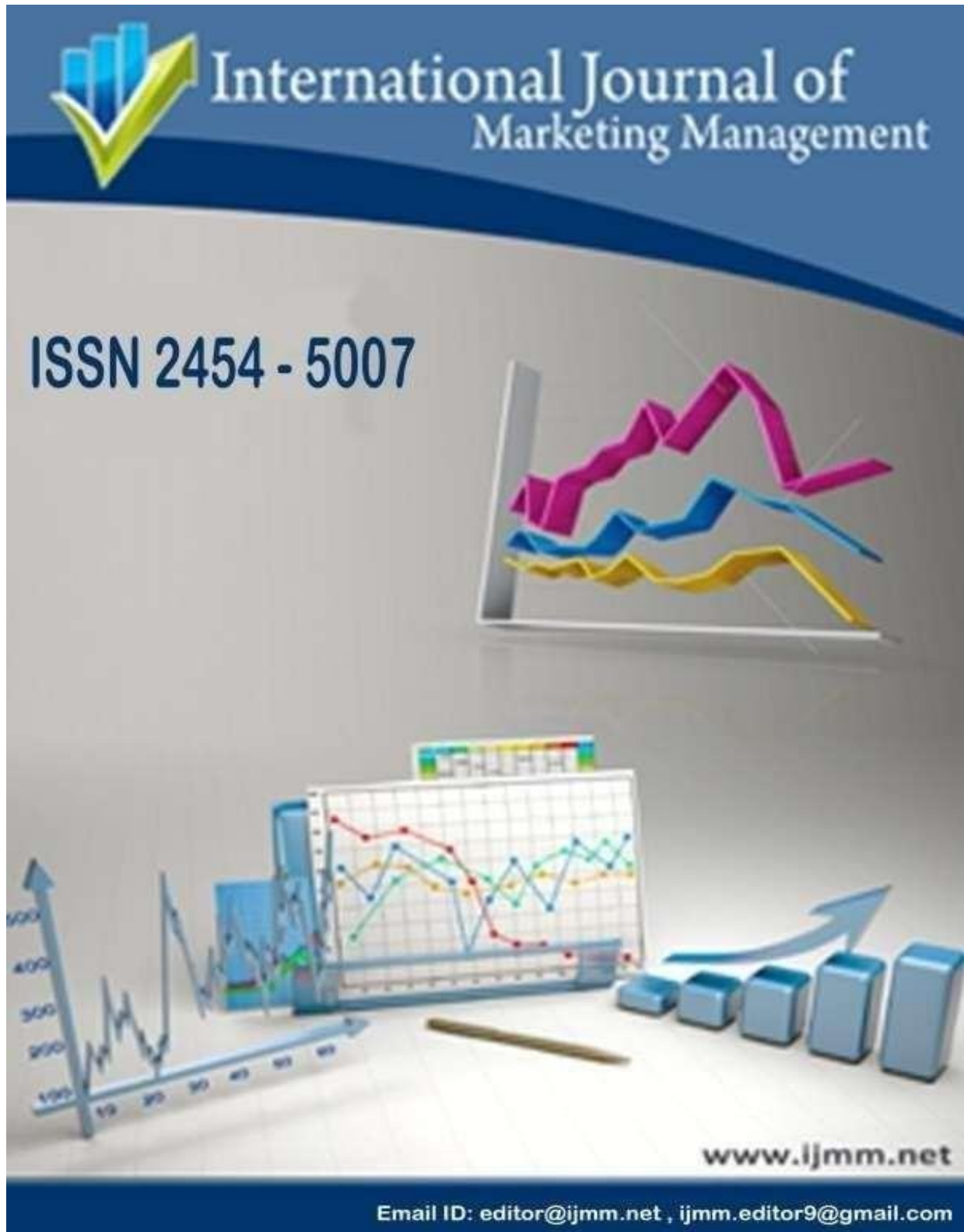




A STUDY ON RISE OF INFLUENCER LEAD E-COMMERCE MODELS WITH SPECIAL REFERENCE TO COIMBATORE CITY

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ABSTRACT

The rise of social media has given birth to a new form of marketing influencer lead e-commerce which has significantly reshaped consumer buying behaviour. Influencers, with their strong online presence and loyal followers, have become key players in promoting products and services, especially through platforms like Instagram, YouTube, and Facebook. This study aims to explore the impact of influencers on consumer purchasing decisions and the growth of e-commerce models driven by influencer marketing, with a focus on Coimbatore city.

