendation, buying fake or low product risk is also reduce due them. In addition to the fact that macro-influencers' trustworthiness may be more important than that of micro-influencers, they may also have a greater advertising impact. Likeability may also contribute to having greater advertisement effectiveness; it is not only a function of credibility. According to Chapple and Cownie (2017), having a wider audience transfers into having a higher credibility, which makes one more appealing. According to Chapple and Cownie (2017) and McGuire (1985), the more approachable and pleasant an individual is, the more desirable and believable they become. Moreover, Because of the extent of their connections, macro influencers typically receive more likes than micro influencers. Customers would thus give an influencer greater credibility and have a positive attitude toward them if they have a high rating such as many likes (Wang, 2006).

2.5 Micro influencer

A micro-influencer has between 1,000 and 100,000 followers on their social media platforms, they are more than a regular individual but less than a celebrities or macro influencers. According to previous studies any influencer with fewer than 10,000 followers is a Nano-influencer. Micro influencer are paid by companies to promote their products on their platforms. A micro influencer is someone who becomes well-known among a certain demographic. This requires developing an online persona that consumers perceive as trustworthy, reliable, and unique. Micro Influencers are particularly adept at generating consumer interest for a brand and may positively influence the attitude and adherence of the latter due to their ability to disseminate their recommendations to a significant following. In their earlier study, Hwang and Jeong made the assumption that individuals view micro influencers as more trustworthy than macro influencers because of their smaller numbers of followers. Micro influencers are recognized experts in their respective fields. In terms of relationships, they are more effective than other endorser since they engage with their followers more and take a more personal approach. The narrative they provide via a post is often perfectly aligned with the viewpoint and guiding principles of the target audience that follows them. Their objective is to connect and interact with the target audience. The audience of a micro influencer is mostly uniform (Ismail, 2018). Micro-influencers have a closer relationship with their audience, and their audience admires how they behave. In addition to being well-known, they are an expert in a particular discipline and are not simply followed due to their notoriety (Heuvel, (2022)). Micro influencers enhance a sponsored post with their personality, leading their followers to share the content and try the endorsed brand (Ismail, 2018). Because the followers have a strong desire to understand their points of view and trust the credibility of the influencer (as a result of their engagement with the micro influencer), they frequently follow the central path of the ELM (Lee & Theokary, 2021) also The loyalty of a Macro influencer's followers is lesser than that of a micro influencer. Macro influencers are usually followed just because they are well-known, but micro influencers are generally followed by individuals who are really interested in the personality of the influencer and what they do. Despite the absence of study on the credibility of macro influencer and micro influencers, it seems that micro influencers are seen as being more reliable. When interacting with micro-influencers, consumers perceive much better product knowledge, and micro-influencers often have more success enhancing customer outcomes (Kay et al., 2020). Micro influencers could be thought of as more reliable than mega influencers (Coursaris et al., 2018).

2.6 AI influencer's

AI influencers are virtual personas or digital characters created through the utilization of artificial intelligence (AI) technology to engage with online audiences across various social media platforms. These AI-generated influencers are intentionally designed to closely resemble real human influencers and deliver content such as photos, videos, and endorsements. They are programmed to interact with followers, maintain a consistent posting schedule, and amass a following similar to human influencers. The captivating nature of AI influencers arises from the level of control they provide companies and marketers over the messaging, behavior, and appearance of the virtual persona, allowing for focused marketing campaigns and brand promotions. Jang, H. (2022) evaluate the rise of AI influencers on social media and the elements that influence customer reactions when they encounter them in a study. They investigate how customers perceive and interact with AI influencers, taking into account aspects such as trust, prosocial relationship, and perceived authenticity. The study gives important insights into the impact of AI influencers on consumer behavior, with substantial implications for marketers and advertisers looking to effectively use AI influencers in their campaigns.

2.7 Credibility

Endorser credibility is a process that also has a significant impact on how the relationship created among the celebrity, influencer and marketing efficiency develops (Sternthal, Phillips, and Dholakia 1978; Ohanian 1991). This model of source credibility which consists of three components: perceived attractiveness, expertise or knowledge and trustworthiness of source is built upon previous models of source credibility proposed by (Hovland, Irving, and Harold, 1953; McGuire, 1985). Endorser's expertise, trustworthiness and attractiveness affect the purchase intention of the consumers through the mediating role of brand attitude (Wang, Kao, and Ngamsiriudom, 2017). Additionally, an influencer's expertise may also refer to their knowledge, qualifications, or competence regarding the products or services they are endorsing (Lafferty & Newell, 2013). Credibility plays a significant role in the effectiveness of marketing signals. The term "perceived source credibility" refers to how individuals evaluate an endorser's credibility (Nafees et al., 2021). Source credibility, Ohanian (1990), defined source credibility as a communicator's positive characteristics that affect the receiver's acceptance of a message. The

competency or qualification of an endorser, including the endorser's knowledge or abilities, to make particular statements about a specific product is referred to as expertise which along with trustworthiness which is the consumers' perception of an endorser as honest, sincere, or these two factors combined create credibility of an influencer (Lou & Yuan, 2019). In other words, credibility of an endorser also means that the endorser is well informed about the products they are mentioning so that they gain the trust of their followers. The findings from Chapple and Cownie (2017) and Djafarova and Rushworth (2017) centered on the idea that the consumer's cognitive buying behavior is greatly influenced by the influencer's legitimacy. We think that influencers are more credible than celebrities based on the research that is currently available. First off, influencers post-consumer-focused product reviews, testimonials, and advice on their social media channels. For instance, when beauty influencers evaluate various makeup brands and items on their accounts, the majority of these evaluations are often sincere and honest, but some of them are sponsored by companies. (Evans et al. 2017). Contrarily, the public is aware that celebrities receive payment for reviewing products. (Friestad and Wright, 1994). Secondly, compare to celebrity, Influencers consistently promote products in everyday scenarios, which may increase attitudes toward reliability, Discovered that bloggers appear reliable since they post about specific brands to show that they have used the things themselves. Russell and Rasolofoarison (2017) showed that celebrities are viewed as more credible than more commercial types of endorsement when they do it in a more genuine way, such as by interacting with the product in a real-life environment. So, consumers may be more likely to think that an influencer's endorsement of a product than a celebrity's endorsement is because the endorser truly believes in the product's benefits. Third, an essential component of influencers' success is that they were able to build a career by committing oneself to a certain field of interest and developing their own line of work as an expert (Erz and Christensen, 2018). Influencers may be more likely than traditional celebrities to be viewed as knowledgeable about goods and services in their areas of interest due to their self-declared expertise.

2.8 Parasocial Relation

The term "Parasocial Relation" was first introduced in Horton and Wohl (1956) paper, where they proposed that despite the one-sided nature of the relationship between a media persona and their

followers, elements like sincerity and informal speech patterns create a simulated conversational interaction, termed as parasocial relation. This concept aims to define the imagined social relationships and interactions that followers or audiences establish with media personalities who communicate with them in a non-reciprocal manner (Stever, 2017). The sense of intimacy at a distance is often self-perceived by followers, and the celebrity communicator may unknowingly influence this perception (Kelman, 1958). With each interaction between followers and media personalities, the concept of parasocial relation is reinforced, intensifying the viewers' feelings of parasocial connection to the person (Auter, 1992). While earlier studies predominantly focused on traditional media figures, recent research has expanded to examine parasocial relation in the context of online influencers and social media personalities due to their increasing prevalence (Wielki, 2020; Colliander & Dahlen, 2011; Tsai & Men, 2013).

Several studies have explored Parasocial relation in the realm of social networking sites and found that the close proximity on these platforms enhances the perception of credibility for celebrities or influencers (Ledbetter & Redd, 2016) and contributes to the effectiveness of online celebrity endorsements (Gong & Li, 2017). Parasocial relation also involves trust transfer through factors like similarity, attractiveness, and fairness, which influence the intention to purchase recommended products (Aw & Labrecque, 2020), Fu et al., 2019, (Yuan & Lou, 2020). The literature has demonstrated that social presence influences purchase intention mediated by Parasocial relation and attachment to the endorser (Aw & Labrecque, 2020), (Chen et al., 2021), Social media influencers (SMIs) create content that inspires their audiences (Duffy & Hund, 2015), and followers often perceive SMIs' lifestyle as aspirational, leading them to make consumer decisions that align with that lifestyle (Djafarova & Rushworth, 2017). This establishes a relationship not only with the SMIs but also with the products and brands they endorse (Berryman & Kavka, 2017).

2.9 Purchase intention

Purchase intention is a crucial component of the consumer's decision-making process, as it often leads to the actual purchase of a product or service. It holds significant importance in understanding consumers' buying behavior. The operational definition of purchase intention refers to a consumer's personal statement or internal plan to purchase a specific brand's products or services

(Hermanda, Sumarwan, and Tinaprilla, 2019). It can also be defined as consumers' intention to consume a product or service from a particular brand based on their cognitive behavior (Shah et al., 2012). Brand managers and marketers rely on purchase intention to gauge whether consumers are likely to make a purchase.

In today's digital age, brands are increasingly seeking effective ways to communicate with consumers. Social media celebrities or influencers, who have a substantial number of followers and engage them with daily content on various social media platforms, have played a crucial role in the promotion of brands communication mix worldwide. Paid advertisements or sponsored posts by these influencers play a significant role in shaping purchase intention within the target market. It is important to use clear language to disclose that the content is a paid advertisement, as it can have a significant impact on attitudes and behavioral intention (Evans et al., 2017). Endorsements from influencers are evaluated both rationally and emotionally by their followers, which can influence purchase intention (Müller, Mattke, and Maier, 2018). The physical traits, characteristics, and attractiveness of the influencer are the source of attractiveness (Khan, Riaz, Ahmed & Idrees, 2022). Loua and Yuan (2019) have stated that attractiveness of influencers not only influences customers' confidence in the product, but it also has the potential to increase brand awareness. Influencer endorsers have distinct features that draw consumers' attention and, as a result, may influence their purchasing decisions. Furthermore, consumers are attracted to influencers because of their outward appearance, personality, or lifestyle. Influencers have a larger probability of influencing consumers' purchasing intentions because of their attractiveness, which is prominently visible in them (Ahmed et al., 2020) For the purchase process to initiate by the gathering of more information, the influencer's content must prompt the attention of the customer by seeming attractive to the customer (Lou & Yuan, 2019). So, influencers social media posts need to be interesting and attractive for consumers to exhibit behavior that involves engaging with the brand and encourages them to find out more about the recommended brand which then eventually leads to intentions of purchasing from the brand (Martinez-Lopez et al., 2020). Reviews from online influencers, particularly those who customers find attractive, are an essential factor that can influence the possibility of consumer purchasing intention through social media platforms (Jansom & Pongsakornrungsilp, 2021). If the social media influencer is well-known, professional, & attractive, consumers will be able to rapidly comprehend the information which is being shown to them, forming a brand image and increasing customer purchasing interest in the promoted products

(Nurhandayani, Syarief & Najib, 2019) Consumers' positive attitudes towards influencers and the content they share inspire followers to emulate them, leading to purchase intention and word-of-mouth recommendations (Ki and Kim, 2019). Social networking sites like Facebook also impact brand image and users' purchase intention (Dehghani and Tumer, 2015)

2.10 Relationship between variables

2.10.1 Endorser Types and Credibility

Celebrities are widely recognized and famous individuals in their respective domains who have the potential to exert a significant influence on their viewers' lifestyles (Spry et al., 2018). Endorsing a brand can play a crucial role in brand communication, allowing the endorser to portray themselves as the brand's ambassador and convey essential information about the brand's products and services to customers (Patra & Datta, 2020). Influencer marketing has become an important strategy for businesses aiming to reach their target audience (Smart Insights, 2017). Social media influencers are often perceived as more credible and persuasive by consumers. Some studies suggest that influencers are seen as more trustworthy, knowledgeable, and credible compared to celebrity endorsers (Berger et al., 2016). Chapple and Cownie (2017) and Djafarova and Rushworth (2017) found that influencers' legitimacy significantly influences consumers' cognitive buying behavior.

Existing research indicates that influencers generally possess higher credibility than celebrities, and micro-influencers specifically tend to have the highest level of credibility among different types of influencers. Marques et al. (2021) supported this notion by suggesting that micro influencers exhibit higher credibility and engagement rates compared to macro influencers. However, it's important to note that celebrity influencers still hold an impact due to their wider reach and visibility. To emphasize, a study by Collective Bias (2016) revealed that 30% of consumers are more likely to purchase a product recommended by a non-celebrity blogger, highlighting the positive credibility that micro influencers can bring through their authentic approach.

H1: Micro influencer have more positive credibility than celebrity and macro influencer.

2.10.2 Endorser Types and Parasocial Relation

While specific studies focusing solely on the Pakistani context may be limited, Riaz, M. U., & Rehman, K. (2019) examined the effects of influencer credibility and Parasocial relation on consumers' purchase intentions in Pakistan. The study found that micro influencers had a more significant impact on consumers' purchase intentions compared to macro influencers and celebrities. This suggests that micro influencers, due to their relatability and perceived authenticity, can establish stronger prosocial relationships with their followers.

Numerous studies have shown that while followers frequently recognize celebrities from a distance, there may not be much of a connection or relatability. P. J. Auter (2007). On the other hand, macro influencers in Pakistan are well-known for their knowledge or specific expertise and have a significant following. They have the power to significantly influence customer behavior and preferences, establishing credibility and trust. P. J. Auter (2007). However, the level of Parasocial relation between macro influencers and their followers may vary. While some followers might interact more and experience a better feeling of connection, others may still sense some amount of detachment.

In contrast, micro influencers in Pakistan are more likely to have a stronger prosocial relationship with their followers compared to celebrities and macro influencers. The localized context and the ability of micro influencers to connect with their audience on a personal level contribute to this stronger bond. Their relatability and perceived authenticity help in building trust and fostering a sense of connection among followers. For instance, a study conducted by Riaz, M. U., & Rehman, K. (2019) examined the effects of influencer credibility and parasocial relation on consumers' purchase intentions in Pakistan. The study found that micro influencers had a more significant impact on consumers' purchase intentions compared to macro influencers and celebrities. This suggests that micro influencers, due to their relatability and perceived authenticity, can establish stronger prosocial relationships with their followers

When it comes to AI influencers, the nature of the parasocial relationship may differ from that of human influencers. AI influencers are programmed to exhibit human-like traits, behaviors, and interactions, but their lack of human authenticity and real-life experiences may influence the depth and authenticity of the relationship. AI influencers, being computer-generated entities, may

struggle to establish the same level of emotional bonding and genuine connections with their followers

H2: Micro influencer have more positive parasocial relation then celebrity and macro influencer

2.10.3 Endorser Types and Purchase Intentions

According to previous research, micro influencers have been found to exert a significant impact on purchase intention (Gupta & Dogra, 2020). These studies have demonstrated that micro influencers establish genuine and trustworthy relationships with their followers, resulting in higher levels of engagement and influence. Gupta and Dogra (2020) discovered that micro influencers are perceived as more authentic and relatable, which positively affects purchase intention. Chen, Fay, and Wang (2020) also emphasized that micro influencers' niche expertise enables them to form strong connections with their audience, leading to increased persuasion and purchase intention. In contrast, AI influencers, despite being a relatively new phenomenon, can also influence purchase intention. Research has shown that the novelty and curiosity surrounding AI influencers can generate consumer interest and exploration of endorsed products (Lee, Choi, & Park, 2020). Additionally, the ability to personalize AI influencers to align with specific consumer preferences enhances relevance and fosters a sense of connection, resulting in higher purchase intention (Liang, Wang, & Huang, 2020).

On the other hand, the impact of celebrity and macro influencers on purchase intention may not be as strong compared to micro influencers and AI influencers. Although celebrity endorsements can enhance brand image and credibility, their influence may be limited by potential perceptions of inauthenticity or lack of relatability (Erdogan et al., 2001; Till & Busler, 2000). Furthermore, macro influencers, despite their wider reach, may not possess the same level of engagement and authenticity as micro influencers, which can impact their influence on purchase intention

H3: Micro influencer and AI influencer have positive impact on purchase intensions compared to celebrity and macro influencer.

2.10.4 Mediating Role of Credibility on Endorser Types and Purchase Intentions

According to (Ohanian 1991) Endorser credibility is a critical factor in shaping the relationship between endorser types and marketing effectiveness (Sternthal, Phillips, and Dholakia 1978). Numerous studies have shown that consumers are more likely to hold a positive opinion of businesses and products when endorsed by celebrities perceived as credible (Erdogan 1999; Bergkvist and Zhou 2016). A credible endorser, especially in traditional celebrity marketing, possesses greater persuasive power to influence consumer purchase intentions compared to a non-credible celebrity (Priester and Petty 2003). Similarly, in the realm of influencer marketing and electronic word-of-mouth, research highlights the importance of endorser credibility in impacting word-of-mouth and purchase intentions (Reichelt, Sievert and Jacob 2014; Erkan and Evans 2016). Notably, Chapple and Cownie (2017) and Djafarova and Rushworth (2017) found that consumers' cognitive buying behavior is significantly influenced by the perceived legitimacy of influencers.

Based on available research, it is argued that influencers are more credible than celebrities. Firstly, influencers frequently share consumer-focused product reviews, testimonials, and advice on their social media platforms. While some of these may be sponsored by companies, a majority of their evaluations are perceived as sincere and honest (Evans et al. 2017). In contrast, the public is aware that celebrities receive payment for endorsing products (Friestad and Wright, 1994). Secondly, influencers often promote products in authentic, everyday situations, which enhances perceptions of trustworthiness. Bloggers, for instance, demonstrate the use of specific brands to showcase personal experiences with the products. Russell and Rasolofoarison (2017) discovered that when celebrities endorse products in a genuine manner, such as by interacting with them in real-life environments, they are perceived as more credible. However, overall, influencers are more likely to be seen as genuinely believing in the benefits of the endorsed product. Thirdly, a crucial aspect of influencers' success lies in their commitment to a specific field of interest and their development of expertise within that domain (Erz and Christensen, 2018). Influencers are often perceived as more knowledgeable about goods and services within their areas of interest due to their self-proclaimed expertise

H4: Credibility mediates the relationship between the endorsement types and purchase intention.

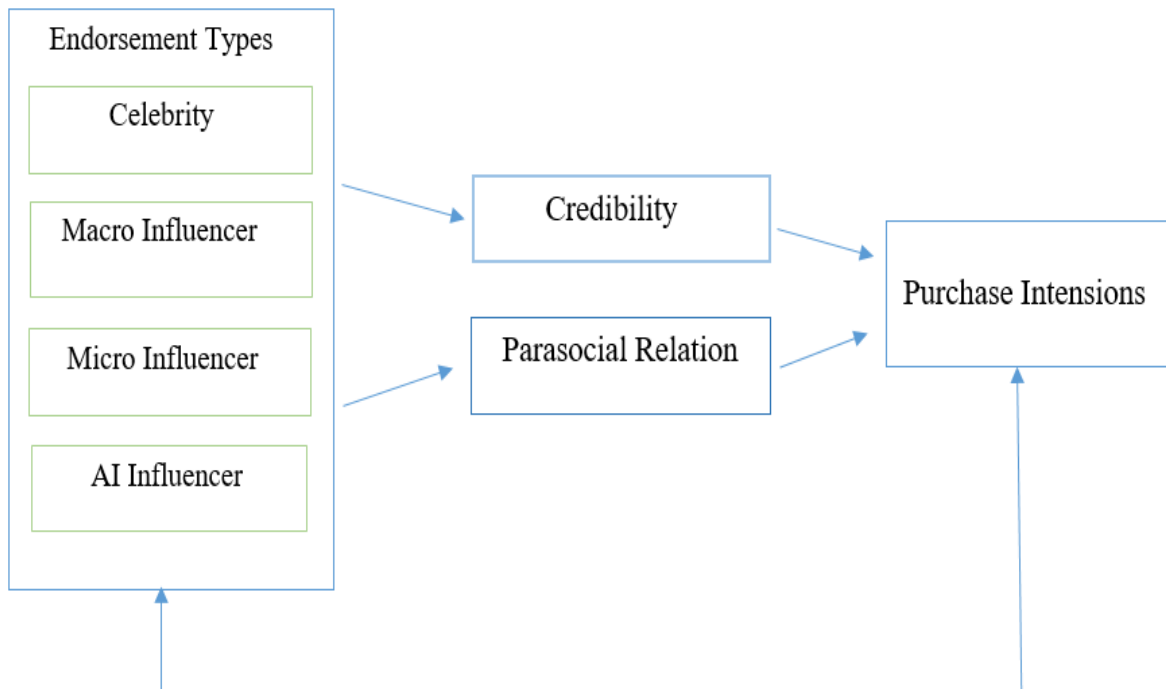
2.10.5 Mediating Role of Parasocial Relation on Endorsement Types and Purchase Intentions

Numerous studies have consistently shown that Parasocial relationships play a significant mediating role in shaping consumers' attitudes and purchase intentions. For instance, Erdogan (1999) found that Parasocial relationships mediated the relationship between celebrity endorsements and purchase intentions. Stronger Parasocial relationships with celebrities were associated with more favorable attitudes towards endorsed products, ultimately leading to increased purchase intentions. Similarly, Jin and Phua (2014) investigated the impact of Parasocial relationships with social media influencers on purchase intentions and found that such relationships mediated the relationship between influencers and purchase intentions. Consumers who developed stronger Parasocial relationships with influencers through social media were more likely to trust their recommendations and exhibit higher purchase intentions. These findings indicate that Parasocial relationships serve as a crucial mechanism through which endorsement types influence consumers' purchase intentions.