KEYWORDS:

Consumer Behaviour, Digital Marketing, Brand Visibility.

INTRODUCTION

The digital age has brought a profound shift in consumer behaviour and marketing strategies, giving rise to revolutionary models that blend social influence with online retail. Prominently among these, influencer-led e-commerce has

emerged as a transformative force, reshaping how products and services are discovered, endorsed, and ultimately purchased across India. This model leverages the credibility and engagement of social media personalities and content creators, who, with their loyal followers, act as powerful intermediaries between brands and consumers, driving sales and enhancing brand visibility. This rising trend is redefining the very essence of consumer experience, moving away from traditional mass messaging to a more authentic, relatable, and community driven approach. In a landscape where digital connections are paramount, consumers increasingly turn to trusted influencers who often feel more like friends than advertisers for product recommendations and purchasing guidance. From captivating unboxing videos and honest reviews to interactive live shopping sessions and co-created product lines, influencers are not just promoting items; they are building trust, fostering communities, and transforming content into commerce.

In cities like Coimbatore, the rapid expansion of internet penetration, coupled with the increasing popularity of social media platforms and the rise of local vernacular influencers, has created fertile ground for influencer lead e-commerce to flourish. This study, titled "A Study On Rise Of Influencer Lead E-Commerce Models With Special Reference To Coimbatore City," delves into this compelling phenomenon, exploring its evolution, impact, and challenges, particularly within the context of Coimbatore's unique consumer dynamics. By examining how local consumers perceive influencer recommendations and how businesses leverage this model for digital growth, this research aims to provide timely insights into a key driver of modern e-commerce in India.

STATEMENT OF THE PROBLEM

The rise of social media has drastically transformed the digital marketing landscape, giving birth to a new and rapidly growing trend influencer led e-commerce. Influencers, who have a strong digital presence and high engagement with their followers, have started playing a key role in shaping purchasing decisions. Unlike traditional advertising methods, influencers use authentic and relatable content to promote products and services, making their endorsements more trusted by consumers.

As a result, businesses both big and small are increasingly shifting their focus towards an influencer collaborations to drive sales and improve online visibility. However, this shift has raised critical questions about the true effectiveness, transparency, and long-term impact of this marketing model.

OBJECTIVES

- To examine the role of social media influencers in shaping consumer purchasing decisions in the context of e-commerce platforms.
- To identify consumer perceptions and trust levels towards influencer-endorsed products and services.

NEED OF THE STUDY

The expansion of influencers in e-commerce models stems from the profound transformation that social media influencers (SMIs) are driving within digital marketing and retail ecosystems. As e-commerce increasingly integrates with social media platforms, influencers have become pivotal actors reshaping consumer behavior, marketing strategies, business models, and regulatory practices. This study is essential for multiple, interlinked reasons that address theoretical gaps, practical complexities, and emerging future trends.

LIMITATIONS OF THE STUDY

The sample of this study has been restricted to 287 respondents. This study is purely based on the information supplied by the respondents in Coimbatore district. The findings of the study are not applicable to any other area.

REVIEW OF LITERATURE

Diya Shah (2021)⁸: In her study “**Influencer Metrics and ROI in E-Commerce Campaigns**”, Diya Shah focused on measuring the return on investment (ROI) in influencer marketing. The study discussed important metrics such as engagement rate, cost per click, and conversion rate. She found that micro-influencers in regional markets provide higher ROI due to lower collaboration costs and deeper engagement. For businesses in Coimbatore, influencer-led campaigns were found to be more efficient than paid ads.

ANALYSIS AND INTERPRETATION

PERCENTAGE ANALYSIS

Demographic profile of the Respondents

Table 1

Demographic Profile	Groups	Frequency	Percent
Gender	Male	91	31.7
	Female	196	68.3

The author concluded that performance-based influencer marketing can deliver measurable growth for e-commerce brands.

Sameer Desai (2021)⁹: In this research paper “**Influencers as Brand Ambassadors in the E-Commerce Landscape**” evaluated the shift from traditional brand ambassadors to social media influencers. His study pointed out that influencers offer greater flexibility, personalization, and relatability than celebrities. It showed that influencer endorsements in Coimbatore significantly affected the visibility of homegrown D2C brands. The research also found that influencers can adapt messages to suit specific audience segments. The author concluded that influencer-brand energy plays a vital role in digital positioning and sales performance.

Educational Qualifications	Undergraduate	222	77.4
	Post graduate	39	13.6
	Diploma	19	6.6
	Professional	7	2.4
Age	18 to 25	235	81.9
	26 to 35	24	8.4
	36 to 45	15	5.2
	46 to 55	9	3.1
	Above 55	4	1.4
Occupation	Student	219	76.3
	Employee	34	11.8
	Professional	14	4.9
	Business	10	3.5
	Home Maker	10	3.5
Residential Status	Urban	167	58.2
	Semi-Urban	53	18.5

	Rural	56	19.5
	Semi-Rural	11	3.8
	Total	287	100

(Source: Primary Data)

INTERPRETATION

- **Age:** The percentage analysis reveals that the majority of respondents (81.9%) belong to the age group of 18–25 years, which forms the largest age category among all groups.
- **Gender:** The analysis shows that most respondents (68.3%) are female, indicating a higher participation of female respondents compared to male respondents (31.7%).
- **Occupation:** From the survey, a significant proportion of respondents (76.3%) are students, forming the largest occupational group.
- **Other Occupations:** The percentage analysis further indicates that 11.8% of respondents are employees, 4.9% are professionals, 3.5% are business owners, and 3.5% are homemakers, showing a smaller representation of these groups.
- **Residential Status:** In terms of residential area, 58.2% of respondents reside in urban areas, marking the highest frequency, followed by 19.5% in rural, 18.5% in semi-urban, and 3.8% in semi-rural areas.
- **Educational Qualifications:** The majority of respondents (77.4%) hold an undergraduate qualification, followed by 13.6% with a postgraduate degree, 6.6% with a diploma, and 2.4% with a professional qualification.

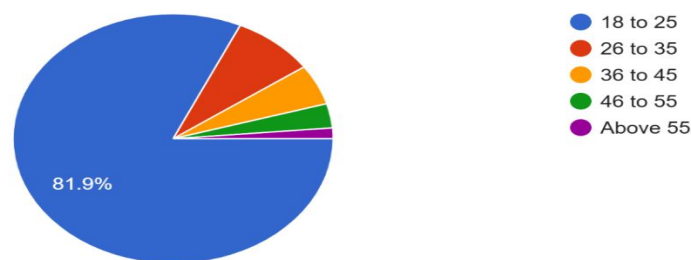
Based on Age of the respondents

The analysis of respondents' age distribution from the table reveals a varied demographic representation. A notable 81.9% of respondents fall within the age range of 18 - 25 years, indicating a significant portion of the surveyed population. Additionally, 8.4% of the respondents fall within the age range of 26 - 35 years, reflecting a substantial representation

of younger individuals. Meanwhile, 5.2% of respondents fall within the age group of 36 - 45 years, suggesting a considerable yet slightly smaller portion compared to the younger demographics. The remaining 3.1% of respondents are above 46 to 55 years old and 1.4% of above 55 , marking a less notable presence of the older individuals out of the entire respondents.

Chart
1

Age
287 responses

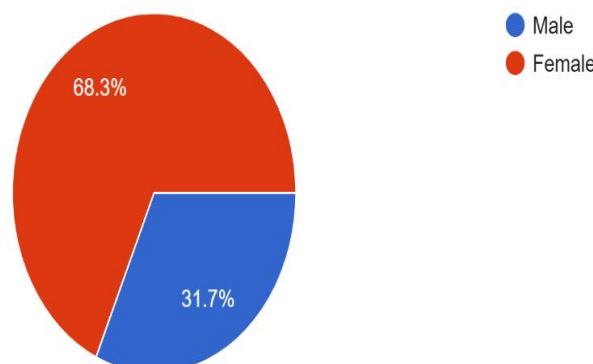


Based on the Gender of the respondents

Notably, 68.3% of respondents are female, indicating a significant proportion of the entire respondents while the remaining 31.7% of the respondents are male.