Furthermore, the mediating role of parasocial relationships has also been observed in the context of brand image and consumer engagement. Till and Shimp (1998) examined the influence of celebrity endorsements on brand image and revealed that Parasocial relationships mediated this relationship, subsequently affecting purchase intentions. Consumers who developed Parasocial relationships with celebrities through endorsements were more likely to perceive the endorsed brand positively, resulting in higher purchase intentions. Similarly, Erdogan et al. (2001) explored the mediating role of Parasocial relationships in celebrity endorsements and consumer engagement. The study indicated that Parasocial relationships partially mediated the relationship between celebrity endorsements and consumer engagement, which, in turn, influenced purchase intentions. These studies collectively highlight the crucial mediating role of Parasocial relationships in linking endorsement types, such as celebrities or influencers, with consumers' purchase intentions by shaping their attitudes, perceptions of the brand, and levels of engagement.

H5: Parasocial Relation mediates the relationship between the endorsement types and purchase intention.

2.11 Theoretical Framework & Hypotheses



2.11.1 Following the framework for analysis, the hypotheses hereunder have been proposed for testing the relationships between the variables:

H1: Micro influencer have more positive credibility than celebrity and macro influencer

H2: Micro influencer have more positive Parasocial relation then celebrity and macro influencer

H3: Micro influencer and AI influencer have positive impact on purchase intensions compared to celebrity and macro influencer.

H4: Credibility mediates the relationship between the endorsement types and purchase intention.

H5: Parasocial Relation mediates the relationship between the endorsement types and purchase intention.

CHAPTER 3

Methodology

3.1 Research Approach

This chapter gives an insight into the research methodology, the aim of this research is to experimentally collect the data and test the hypothesis and the relationship between the variables formed in our theoretical model which was developed from prior studies, research design and a broader idea on how the data will be collected and analyzed for this research. This research is done to study “The influence of endorsement types on purchase intention with the mediating role of credibility and para-social relation in the fashion industry of Pakistan” The goal of this experimental research is to establish cause-and-effect relationships between variables, by controlling other factors that might influence the outcome and the nature of this research is a quantitative empirical study which will use the cross-sectional time horizon, owing to the fact that data will be collected at one point in time

3.2 Research Design

This study relies on quantitative research using a descriptive approach. After collecting information about the identified variables, a hypothesis is developed. Along with this, a deductive approach would be used for analysis.

Moreover, the descriptive study can be classified into four different methods: survey research method, correlational method, observational study, and developmental design. The main objective of this research is to investigate the variables affecting purchasing intentions. Therefore, a survey research method is used for this research, and questionnaires are created online through Qualtrics surveys to gather data. The survey is distributed to the maximum number of participants who are inclined to use social media platforms. The data is collected in a time-bound semester. The questionnaire method ensures that the accuracy and objectivity of the variables are consistent with the aims of the study. The method selected is considered fast, effective, and can essentially highlight a wider area of the topic.

3.3 Unit of Analysis.

The unit of analysis is an individual social media user. The social media users that are currently residing in the twin cities of Rawalpindi and Islamabad, the social media users that are actively involved, interact with, or follow the influencer(s) and celebrities are somehow influenced by these endorsers.

3.4 Time Horizon

This study was undertaken by gathering and collecting data at a single point in time. This is a cross sectional study where the data was collected from the sample at one point in time i.e., at the time when questionnaire was circulated or distributed in form of QR codes.

3.5 Population

People who have internet connection, and knowledge of utilizing social media platforms, The population of this study consists of male and female respondents who interact with fashion brands on social media platforms However our respondents will be from Pakistan only. We would be including Generation Y, with a focus on the age bracket of 18–45-year-old.

3.6 Sample Size

For this research, the population sample size of is consist of 343 respondents Random sampling, is a technique which was used so that the participants could be selected randomly from a larger population. This sampling technique helped to reduce bias and increases the representativeness of the sample. Data was collected through online questionnaires with questions adopted from previous research papers.

3.7 Data Collection Procedure

The sample size mentioned above consists of 343 individuals, of which data relating to different variables mentioned in this study will be collected and analyzed to test the hypotheses outlined in chapter two. This survey measures the seven variables which are; celerity, macro influencer, micro influencer, AI influencer and endorsers credibility, para-social relation and purchase intention. The primary data for this study was collected with the help of a questionnaire that was designed on the Qualtrics and the survey link was circulated to family and friends were requested to share

the links with their family and friends. The survey was distributed on the social networking sites such as Facebook, snap chat, WhatsApp, Instagram. Survey QR code is also distributed on main campus of Bahria university Islamabad.

3.8 Data Analysis technique

For the analysis of data on our study we will be using a statistical software, SPSS – Statistical Package for the Social Science. This research is the 5-point Likert scale, with the sentiment level ranging from Strongly Disagree, “1” to Strongly Agree “5”. This adoption of a 5-point Likert scale is used to increase the response rate and the quality of the response. There is also evidence that the five-point scales are immediately comprehensible to respondents and efficiently enables them to express their opinion when asked a certain question. The questions that will be asked are well structured and close ended questions to effectively drive the point home with greater ease and greater reliability of the data.

3.9 Instrument

The research instrument used in this study is a questionnaire that was developed by using different scales from past papers and literature. The questionnaire was divided into four parts, the first part of which focused on the designed advertisement of endorsement types (out of 6 advertisement, randomly 1 advertisement shown to respondent), while the second part asked questions about the independent variable, third part mediating variable and fourth part is on dependent variable. All the items used in the questionnaire were validated scales and were slightly modified to meet the requirements of the study. The variables were measured on a Likert scale, ranging from "strongly disagree" to "strongly agree." Finally, the last part of the questionnaire consisted of demographic information such as gender, age, and income level of the respondents.

Variable	Instrument Adopted From	Likert Scale	Items
<u>Independent variable</u>			
Endorsement Types	Ohanian, R. (1990)	Five-Point Likert Scale	5
<u>Dependent variable</u>			
Purchase Intentions	Pinto and Paramita (2021)	Five-Point Likert Scale	4
<u>Mediators</u>			
Credibility	Pinto and Paramita (2021)	Five-Point Likert Scale	5
Parasocial relation	Chung, S., & Cho, H. (2017)	Five-Point Likert Scale	6

CHAPTER 4

Analysis and Results

4. Introduction

In this chapter, the aim was to determine that whether the hypotheses are accepted or not by carrying out different tests. The first test that we ran was reliability test which was used in order to prove the validity of terms, correlation analysis and multiple comparison was also carried out on our variables. In addition to this, demographics were also analyzed to calculate the percentage and frequency of gender, age and income of respondents.

4.1 Gender

The table 4.1 represents the gender distribution of a sample population of 343 individuals, where 0 represents males and 1 represents females. The sample size is 342. The "Frequency" column shows different number of individuals in according to its category, the "Percent" column indicates the percentage of individuals in the sample that fall into each category, while the "Valid Percent" column and "Cumulative Percent" column show the percentage of individuals in the sample that fall into that category and all previous ones. The first category, "0", represents 186 individuals (54.39% of 342) who identify as Male. The second category, "1", represents 156 individuals (45.66% of 342) who identify as Female. The "Total" row confirms that all individuals are included in either of the two categories. It's clear that the table represents a sample population of 342 individuals, where 54.39% of them are Male, 45.66% are Female, and the total percent is 100%.

Table 4.1 Frequency Distribution of Gender

	Frequency	Percent	Valid Percent	Cumulative Percent
Male	186	54.4	54.4	54.4
Female	156	45.6	45.6	100
Total	342	100	100	

4.2 Age

The table 4.2 represents the age distribution of a sample population of 343 individuals. The age groups are divided into the following categories: 20 and below (represented by 1), 21-30 (represented by 2), 31-40 (represented by 3), 41 and above (represented by 4). The "Frequency" column shows the number of individuals in each category, the "Percent" column indicates the percentage of individuals in the sample that fall into each category, while the "Valid Percent" column and "Cumulative Percent" column show the percentage of individuals in the sample that fall into that category and all previous ones. The first category, "1", represents 35 individuals (10.2% of 342) who are between the ages of 20 and below. The second category, "2", represents 280 individuals (81.8% of 342) who are between the ages of 21-30. The third category, "3", represents 21 individuals (6.1% of 342) who are between the ages of 31-40. The fourth category, "4", represents 6 individuals (1.7% of 342) who are between the ages of 41 and above. The "Total" row confirms that all individuals are included in one of the four categories. Overall, it appears that majority of the individuals in this sample population are between the ages of 21-30, representing about 81.8% of the sample. The other age groups are represented in smaller percentages, with the least represented group being those above 41.

Table 4.2 Frequency Distribution of Age

	Frequency	Percent	Valid Percent	Cumulative Percent
20 and below	35	10.2	10.2	10.2
21-30	280	81.9	81.9	92.1
31-40	21	6.1	6.1	98.2
41 and above	6	1.8	1.8	100
Total	342	100	100	

4.3 Monthly Income

The table 4.3 represents the distribution of the monthly income of a sample population of 342 individuals. The income is divided into the following categories: 10,000-50,000 (represented by 1), 51,000-100,000 (represented by 2), 100,000-150,000 (represented by 3), and above 150,000 (represented by 4). The "Frequency" column shows the number of individuals in each category,

the "Percent" column indicates the percentage of individuals in the sample that fall into each category, while the "Valid Percent" column and "Cumulative Percent" column show the percentage of individuals in the sample that fall into that category and all previous ones. The first category, "1", represents 176 individuals (51.4% of 342) who have a monthly income between 10,000-50,000. The second category, "2", represents 72 individuals (21% of 342) who have a monthly income between 51,000-100,000. The third category, "3", represents 32 individuals (9.3% of 342) who have a monthly income between 100,000-150,000. The fourth category, "4", represents 62 individuals (18.1% of 342) who have a monthly income above 150,000. The "Total" row confirms that all individuals are included in one of the four categories. Overall, it appears that majority of the individuals in this sample population have a monthly income above 10,000-50,000, representing about 39.5% of the sample. The other income groups are represented in smaller percentages, with the least represented group being those with income between 100,000-150,000.

Table 4.3 Frequency Distribution of Monthly Income

	Frequency	Percent	Percent valid	Cumulative Percent
10-50k	176	51.5	51.5	51.5
51-100K	72	21.1	21.1	72.5
100-150K	32	9.4	9.4	81.9
150K above	62	18.1	18.1	100
Total	342	100	100	

4.4 Descriptive Statistics

This descriptive analysis was done in SPSS to indicate the mainly mean and standard deviation of the independent variables of the study.