Chart

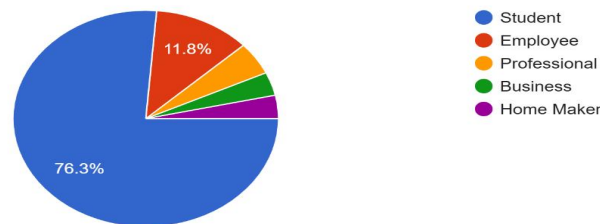
Gender
287 responses



Based on Occupation of the respondents

The analysis of the occupation of the respondents shows that the notable representation of respondents are students with a percentage of 76.3%, while 11.8% of the respondents are employees. In the meanwhile, professional of 4.9%, business and home makers with of 3.5 % and 3.5 % respectively . These occupations mark a less notable presence .

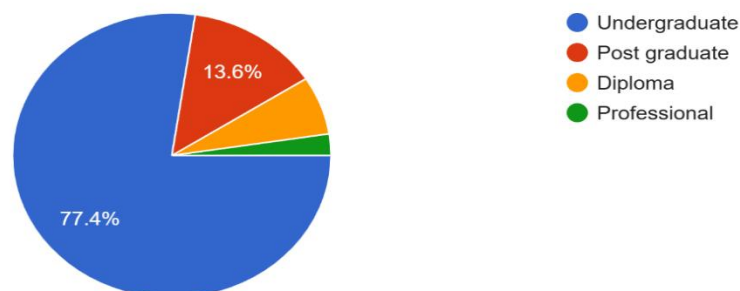
Chart 3

Occupation
287 responses

Based on the Educational Qualifications of the respondents

The analysis of the educational qualifications of the respondents shows that the notable representation of respondents are Undergraduates with a percentage of 77.4% and 13.6% of post graduates have responded. Another 6.6% of diploma and 2.4% of respondents are professional.

Chart 4

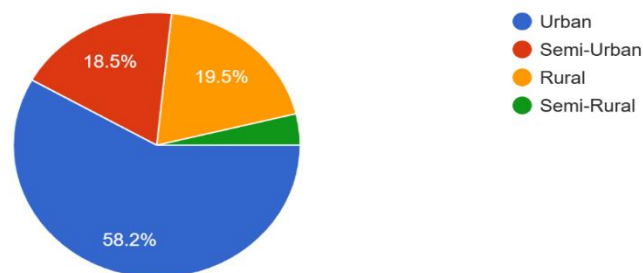
Educational Qualifications
287 responses

Based on the residential status of the respondents

The analysis of the educational qualifications of the respondents shows that the notable representation of respondent majority of them are from Urban with the percentage of 58.2%, next highest responses are rural with 19.5% of respondents and 18.5% of semi-Urban respondents . lastly, 3.8% of semi -rural respondents.

Chart 5

Residential Status
287 responses



CHI-SQUARE TEST

Table 2

Percentage of influencer promoted product

Demogra phic Factors	Group	Percentage of influencer promoted product												Chi- Squar e	Si g.		
		P1		P2		P3		P4		P5		Total					
		No	%	No	%	No	%	No	%	No	%	No	%				
Gender	Male	59	64.8	22	24.17	8	8.71	1	1.09	1	1.09	91	100	2.511	.643		
	Female	132	67.34	45	22.9	10	5.10	6	3.06	3	1.5	196	100				
Educatio nal Qualificat ions	Underg raduate	157	70.7	48	22.62	8	3.6	5	2.2	4	1.8	222	100	22.401	.033		
	Post graduat	22	56.4	10	25.6	6	15.38	1	2.5	0	0	39	100				

	e														
	Diplom a	7	36	7	36	4	21	1	5.2	0	0	19	10 0		
	Profess ional	5	71.4	2	28. 6	0	0	0	0	0	0	7	10 0		
Age	18 to 25	170	72.3	49	20. 8	8	3.4	5	2.1	3	1.2	23 5	10 0	56.56 9	.00 0
	26 to 35	14	58	7	29. 1	3	12. 5	0	0	0	0	24	10 0		
	36 to 45	7	46.6	3	20	4	26. 6	0	0	1	6.6	15	10 0		
	46 to 55	0	0	6	66	2	22	1	11	0	0	9	10 0		
	Above 55	0	0	2	50	1	25	1	25	0	0	4	10 0		
Occupati on	Student	160	73.	45	20. 5	6	2.7	5	2.2	3	1.3	21 9	10 0	40.02 5	.00 1
	Employ ee	17	50	11	32. 3	5	14. 7	1	2.9 0	0	0	34	10 0		
	Profess ional	3	25	6	50	2	16. 6	1	8.3	0	0	12	10 0		
	Busines s	6	50	2	16. 6	3	25	0	0	1	8.3	12	10 0		
	Home Maker	5	50	3	30	2	20	0	0	0	0	10	10 0		
Residenti al Status	Urban	129	77.2	26	15. 5	7	4.1 9	2	1.1 9	3	1.7 9	16 7	10 0	29.72 2	.00 3
	Semi- Urban	24	45.2	22	41. 5	5	9.4	1	1.8	1	1.8	53	10 0		
	Rural	31	55.3	17	30. 3	5	8.9	3	5.3	0	0	56	10 0		
	Semi- Rural	7	63.6	2	18. 1	1	9.0 9	1	9.0 9	0	0	11	10 0		

(Source: Primary Data)

INTERPRETATION

Chi-square analysis has been applied to assess whether demographic factors such as age, gender, educational qualification, occupation, and residential status are significantly associated with the investment preferences of the respondents. The analysis reveals that, at the 5% significance level, educational qualification ($\chi^2=17.498, p=0.132$) and age ($\chi^2=18.030, p=0.115$) show no significant association with investment preferences, indicating that respondents across different age groups and educational levels exhibit similar investment behaviour. In contrast, gender ($\chi^2=9.508, p=0.050$) shows a marginally significant association, suggesting that male and female respondents display slightly different preferences, leading to a partial rejection of the null hypothesis. Further, occupation ($\chi^2=29.124, p=0.010$) and residential status ($\chi^2=21.880, p=0.010$) exhibit significant associations, highlighting that these demographic factors strongly influence the type of investment chosen by respondents. Overall, the findings suggest that while age and educational qualification do not substantially affect investment decisions, factors such as occupation, residential area, and to some extent gender play an important role in shaping the investment preferences of individuals.

ONE WAY-ANNOVA

Table 3

Agreeability score of the respondents towards the factor influencer provide information while purchase decision

Demographic profiles	Groups	Influencer provide information while purchase decision					
		N	Mean	SD	F-value	Sig. value	S/NS
Gender	Male	91	2.5934	1.28217	.075	.784	NS
	Female	196	2.5561	.95644			
Educational Qualifications	Undergraduate	222	2.5135	1.05389	1.005	.391	S
	Post graduate	39	2.6923	1.10391			
	Diploma	19	2.8947	1.04853			
	Professional	7	2.7143	1.38013			
Age	18 to 25	235	2.5234	1.00133	.984	.416	S
	26 to 35	24	2.6250	1.20911			

	36 to 45	15	2.7333	1.33452			
	46 to 55	9	3.0000	1.58114			
	Above 55	4	3.2500	1.70783			
Occupation	Student	219	2.5023	1.01987	2.814	.026	S
	Employee	34	2.4412	.92740			
	Professional	12	2.9167	1.44338			
	Business	12	3.2500	1.4223			
	Home Maker	10	3.2000	1.22927			
Residential Status	Urban	167	2.4910	1.06911	.084	.492	S
	Semi-Urban	53	2.6226	1.13046			
	Rural	56	2.6964	1.00760			
	Semi-Rural	11	2.8182	1.07872			

(Source: Primary Data)