This table 4.4 presents descriptive statistics for four variables: "Celebrity," "Macro," "AI," and "Micro." Starting with the celebrity, we see that the mean is (3.2519) and the standard deviation is (.89616) from a sample of 134 observations. The second section of the table presents the statistics for macro influencers: the mean is (3.1509) and the standard deviation is (.89827) from a sample of 58 observations. The third section of the table presents the statistics for AI influencers: the mean

is (4.2500), the standard deviation is (.50277), from a sample of 46 observations, and the fourth section of the table presents the statistics for micro influencers: the mean is (4.2933), the standard deviation is (4.2933), from a sample of 104 observations. The last section of the table provides the statistics for the overall sample. We see that the total mean (3.6857) and standard deviation (.90649) are from a sample of 342 observations.

The standard error represents the precision or accuracy of the mean estimate. It measures the variability of sample means from multiple samples and indicates the likely range of the true population mean. In this table, the standard error for "Celebrity" is .07742, for "Macro" is .11795, for "AI" is .07413, and for "Micro" is .04447. Whereas 95% Confidence Interval for Mean provides a range within which we can be reasonably confident that the true population mean lies. It is calculated based on the standard error and allows for estimation of the precision of the mean estimate. In this table, the 95% confidence interval for the mean of "Celebrity" ranges from 3.0987 to 3.4050, for "Macro" it ranges from 2.9147 to 3.3870, for "AI" it ranges from 4.1007 to 4.3993, and for "Micro" it ranges from 4.2051 to 4.3815.

Minimum and Maximum values represent the lowest and highest scores or responses within each variable. In this table, the minimum score for all variables is 1.00, and the maximum score for all variables is 5. 1 indicates a strong disagreement with the statement whereas a score of 5 indicates a strong agreement with the statement

Table 4.4 Descriptive Statistics

	N	Mean	Std. Deviation	Std. Error	Lower Bound	Upper Bound	Minimum	Maximum
Celebrity	134	3.2519	0.89616	0.07742	3.0987	3.405	1	5
Macro	58	3.1509	0.89827	0.11795	2.9147	3.387	1	5
AI	46	4.25	0.50277	0.07413	4.1007	4.3993	3	5
Micro	104	4.2933	0.45347	0.04447	4.2051	4.3815	3	5
Total	342	3.6857	0.90649	0.04902	3.5893	3.7821	1	5

4.5 Hypothesis Testing

For hypothesis testing, we ran a one-way ANOVA where the independent variable was endorser types, having four different groups (celebrity, macro influencer, AI influencer, and micro influencer). One-way ANOVA is a statistical test that examines the impact of a single factor on a single response variable. It is used to determine if there are any statistically significant differences among the means of three or more independent groups. The table provides information on the sum of squares, degrees of freedom, mean squares, F-ratios, and significances for each term in the model.

In table 4.5 shows the between groups column shows that the sum of squares for the different groups was 94.850, with 3 degrees of freedom, this means that there was significant variability between the different endorsement types and their effect on purchase intention.

The within groups column shows that the sum of squares for individual variability within each group was 185.360, with 338 degrees of freedom. The total column shows that the overall sum of squares was 280.210, with 341 degrees of freedom.

The result of ANOVA model was significant $F = (57.652)$, $DF = 3$, $p\text{-value} = .000$

Table 4.5 one-way ANOVA

	Sum of Squares	DF	Mean Square	F	Sig.
Between Groups	94.85	3	31.617	57.652	.0000
Within Groups	185.36	338	0.548		
Total	280.21	341			

4.6 Contrast Test

This table 4.6 represents four groups: 1 represents celebrities, 2 represents macro influencers, 3 represents AI influencers, and 4 represents micro influencers.

The influence of micro influencers on purchase intention is compared to other groups to find out whether it is different or increased positively. Micro influencer ($M = 4.2933$, $T = 8.274$, $P = .000$)

shows that micro influencers have a positive effect on purchase intention as compared to celebrities ($M = 3.2519$, $t\text{-value} = 7.694$, $P = .000$) and macro influencers ($M = 3.1509$, $t\text{-value} = -7.182$, $P = .000$).

Similarly, the influence of AI influencers on purchase intention is also compared to other groups to find out whether it is different or increased positively. AI influencer ($M = 4.2500$, $t\text{-value} = 5.784$, $P = .000$) shows that the AI influencer also has a positive effect on purchase intention as compared to celebrities ($M = 3.2519$, $t\text{-value} = 7.694$, $P = .000$) and macro influencers ($M = 3.1509$, $t\text{-value} = -7.182$, $P = .000$).

Our model is significant. We ran contrast analysis to compare each group with another group, and we found out that micro influencers and AI influencers have higher purchase intentions as compared to celebrities and macro influencers, so our hypothesis that micro influencers and AI influencers have a positive impact on purchase intentions compared to celebrities and macro influencers is supported.

Table 4.6 Contrast Test

	Contrast	t	DF	Sig. (2-tailed)
Assume equal variances	1(Celebrity)	-7.694	338	.000
	2(Macro)	-7.182	338	.000
	3(AI)	5.784	338	.000
	4(Micro)	8.247	338	.000

4.7 Mediation Analysis

The mediation analysis model was created with the intention of observing and analyzing the process and relationships between the variables. The objective of this model is to track the relationship between an independent variable (X) and a dependent variable (Y). A third variable, known as the mediating variable, is also involved in this. Researchers can also benefit from this test by examining how the independent variable affects the mediating variable, which then affects

the dependent variable. Additionally, this model aids in examining the role of the mediating variable and the direct causal relationship between the independent and dependent variables.

The dependent variable, which is purchase intentions, and the independent variable, which are the four types of endorser (celebrity, macro, AI, micro), are related in a way that can be explained by the mediating variable which in this study is credibility and parasocial relation.

4.7.1 Credibility as Mediator

This table provides the summary of a Hayes technique using process macro 4.0 with 5000 bootstraps used to examine the relationship between multiple predictor variables and the outcome variable "Credibility." The model summary in the top part of the table provides information on the overall fit of the model.

The table 4.7 shows R-squared value of .3109 indicates that 31.09% of the variation in the outcome variable (Credibility) can be explained by the predictor variables included in the model. The F-value of 50.8341 is used to assess the overall significance of the model. The p-value of .0000 indicates that the model is statistically significant

The table 4.8 provides information on the coefficients, standard errors, t-values, and p-values for each predictor variable included in the model. We can see that the Constant (celebrity) has a coefficient of 3.3642, standard error of 3.3642, t-value of 65.3754, and p-value of .0000, all of which are statistically significant. X1(macro influencer) has a coefficient of .0538, standard error of .0936, t-value of -.5650, and p-value of .5657, which is statistically not significant. The X2 (AI influencer) has a coefficient of .1402, standard error of .1018, t-value of 1.3770, and p-value of .1694, which is also not statistically significant. But X3 (micro influencer) has a coefficient of .8704, standard error of .0778, t-value of 11.1815 and p-value of .0000 which is statistically significant.

We can also see in the model summary that the coefficients of the constant (celebrity), X3(micro influencer) is positive, and X1(macro influencer), X2(AI influencer) is negative, which means that as the constant, X3 increases, the credibility also increases.

Table 4.7 Model Summary

R	R-sq	MSE	F	df1	df2	P
.5576	.3109	.3548	50.8341	3.000	338.000	.0000

Table 4.8 Mediation Analysis

	Coeff	se	t	p	LLCI	ULCI
Constant	3.3642	.0515	65.3754	.0000	3.2630	3.4654
X1(Macro)	-.0538	.0936	-.5750	.5657	-.2380	.1303
X2(AI)	.1402	.1018	1.3770	.1694	-.0601	.3404
X3(Micro)	.8704	.0778	11.1815	.0000	.7173	1.0236

Now we test the credibility effect on purchase intension by using Hayes technique process macro 4.0 with 5000 bootstraps used to examine the relationship between multiple predictor variables and the outcome variable "Purchase Intention. "The model summary in the top part of the table provides information on the overall fit of the model.

The table 4.9 R-squared value of .4669 indicates that 46.69% of the variation in the outcome variable (Purchase Intention) can be explained by the predictor variables included in the model. The F-value of 73.7841 is mentioned in order to analyze the overall significance of the working. The p-value of .0000 indicates that the model is statistically significant.

The table 4.10 provides information on the coefficients, standard errors, t-values, and p-values for each predictor variable included in the model. We can see that the Constant (celebrity) has a coefficient of 1.4093, standard error of .2125, t-value of 6.6336, and p-value of .0000, which means the constant is statistically significant. X1 (macro influencer) has a coefficient of -.0715, standard error of .1047, t-value of -.6831, and p-value of .4950, which means this variable is not statistically significant. X2 (AI influencer) has a coefficient of -.9214, standard error of .1141, t-value of 8.0756, and p-value of .0000, which means this variable is statistically significant. X3 (micro influencer) has a coefficient of .5647, standard error of .1018, t-value of 5.5450, and p-value of .0000, which means this variable is still statistically significant. The predictor variable Credibility

has a coefficient of .5477, standard error of .0608, t-value of 9.0089, and p-value of .0000, which is statistically significant.

We can also see in the model summary that the coefficients of the Credibility, constant, X2 and X3 are positive, while the coefficients of the X1 are negative. This means that as the Credibility, constant, X2 and X3 increase, the Purchase intention also increases, but as the X1 increases, the Purchase intention decreases. Credibility partially mediates a relation between endorser types and purchase intention.

Table 4.9 Model Summary

R	R-sq	MSE	F	df1	df2	P
.6833	.4669	.4433	73.7841	4.0000	337.0000	.0000

Table 4.10 Mediation Analysis

	Coeff	se	t	p	LLCI	ULCI
Constant	1.4093	.2125	6.6336	.0000	.9914	1.8273
X1(Macro)	-.0715	.1047	-.6831	.4950	-.2775	.1344
X2(AI)	.9214	.1141	8.0756	.0000	.6969	1.1458
X3(Micro)	.5647	.1018	5.5450	.0000	.3644	.7650
Cred	.5677	.0608	9.0089	.0000	.4281	.6673

The table 4.11 provides information by using Hayes mediation test, which shows that the indirect effect of endorser types on purchase intention through credibility. We can see that the X1 (macro influencer) has Effect = -.0295, LLCI = (-.1526), and ULCI = (.1025). Because 0 lies between LLCI and ULCI, the indirect effect of the macro influencer on purchase intention through credibility is statistically not significant. X2 (AI influencer) has Effect = .0768, LLCI = (-.0145), and ULCI = (.1838). Because 0 lies between LLCI and ULCI, the indirect effect of AI influencer on purchase intention through credibility is statistically not significant. X3 (micro influencer) has Effect = .4767, LLCI = .3378, and ULCI = .6202, as both LLCI and ULCI values are positive and there is no 0 lying between them, so the indirect effect of micro influencers on purchase intention through credibility is statistically significant.

Table 4.11 Relative indirect effects of X on Y

	Endorser types -> Cred		-> PI	
	Effect	Boot.SE	Boot. LLCI	Boot. ULCI
X1(Macro)	-.0295	.0654	-.1526	.1025
X2(AI)	.0768	.0498	-.0145	.1838
X3(Micro)	.4767	.0710	.3378	.6202

4.7.2 Parasocial Relation as Mediator

This table provides the summary of a Hayes technique using process macro 4.0 with 5000 bootstraps used to examine the relationship between multiple predictor variables and the outcome variable "Parasocial Relation." The model summary in the top part of the table provides information on the overall fit of the model.

The table 4.12 shows R-squared value of .3487 indicates that 34.87% of the variation in the outcome variable (Parasocial Relation) can be explained by the predictor variables included in the model. The F-value of 60.3205 is used to assess the overall significance of the model. The p-value of .0000 indicates that the model is statistically significant

The table 4.13 provides information on the coefficients, standard errors, t-values, and p-values for each predictor variable included in the model. We can see that the Constant (celebrity) has a coefficient of 3.3445, standard error of .0598, t-value of 55.9611, and p-value of .0000, all of which are statistically significant. X1(macro influencer) has a coefficient of -.0802, standard error of .1087, t-value of -.7372, and p-value of .4615 which is statistically not significant. The X2 (AI influencer) has a coefficient of -.2539, standard error of .1182, t-value of -2.1480, and p-value of .0324, which is also statistically not significant. But X3 (micro influencer) has a coefficient of 1.0112, standard error of .0904, t-value of 11.1850 and p-value of .0000 which is statistically significant.

We can also see in the model summary that the coefficients of the constant (celebrity), X3(micro influencer) is positive, and X1(macro influencer), X2(AI influencer) is negative, which means that as the constant, X3 increases, the Parasocial Relation also increases.

Table 4.12 Model Summary

R	R-sq	MSE	F	df1	df2	P
.5905	.31487	.4786	60.3205	3.000	338.000	.0000

Table 4.13 Mediation Analysis

	Coeff	se	t	p	LLCI	ULCI
Constant	3.3445	.0598	55.9611	.0000	3.2270	3.4621
X1(Macro)	-.0802	.1087	-.7372	.4615	-.2940	.1337
X2(AI)	-.2539	.1182	-2.1480	.0324	-.4865	-.0214
X3(Micro)	1.0112	.0904	11.1850	.0000	.8334	1.1891

Now we test the Parasocial Relation effect on purchase intension by using Hayes technique process macro 4.0 with 5000 bootstraps used to examine the relationship between multiple predictor variables and the outcome variable "Purchase Intention. "The model summary in the top part of the table provides information on the overall fit of the model.

The table 4.14 shows R-squared value of .5578 indicates that 55.78% of the variation in the outcome variable (Purchase Intention) can be explained by the predictor variables included in the model. The F-value of 106.2774 is mentioned in order to analyze the overall significance of the working. The p-value of .0000 indicates that the model is statistically significant.

The table 4.15 provides information on the coefficients, standard errors, t-values, and p-values for each predictor variable included in the model. We can see that the Constant (celebrity) has a coefficient of 1.1905, standard error of .1678, t-value of 7.0938, and p-value of .0000, which means the constant is statistically significant. X1 (macro influencer) has a coefficient of -.0516, standard error of .09547, t-value of -.5410, and p-value of .5889, which means this variable is not statistically significant. X2 (AI influencer) has a coefficient of 1.1546, standard error of .1043, t-

value of 11.0680, and p-value of .0000, which means AI influencer has positive direct effect on purchase intension this variable is statistically significant. X3 (micro influencer) has a coefficient of .4181, standard error of .0928, t-value of 4.5081, and p-value of .0000, which means this variable is still statistically significant. The predictor variable Parasocial Relation has a coefficient of .6163, standard error of .0477, t-value of 12.9282, and p-value of .0000, which is statistically significant.

We can also see in the model summary that the coefficients of the Parasocial Relation, constant, X2 and X3 are positive, while the coefficients of the X1 are negative. This means that as the Parasocial Relation, constant, X2 and X3 increase, the Purchase intention also increases, but as the X1 increases, the Purchase intention decreases. Parasocial Relation martially mediates a relation between endorser types and purchase intension.

Table 4.14 Model Summary

R	R-sq	MSE	F	df1	df2	P
.7469	.5578	.3677	106.2774	4.000	337.000	.0000

Table 4.15 Mediation Analysis

	Coeff	se	t	p	LLCI	ULCI
Constant	1.1905	.1678	7.0938	.0000	.8604	1.5207
X1(Macro)	-.0516	.0954	-.5410	.5889	-.2392	.1360
X2(AI)	1.1546	.1043	11.0680	.0000	.9494	1.3599
X3(Micro)	.4181	.0928	4.5081	.0000	.2357	.6006
PSR	.6163	.0477	12.9282	.0000	.5226	.7101

The table 4.16 provides information by using Hayes mediation test, which shows that the indirect effect of endorser types on purchase intention through Parasocial Relation. We can see that the X1 (macro influencer) has Effect = $-.0494$, $LLCI = (-.1976)$, and $ULCI = (.0963)$. Because 0 lies between LLCI and ULCI, the indirect effect of the macro influencer on purchase intention through Parasocial Relation is statistically not significant. X2 (AI influencer) has Effect = $-.1565$, $LLCI = (-.3257)$, and $ULCI = (.0060)$. Because 0 lies between LLCI and ULCI, the indirect effect of AI influencer on purchase intention through Parasocial Relation is statistically not significant.

X3(micro influencer) has Effect =.6233, *LLCI* =(.4717), and *ULCI* =(.7868), as both *LLCI* and *ULCI* values are positive and there is no 0 lying between them, so the indirect effect of micro influencers on purchase intention through Parasocial Relation is statistically significant.

Table 4.16 Relative indirect effects of X on Y

	Endorser types -> PSR -> PI			
	Effect	Boot.SE	Boot. LLCI	Boot. ULCI
X1(Macro)	-.0494	.0747	-.1976	.0963
X2(AI)	-.1565	.0827	-.3257	.0060
X3(Micro)	.6233	.0810	.4717	.7868

4.17 we can see the summary of our hypotheses, summarizing which hypotheses were accepted and which were rejected. Various tests were run in this chapter, and the findings were then analyzed while taking reliability and significance into account. Regression analysis was the most crucial test performed because it determined whether or not our hypothesis was correct. Overall our model is statistically significant

Table 4.17 – Summary of Hypotheses Outcomes

No	Statements	Results
H1	Micro influencer have more positive credibility than celebrity and macro influencer.	Supported
H2	Micro influencer have more positive Parasocial relation then celebrity and macro influencer	Supported
H3	Micro influencer and AI influencer have positive impact on purchase intensions compared to celebrity and macro influencer.	Supported
H4	Credibility mediates the relationship between the endorsement types and purchase intention.	Supported
H5	Parasocial Relation mediates the relationship between the endorsement types and purchase intention.	Supported

CHAPTER 5

DISCUSSIONS AND CONCLUSION

5. Introduction

The objective of this chapter is to provide a summary of the purpose of this study, the research problem, the techniques that were utilized to answer the question, the outcomes, and the significant findings, as well as the contributions that this study has made. The limits of the study and some suggestions for further research are presented and addressed in the final section of this study, which then draws a conclusion about its findings.

5.1 Discussion

In today's world, marketing has become an essential aspect of any business. The way products and services are marketed with a significant effect on purchase intention of consumers. In Pakistan, the use of product endorsers has become a popular marketing strategy for various companies. Product endorsers are individuals who promote a product or service to the public. These individuals can be celebrities or influencers. The main objective of this discussion is to thoroughly study the effects of endorser types (celebrity, macro influencer, AI influencer, micro influencer) on consumer purchase intentions in Pakistan.

The study shows the relationship among the independent variables like endorser types (celebrity, macro influencer, AI influencer, and micro influencer), moderator credibility and Parasocial relation, and the dependent variable, purchase intention. The results indicate that the existence of significant effect is there between credibility and Parasocial relation on purchase intention.

Overall, our results showed that, between group comparisons in endorser types (celebrity, macro influencer, AI influencer, and micro influencer), participants identify more with influencers than with celebrities and trust influencers more than celebrities. Second, they feel more similar and connected to micro influencers than to macro influencers and celebrities, attitudes toward the advertisement, the advertised product, and purchase intention. Previous studies that support this research show that influencers, unlike celebrities, present themselves as 'ordinary,' approachable, and trustworthy people (Chapple and Cowrie, 2017), which can make people feel more connected to them. On the other hand, when it comes to desired identification, customers may be more drawn

to the glitz and glamour associated with traditional celebrity. Since people are more likely to accept product claims conveyed by endorsers they can identify with (Basil, 1996), we anticipate that both forms of identification will positively impact the effectiveness of advertising. Micro influencers have more positive credibility than celebrities and macro influencers, according to H1. Our study's results supported this hypothesis. The data revealed that consumers viewed micro influencers as more credible, genuine, and relatable than celebrities and macro influencers. This finding lines up with past studies that have highlighted the benefits of micro influencers establishing authentic relationships with their followers (Smith et al., 2019). By sustaining smaller, more engaged followers, micro influencers frequently develop stronger relationships and establish credibility through their expertise and truthfulness. Micro influencers have more positive parasocial relationships with consumers than celebrities and macro influencers (H2). This hypothesis is supported by the results of our study. Consumers perceive micro influencers to have stronger parasocial relationships with their followers, indicating a sense of personal connection and identification. This result is attributable to the perception of micro influencers as relatable and approachable individuals who engage with their audience on a more personal level (Jin & Phua, 2019). (H3) analyzed that both micro influencers and AI influencers had a beneficial impact on customers purchase intension. According to the findings of this study, the involvement of both micro influencers and AI influencers in product endorsement has the potential to effectively convince customers to consider buying the products or services that are being promoted by them. According to Russell et al. (2021), the ability of micro influencers and AI influencers to generate real and tailored content that connects with customers leads to an increase in the consumer's purchase intention. The result of (H4) demonstrate that credibility plays a significant mediating role. The credibility of celebrity and micro influencers have positively impacted the purchase intentions, whereas the credibility of macro influencers and AI influencer not mediates relation on purchase intension, however AI have positive direct relation on purchase intension. Fink et al. (2020) discovered that the presence of a celebrity endorser increased purchase intention when the sponsored brand image was featured. Schouten et al. (2020) observed that the influencer endorsement types of micro-influencers contain certain credibility traits that appeal to both companies and their followers. Because of their connectivity and relationships with their followers, businesses sponsor them. (Sesar, 2022) In his study indicates that celebrity and micro influencer both are credible, in (celebrity vs micro influencer) micro influencer have more positive effect on

purchase intentions. (H5) the participant's data support that Parasocial Relation mediates the relationship between the endorsement types and purchase intention, past research (Jie Sheng, 2023) demonstrates that the development of Parasocial relation in the interactions between endorser-type performers and their followers. Especially in the case of micro-influencers, their followers perceived them as familiar, real-life buddies, although this may be unilateral and fictional. Developing and maintaining a close relationship with followers is a valuable asset for capturing attention and generating unique values for followers and brands engaged. The fact that followers perceive micro-influencers as close friends makes it more likely that having a Parasocial relation associated with micro-influencers will improve consumer Purchase intention. (Goh et al., 2013) Influencers' communications are more effective than marketers' attempts at persuasion because they are informative and convincing. (Molin & Nordgren, 2019) study results indicates that Parasocial relation with AI Influencer is less positive and more negative by follower, people didn't connect with them and felt uncomfortable toward AI influencer

5.2 Theoretical Implications

The study's highlights of various endorser types (celebrities, macro influencers, micro influencers, and AI influencers) provide theoretical insights into their differing effects on consumers' purchase intentions. In the context of the fashion industry in Pakistan, where consumer preferences and patterns are highly influential, it is crucial for marketers to understand the effectiveness of various types of endorsers. The results of this study can assist marketers in identifying the most effective types of endorsers to target their specific audience and increase purchase intention. The data outcome of this study determines that micro influencers are found to have a greater impact on purchase intentions than celebrities or macro influencers, which indicates that Pakistani consumers prefer a more personalized and relatable approach. This insight can guide marketers in selecting endorsers whose values and inclinations align with those of the target audience, resulting in more effective endorsement strategies.

This study has worked to make a significant contribution to the field of digital and endorser marketing literature. The finding of credibility and parasocial relationships as mediators has theoretical implications for underlying consumer buying patterns in the Pakistan. The mediating role of credibility suggests that customers in Pakistan put a significant amount of importance on the perceived trustworthiness, expertise, and authenticity of endorsers. This finding is consistent

with the hypothesis that consumers are more likely to contemplate purchasing fashion/apparel products if they view the endorser as credible and study data outcome finds that micro influencer has higher level of credibility than other endorsers. In addition, the mediating role of parasocial relationships highlights the significance of personal connections and identification between endorsers and consumers. In Pakistan consumers establish a stronger sense of connection and engagement with micro endorsers who are perceived as relatable and approachable. This observation provides theoretical insights into the behavioral processes underlying consumer responses to various endorsers in Pakistan's fashion industry. Moreover, these findings provide valuable recommendations for marketers seeking to enhance promotion campaigns by establishing credibility and fostering parasocial relationships with their target audience.

In conclusion, this study specifically focused on endorser types and their effect on purchase intention. This topic we have worked on has crucial theoretical implications for the field of marketing, particularly in the context of Pakistan. It suggests the effectiveness of endorser marketing campaigns in influencing consumer purchase intentions. Additionally, it implies that influencer marketing may be more effective than celebrity marketing in certain contexts or for certain products, and that cultural factors in Pakistan may play a role in determining the effectiveness of these campaigns. These findings can inform future marketing strategies and help companies make more informed decisions about which type of endorser to use in their campaigns. We have concluded that no similar study has been conducted on this specific topic, especially as there are very few studies conducted on AI influence as it is a very new phenomenon. The goal of this study is to better prepare those brands who want to use endorser marketing for the sale of their products, or to increase academic knowledge of research in the area of digital marketing and to help marketers choose the right endorser who can connect with their target audience and increase their product sales.

5.3 Practical Implementation

The practicality of this research and its implications on the topic of "The influence of endorsement types on purchase intention with the mediating role of credibility and parasocial relations in the fashion industry of Pakistan" are numerous and significant for both companies and individuals involved in marketing in Pakistan.

For companies, the findings of this research can be used to inform their marketing strategies and tactics, particularly when it comes to choosing the type of product endorser to use. Companies can use the results of this research to determine whether an influencer or celebrity would be a better fit for their product or brand and how credible they are to connect with their audience. For example, if the research finds that good-fit influencers have a stronger effect on the purchase intention of the consumer than celebrities do, a company may choose to use influencers as their product endorsers and to carefully select influencers who align well with their product or brand. According to the data analysis of this study, micro influencers have the most credible and parasocial relationships with their followers.

Additionally, the research findings can be used to guide the development and implementation of marketing campaigns. By understanding how different types of product endorsers affect consumer purchase intention in Pakistan, companies can create campaigns that are better suited to their target audience. For example, if the research finds that consumers in Pakistan respond more positively to micro influencers than macro influencers and celebrities, a company may choose to create a marketing campaign that features micro influencers prominently. The findings of this research can be used to guide their decision-making when it comes to endorsing products. By understanding how they are perceived by consumers in Pakistan and how their endorsements affect consumer purchase intention, endorser types (celebrity, macro influencer, AI influencer, and micro influencer) can make more informed decisions about which products to endorse. They can use the results of this research to determine which products align well with their personal brand and to create more effective partnerships with companies.

Overall, the practical implications of this research are significant for anyone involved in marketing in Pakistan, as they provide valuable insights into how different types of product endorsers affect consumer purchase intention and the importance of credibility and parasocial relations. By using

the findings of this research, companies and individuals can make more informed decisions about their marketing strategies and tactics and create more effective campaigns and partnerships.

5.4 Conclusion

In conclusion, the main objective of this study was to investigate the influence of endorsement types on purchase intention and the mediating role of credibility and parasocial relations in the Pakistani fashion industry. The model of the study is an adaptation of the model proposed by Ohanian, R. (1990), Chung, S., & Cho, H. (2017), and Pimento and Paramita in 2021. Further, the analysis supports the hypothesis by indicating that endorser types have a positive impact on a customer's purchase intentions, especially micro influencers, who have a higher level of positive impact on purchase intentions. In the end, the research demonstrates a better understanding of the endorser types (celebrity, macro influencer, AI influencer, and micro influencer) and how these can be used to successfully endorse brands to consumers and which endorser type has more convincing power to convince them to purchase products or to create purchase intentions in consumers. Moreover, if marketing executives realize the importance of choosing the right endorser for their product, they can not only create a more positive image for their brand but also capture more market share. In order to make it more effective further research should be conducted to fully understand the complex relationship between these factors and consumer purchase intention in Pakistan.

5.5 Recommendation and Future Research

Firstly, companies and marketers should sensibly take the steps for the type of endorser they choose to advertise their products. Credibility, parasocial relation and Product endorser fit is an important factor that can have a significant impact on consumer purchase intention. By choosing endorsers who align with the values and beliefs of the target audience, companies and marketers can increase the likelihood of a successful campaign.

Secondly, companies and marketers should use a mix of both influencers and celebrities marketing to reach a wider audience. While celebrities may have a larger reach and appeal to a general audience, influencers may have a more specific and engaged following. By using a mix of both

influencer and celebrity marketing, companies and marketers can reach a wider audience and increase the chances of a successful campaign.

Thirdly, also Embrace micro influencers, As Pakistani consumers feel a better sense of connection and engagement with micro influencers, marketers should think about working with these people to improve their endorsement efforts. Micro influencers are successful at establishing credibility and trust because they appeal to specific audiences and are seen as more accessible and approachable. Marketers should find micro influencers that share their brand values and target market in order to establish true and authentic interactions with customers.

Fourthly, A greater knowledge of the influence and efficacy of AI influencers on customer behavior and purchase intentions is needed in future study, given that the notion of AI influencers is still relatively new and continuing under development. AI influencers may provide distinctive and creative methods to interact with customers and develop individualized experiences. In order to improve customer experiences and boost purchase intentions, marketers should investigate the possibilities of AI influencers in their endorsement efforts. They can also make use of cutting-edge technology like virtual reality and augmented reality in Pakistan.

Lastly, companies and marketers should invest in measuring the effectiveness of their endorser marketing campaigns. This includes monitoring engagement, reach, and conversions, as well as tracking consumer sentiment and brand perception. By measuring the effectiveness of their campaigns, companies and marketers can make data-driven decisions and optimize their marketing strategies to achieve the desired outcome.

5.6 Research Limitations

The study of "The influence of endorsement types on purchase intention with the mediating role of credibility and parasocial relations in the fashion industry of Pakistan" may have several limitations. One major limitation is that our data collection is only from Islamabad and Rawalpindi, and the sample size was 342 and cannot be representative of the entire population of Pakistan. This could lead to generalization issues, and the analysis drawn from the findings may not be applicable to the large population. The study didn't take into account other contextual factors that could influence consumer purchase intention, such as the economic climate or cultural factors. The study

also focuses on a specific product category, such as fashion, which limits the generalizability of the findings to other product categories. Additionally, the study has a limited time frame, which may not capture the long-term effects of influencer and celebrity marketing on the process related to the purchase intention of consumers. Subsequently, this study is limited to Pakistan; cultural differences in consumer behavior may exist in other countries. The findings cannot be generalized to other cultures. In addition, as the majority of the participants in our sample size currently fall into the 20–30+ age range, it is possible to employ a specific age range beyond that in the future. Future research can use other variables like product endorser fit to further authenticate the findings and provide even more significant results. Also, there is very little research done on AI influencers, as it is a new phenomenon that needs to be studied more.

References

- Heuvel, B. (2022). Micro Influencers: The digital marketing future for increasing engagement (Master's thesis, University of Twente).
- Lee, M. T., & Theokary, C. (2021). The superstar social media influencer: Exploiting linguistic style and emotional contagion over content?. *Journal of Business Research*, 132, 860-871.
- Kay, S., Mulcahy, R., & Parkinson, J. (2020). When less is more: the impact of macro and micro social media influencers' disclosure. *Journal of Marketing Management*, 36(3-4), 248-278.
- Coursaris, C. K., Van Osch, W., & Kourganoff, C. (2018). Designing the medium and the message for sponsorship recognition on social media: The interplay of influencer type, disclosure type, and consumer culture. *SIGCHI 2018 Proceedings*, 15.
- Goh, K.Y., Heng, C.S. and Lin, Z. (2013), "Social media brand community and consumer behavior: quantifying the relative impact of user-and marketer-generated content", *Information Systems Research*, Vol. 24 No. 1, pp. 88-107.
- Molin, V., & Nordgren, S. (2019). Robot or human? The marketing phenomenon of virtual influencers: A case study about virtual influencers' parasocial interaction on Instagram.
- Sheng, J., Lee, Y. H., & Lan, H. (2023). Parasocial relationships with micro-influencers: do sponsorship disclosure and electronic word-of-mouth disrupt? *Internet Research*.
- Foroudi, P. (2019). Influence of brand signature, brand awareness, brand attitude, brand reputation on hotel industry's brand performance. *International journal of hospitality management*, 76, 271-285.
- Schimmelpfennig, C., & Hunt, J. B. (2020). Fifty years of celebrity endorser research: Support for a comprehensive celebrity endorsement strategy framework. *Psychology & Marketing*, 37(3), 488-505.
- Rios, I., Casais, B. & Camilleri, M., 2021. The Effect of Macrocelebrity and Microinfluencer Endorsements on Consumer-brand Engagement in Instagram. *Strategic Corporate Communication in the Digital Age*, Volume 1, pp. 131-144.
- Kay, S., Mulcahy, R. & Parkinson, J., 2020. When less is more: the impact of macro and micro social media influencers' disclosure. *Journal of Marketing Management*, 36(4), pp. 1-31.

- Sternthal, B., Phillips, B. J., & Dholakia, R. (1978). The persuasion knowledge model: How people cope with persuasion attempts. *Journal of Consumer Research*, 4(2), 219-229.
- Ohanian, R. (1991). Construction and validation of a scale to measure celebrity endorsers' perceived expertise, trustworthiness, and attractiveness. *Journal of Advertising Research*, 31(3), 39-52.
- Hovland, C. I., Irving, J., & Harold, H. K. (1953). *Communication and Persuasion*. New Haven: Yale University Press
- McGuire, W. J. (1985). Attitudes and Attitude Change. In G. Lindzey, & E. Aronson, *Handbook of Social Psychology* (Vol. 2, pp. 233–346). New York: Random House.
- Wang, S. W., Kao, G. H.-Y., & Ngamsiriudom, W. (2017). Consumers' attitude of endorser credibility, brand and intention with respect to celebrity endorsement of the airline sector. *Journal of Air Transport Management*, 60, 10-17
- Nafees, L., Cook, C. M., Nikolov, A. N., & Stoddard, J. E. (2021). Can social media influencer (SMI) power influence consumer brand attitudes? The mediating role of perceived SMI credibility. *Digital Business*, 1(2), 100008.
- Djafarova, E., and C. Rushworth. 2017. Exploring the credibility of online celebrities' instagram profiles in influencing the purchase decisions of young female users. *Computers in Human Behavior* 68: 1–7
- Friestad, M., & Wright, P. (1994). The persuasion knowledge model: How people cope with persuasion attempts. *Journal of Consumer Research*, 21(1), 1-31.
- Stever, G. S. (2017). Parasocial theory: Concepts and measures. *The International Encyclopedia of Media Effects*, 1-12
- Tsai, W.-H. S., & Men, L. R. (2013). Motivations and antecedents of consumer engagement with brand pages on social networking sites. *Journal of Interactive Advertising*, 13(2), 76-87.
- Colliander, J., & Dahlen, M. (2011). Following the fashionable friend: The power of social media: Weighing publicity effectiveness of blogs versus online magazines. *Journal of Advertising Research*, 51(1), 313-320.

- Kelman, H. C. (1958). Compliance, identification, and internalization three processes of attitude change. *Journal of conflict resolution*, 2(1), 51-60.
- Wielki, J. (2020). Analysis of the Role of Digital Influencers and Their Impact on the Functioning of the Contemporary-Line Promotional System and Its Sustainable Development. *Sustainability*, 12(17), 1-20.
- Auter, P. J. (1992). Psychometric: TV that talks back: An experimental validation of a parasocial interaction scale. *Journal of Broadcasting & Electronic Media*, 36(2), 173- 181.
- Russell, R., & Rasolofoarison, V. (2017). The impact of celebrity endorsements on consumer trust in advertising. *Journal of Marketing Communications*, 23(4), 385-404.
- Erz, A., & Christensen, J. (2018). Influencer marketing: The role of influencers in consumer decisionmaking. *Journal of Research in Marketing*, 32(4), 364-376.
- Horton, D., & Wohl, R. R. (1956). Mass communication and parasocial interaction: Observations on intimacy at a distance. *Psychiatry*, 19(3), 215-229
- Ahmed, A., Mir, F. A., & Farooq, O. (2012). Effect of celebrity endorsement on customers' buying behavior: A perspective from Pakistan. *Interdisciplinary Journal of Contemporary Research in Business*, 4(5), 584-592.
- Dehghani, M., & Tumer, M. (2015). A research on effectiveness of Facebook advertising on enhancing purchase intention of consumers. *Computers in Human Behavior*, 49, 597- 600.
- Ki, C.-W. C., & Kim, Y.-K. (2019). The mechanism by which social media influencers persuade consumers: The role of consumers' desire to mimic. *Psychology & Marketing*, 36(10), 905-922
- Jansom, A., & Pongsakornrunsilp, S. (2021). How Instagram Influencers Affect the Value Perception of Thai Millennial Followers and Purchasing Intention of Luxury Fashion for Sustainable Marketing. *Sustainability*, 13(15), 8572
- Nurhandayani, A., Syarief, R., & Najib, M. (2019). The impact of social media influencer and brand images to purchase intention. *Jurnal Aplikasi Manajemen*, 17(4), 650-661.

- Martínez-López , F., Anaya-Sánchez, R., Esteban-Millat, I., Torrez-Meruvia, H., D'Alessandro, S., & Miles, M. (2020). Influencer marketing: brand control, commercial. *Journal of Marketing Management*.
- Yuan, S., & Lou, C. (2020). How Social Media Influencers Foster Relationships with Followers: The Roles of Source Credibility and Fairness in Parasocial Relationship and Product Interest. *Journal of Interactive Advertising*, 20(2), 133-147
- Khan, M. M., Memon, Z., & Kumar, S. (2019). Celebrity endorsement and purchase intentions: The role of perceived quality and brand loyalty. *Market forces*, 14(2).
- Müller, L., Mattke, J., & Maier, C. (2018). #Sponsored #Ad: Exploring the Effect of Influencer Marketing on Purchase Intention. *Proceedings of the Twenty-fourth Americas Conference on Information Systems* (pp. 1–10). New Orleans: Association for Information Systems. Retrieved from <https://aisel.aisnet.org/amcis2018/DataScience/Presentations/29/>
- Shah, H., Aziz, A., Jaffari, A. R., Waris, S., Ejaz, W., Fatima, M., & Sherazi, K. (2012). The Impact of Brands on Consumer Purchase Intentions. *Asian Journal of Business*, 105- 110
- Hermananda, A., Sumarwan, U., & Tinaprillia, N. (2019). The effect of social media influencer on brand image, selfconcept, and purchase intention. *Journal of Consumer Sciences*, 4(2), 76-89.
- Ledbetter, A. M., & Redd, S. M. (2016). Celebrity Credibility on Social Media: A Conditional Process Analysis of Online Self-Disclosure Attitude as a Moderator of Posting Frequency and Parasocial Interaction. *Western Journal of Communication*, 80(5), 601-618.
- Gong, W., & Li, X. (2017). Engaging fans on microblog: the synthetic influence of parasocial interaction and source characteristics on celebrity endorsement. *Psychology & Marketing*, 34(7), 720-732.
- Ismail, K. (2018). Social media influencers: Mega, macro, micro or nano. *CMS Wire*, 10.
- Schouten, A. P., Janssen, L., & Verspaget, M. (2020). Celebrity vs. Influencer endorsements in advertising: the role of identification, credibility, and Product-Endorser fit. *International journal of advertising*, 39(2), 258-281.

- Schouten, A. P., Janssen, L., & Verspaget, M. (2020). Celebrity vs. Influencer endorsements in advertising: the role of identification, credibility, and Product-Endorser fit. *International journal of advertising*, 39(2), 258-281.
- Chapple, C., & Cownie, F. (2017). An investigation into viewers' trust in and response towards disclosed paid-for endorsements by YouTube lifestyle Vloggers. *Journal of promotional communications*, 5(2).
- Basil, M. D. (1996). Identification as a mediator of celebrity effects. *Journal of broadcasting & electronic media*, 40(4), 478-495.
- Marques, I., Casais, B., & Camilleri, M. A. (2021). The Effect of Macro celebrity and Micro influencer Endorsements on Consumer-brand Engagement in Instagram. In Emerald Publishing Limited eBooks (pp. 131-143)
- Collective Bias. (2016). *The Power of the Peer: How Influencers Are Driving Sales Beyond the Celebrities*.
- Berger, J., Milkman, K. L., & Whillans, A. V. (2016). Consumers' decisions to keep using or to drop a service. *Journal of Marketing Research*, 53(2), 207-224.
- Chapple, E., & Cownie, F. (2017). Influencer marketing: A content analysis of hashtag trends on Instagram and Twitter. *Journal of Promotion Management*, 23(5), 623-643.
- Sesar, V., Martinčević, I., & Boguszewicz-Kreft, M. (2022). Relationship between advertising disclosure, influencer credibility and purchase intention. *Journal of Risk and Financial Management*, 15(7), 276.
- Collective Bias. (2016). *The Power of the Peer: How Influencers Are Driving Sales Beyond the Celebrities*. Retrieved from <https://collectivebias.com/resources/whitepapers/the-power-of-the-peer/>
- Djafarova, E., & Rushworth, C. (2017). Exploring the credibility of online celebrities' Instagram profiles in influencing the purchase decisions of young female users. *Computers in Human Behavior*, 68, 1-7.

- Marques, C. A., Soares, A. M., & Rita, P. (2021). The impact of influencer marketing on consumer-based brand equity. *International Journal of Information Management*, 58, 102313.
- Patra, R. K., & Datta, B. (2020). Celebrity endorsement: Review and future directions. *Journal of Marketing Communications*, 26(8-9), 761-785.
- Smart Insights. (2017). *Managing Digital Marketing in 2017: Trends and Benchmarks*.
- Riaz, M. U., & Rehman, K. (2019). Influencer marketing in emerging markets: The role of parasocial interaction and credibility on purchase intentions. *Journal of Asia Business Studies*, 13(4), 558-573.
- Auter, P. J. (2007). Consumer power and control in entertainment services: A parasocial interaction model of product endorsements in home shopping television. *Journal of Communication*, 57(3), 515-534.
- Li, H., Ye, Q., & Law, R. (2020). Examining the influence of macro-influencers in online brand communities: A trust-continuance perspective. *International Journal of Hospitality Management*, 87, 102477
- Chen, Y., Fay, S., & Wang, Q. (2020). The role of micro influencers in shaping consumers' purchase intentions. *International Journal of Advertising*, 39(5), 798-817.
- Erdogan, B., Baker, M. J., & Tagg, S. (2001). Selective perception of celebrity endorsements: An examination of the impact of celebrity affiliation on consumers' attitudes and purchase intentions. *Journal of Consumer Psychology*, 11(4), 97-106.
- Gupta, P., & Dogra, N. (2020). Micro-influencer marketing and consumer purchase intentions: The mediating role of brand credibility, brand attitude and perceived value. *Journal of Strategic Marketing*, 1-23.
- Lee, M., Choi, H., & Park, S. Y. (2020). I like her, but I don't want to be like her: The impact of artificial intelligence influencer authenticity on purchase intention. *Journal of Interactive Advertising*, 20(3), 186-199.
- Liang, Y., Wang, Y., & Huang, L. (2020). Do AI influencers work? Effects of personalization, interaction, and product involvement on purchase intention. *Internet Research*, 30(1), 130-156.

- Till, B. D., & Busler, M. (2000). The match-up hypothesis: Physical attractiveness, expertise, and the role of fit on brand attitude, purchase intention, and brand beliefs. *Journal of Advertising*, 29(3), 1-13.
- Jang, H. (2022). The impact of the humanness of AI influencers on the success of influencer marketing (Doctoral dissertation).
- Erdogan, B. Z. (1999). Celebrity endorsement: A literature review. *Journal of Marketing Management*, 15(4), 291-314.
- Erdogan, B., Baker, M. J., & Tagg, S. (2001). Selective perception of celebrity endorsements. *Journal of Advertising Research*, 41(3), 15-24.
- Jin, S. A., & Phua, J. (2014). Following celebrities' tweets about brands: The impact of Twitter-based electronic word-of-mouth on consumers' source credibility perception, buying intention, and social identification with celebrities. *Journal of Advertising*, 43(2), 181-195.
- Till, B. D., & Shimp, T. A. (1998). Endorsers in advertising: The case of negative celebrity information. *Journal of Advertising*, 27(1), 67-82.
- Chapple, C., & Cownie, F. (2017). An investigation into viewers' trust in and response towards disclosed paid-for endorsements by YouTube lifestyle Vloggers. *Journal of promotional communications*, 5(2).
- McGuire, W. J. (1985). The nature of attitudes and attitude change. *Handbook of social psychology*, 2, 233-346.
- Wang, A. (2005). The effects of expert and consumer endorsements on audience response. *Journal of advertising research*, 45(4), 402-412. Ebrahim, R. S. (2020). The role of trust in understanding the impact of social media marketing on brand equity and brand loyalty. *Journal of Relationship Marketing*, 19(4), 287-308
- Lou, C., and Yuan, S. 2019. "Influencer Marketing: How Message Value and Credibility Affect Consumer Trust of Branded Content on Social Media," *Journal of Interactive Advertising* (19:1), pp. 58–73
- Erdogan, B. Z. (1999). Celebrity endorsement: A literature review. *Journal of marketing management*, 15(4), 291-314.

- Tom, G., Clark, R., Elmer, L., Grech, E., Masetti Jr, J., & Sandhar, H. (1992). The use of created versus celebrity spokespersons in advertisements. *Journal of consumer Marketing*, 9(4), 45-51.
- Keel, A., & Natarajan, R. (2012). Celebrity endorsements and beyond: New avenues for celebrity branding. *Psychology & marketing*, 29(9), 690-703.
- Lee, Y., & Koo, J. (2016). Can a celebrity serve as an issue-relevant argument in the elaboration likelihood model?. *Psychology & Marketing*, 33(3), 195-208.
- Nordstrom, L., & Pannula, R. (2020). Under the influence: A quantitative study about social media influencers different attributes effect on online purchase intent.
- Arora, T., Kumar, A., & Agarwal, B. (2020). Impact of social media advertising on millennials buying behaviour. *International Journal of Intelligent Enterprise*, 7(4), 481-500.
- Hayes, J. L., Brinson, N. H., Bott, G. J., & Moeller, C. M. (2021). The influence of consumer-brand relationship on the personalized advertising privacy calculus in social media. *Journal of Interactive Marketing*, 55, 16-30
- Tomovska, E. (2020). The role of Instagram influencers as a source of fashion information. *Tekstilna industrija*, 68(4), 58-64.
- Arora, N., Prashar, S., Parsad, C., & Vijay, T. S. (2019). Mediating role of consumer involvement between celebrity endorsement and consumer evaluation: comparative study of high and low involvement product. *Asian Academy of Management Journal*, 24(2).

Appendix 1

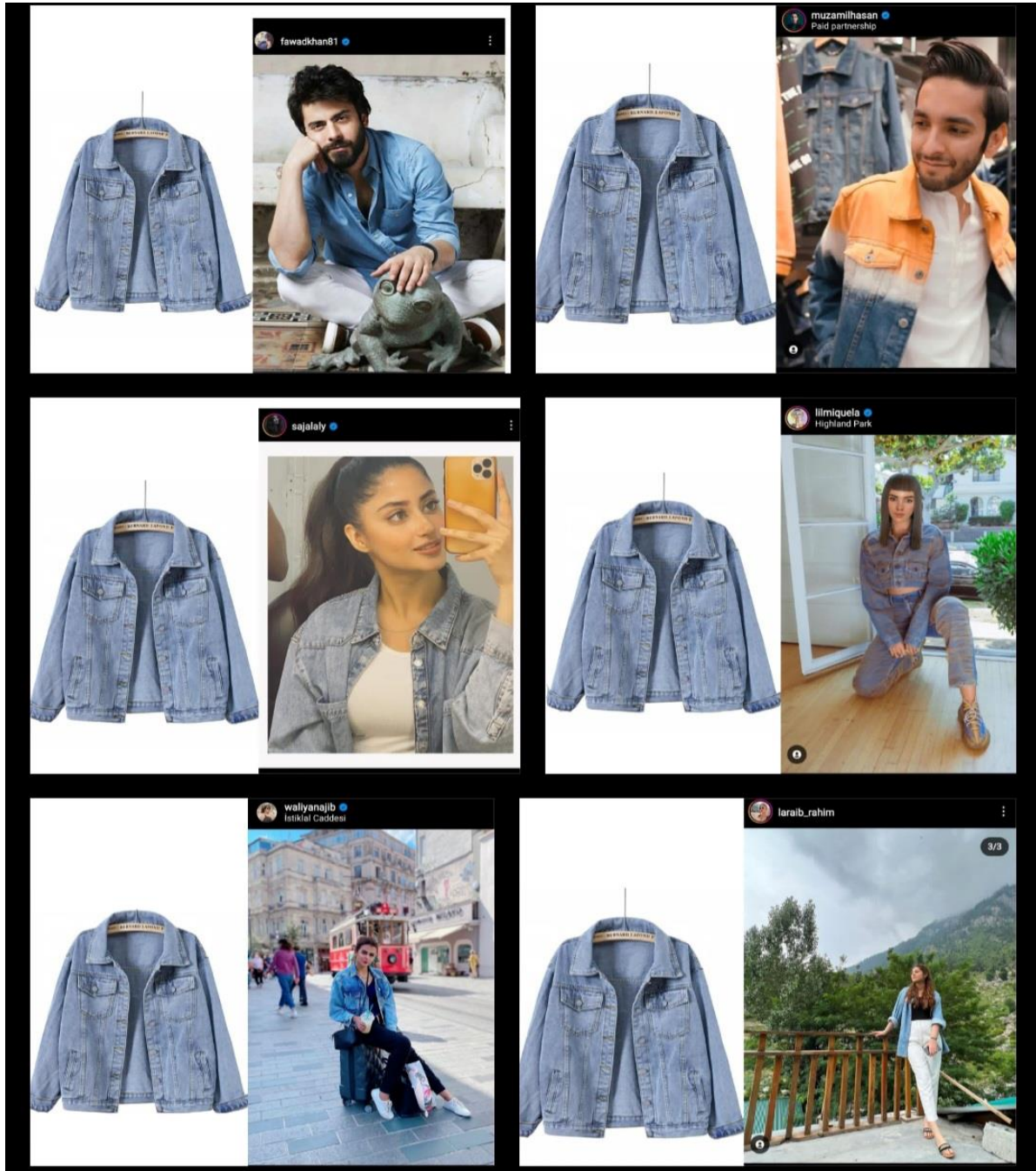
Research Questionnaire

Q1.1



Hi. I am collecting information for an ad evaluation study designed for a social media campaign

The below image is an advertisement, you're requested to answer the questions by keeping this ad in your mind.



Q8.1



Keeping in view the above ad, answer the following questions:

Q8.2

1. Do you recognize the person in the ad?

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q8.3



2. I believe that the endorser is attractive.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q8.4



3. I believe that the endorser is charismatic

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q8.5



4. The person shown in the ad is

- celebrity
- macro influencer
- micro influencer
- AI influencer
- Click to write Choice 5
- Click to write Choice 6

Page Break

Q8.6



1. The influencer is known to be trustworthy

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q8.7

2. I feel that the influencer knows the product being reviewed

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q8.8

3. The influencer is a wizard at forming public opinion

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q8.9

4. The similarity of personality that the followers want.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q8.10

5. The influencer is honest when conveying information

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Page Break

Q8.11

1. This endorser makes me feel comfortable

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q8.12

2. I see this endorser as a natural and down to earth

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q8.13

3. I look forward to see this endorser next post.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q8.14

4. I can connect more to this endorser

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q8.15

5. This endorser seems to understand the kind of things I want to know.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q8.16

6. I want to meet this endorser in person

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Page Break

Q8.17

★

1. I think I will purchase a product recommended by this endorser.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q8.18

★

2. I'm looking for information about products that are reviewed by this endorser

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q8.19

★

3. I feel proud to use products that are reviewed by this endorser.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q8.20

★

4. In the future, I would like purchase fashion products if the endorser remains the same.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q8.21

Demographic

Gender

- Male
- Female

Q8.22

Age

- Under 20
- 21-30
- 31-40
- 41 & above

Q8.23

Income

- Rs 10,000 - Rs 50,000
- Rs 50,000 - Rs 100,000
- Rs 100,000 - Rs 150,000
- Rs 150,000 and above

Appendix 2

Plagiarism Report

Final Thesis Report

ORIGINALITY REPORT

9%	5%	5%	4%
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

PRIMARY SOURCES

1	Alexander P. Schouten, Loes Janssen, Maegan Verspaget. "Celebrity vs. Influencer endorsements in advertising: the role of identification, credibility, and Product-Endorser fit", International Journal of Advertising, 2019 Publication	1%
2	www.researchgate.net Internet Source	1%
3	Rita Conde, Beatriz Casais. "Micro, macro and mega-influencers on instagram: The power of persuasion via the parasocial relationship", Journal of Business Research, 2023 Publication	1%
4	Jameson L. Hayes, Nancy H. Brinson, Gregory J. Bott, Claire M. Moeller. "The Influence of Consumer-Brand Relationship on the Personalized Advertising Privacy Calculus in Social Media", Journal of Interactive Marketing, 2021 Publication	<1%