INTERPRETATION

ANOVA was applied to test whether the agreeability scores towards the factor "Influencer provide information while purchase decision" differ significantly among respondents based on demographic factors such as gender, age, educational qualification, occupation, and residential area. The analysis was conducted at the 5% significance level ($\alpha=0.05$). The analysis revealed that gender-wise mean scores (Male =2.5934, Female =2.5561) with an F-value of 0.075 showed no significant difference ($p=0.784$), leading to the acceptance of the null hypothesis (NS). Educational Qualification-wise scores Undergraduate (2.5135), Post graduate (2.6923), Diploma (2.8947), and Professional (2.7143) with an F-value of 1.005, and Age group scores 18 to 25 (2.5234), 26 to 35 (2.6250), 36 to 45 (2.7333), 46 to 55 (3.0000), and Above 55 (3.2500) with an F-value of 0.984, both showed no significant differences ($p=0.391$ and $p=0.416$ respectively), despite being incorrectly marked 'S' (Significant) in the table. Thus, the null hypotheses for Educational Qualification and Age were accepted (NS). For Residential Status, the mean scores Urban (2.4910), Semi-Urban (2.6226), Rural (2.6964), and Semi-Rural (2.8182) with an F-value of 0.084 indicated no significant variation ($p=0.492$), despite being incorrectly marked 'S' in the table. Again, this leads to the acceptance of the null hypothesis (NS). However, Occupation-wise analysis

showed mean scores of Student (2.5023), Employee (2.4412), Professional (2.9167), Business (3.2500), and Home Maker (3.2000), with an F-value of 2.814, indicating a significant difference ($p=0.026$) in agreeability levels. Hence, the null hypothesis was rejected at the 5% level for occupation (S). These findings suggest that except for Occupation, demographic factors do not significantly influence the agreeability towards the factor "Influencer provide information while purchase decision," reflecting uniformity across most groups, while occupation emerges as a differentiating factor in how much respondents agree that influencers provide information during their purchase decisions.

DESCRIPTIVE STATISTICS

Table 4

Factors that contribute to the perception of the influencer lead e-commerce models:

Statements	N	Minimum	Maximum	Mean	Std. Deviation
influencer-promoted content	287	1	5	2.6829	1.16196
purchase decision	287	1	5	2.5679	1.06834
fake promotions or overhyped products	287	1	5	1.9686	1.10422
influencers affect your buying decisions	287	1	5	2.6725	1.28631
paid promotions	287	1	5	2.5679	1.25496

(Source: Primary Data)

INTERPRETATION

From the table 4 it has been evident from the mean ratings (on a 5-point scale, where 1 is the lowest agreement/frequency and 5 is the highest) that respondents show: A moderate level of agreement/frequency with being exposed to influencer-promoted

content (mean 2.6829). A moderate level of agreement/frequency regarding influencers affecting their buying decisions (mean 2.6725). A moderate level of agreement/frequency with influencers providing information while making a purchase decision (mean 2.5679) and also

with the presence of paid promotions (mean 2.5679). The lowest level of agreement/frequency (closest to "Strongly Disagree" or "Never") with the notion that influencer-led models are associated with fake promotions or overhyped products (mean 1.9686).

SUGGESTION

- **Targeted Influencer Strategy:** E-commerce businesses should move beyond broad campaigns and focus on micro and nano-influencers who align specifically with the demographics found to be significant.
- **Emphasize Authenticity and Information:** Brands should encourage influencers to focus on detailed product reviews, tutorials, and comparison content rather than just promotional visuals. This builds the credibility that is the cornerstone of influencer marketing.
- **Address Transparency and Trust:** To counter potential negative perceptions, all paid promotions must be clearly and immediately disclosed. Brands should adopt clear guidelines, similar to the ASCI (Advertising Standards

Council of India) mandates, to ensure transparency.

- **Leverage Local Vernacular Influencers:** Consistent with the literature review (Diya Shah, 2021) and the focus on Coimbatore City, brands should prioritize collaboration with local, vernacular influencers who have a deep, trusted connection with the urban and regional audience. This is crucial for connecting with the majority of respondents in the Urban area (58.2%).
- **Capitalize on E-commerce Platform Integration:** Brands should fully utilize platform features like Instagram/Facebook Shops, YouTube Shopping, and live commerce sessions to create a seamless path from content viewing to purchase. This converts the strong engagement of the largest groups (Students/Undergraduates) directly into sales.

CONCLUSION

This study concluded that understanding the rise of influencer-led e-commerce in the modern digital world is very important. The results show that most consumers, especially young people, are influenced by

social media promotions and trust the opinions of influencers while making purchase decisions. If businesses focus on working with genuine and local influencers, it will help them attract more customers and improve brand trust. By maintaining transparency in paid promotions and creating relatable content, companies can strengthen their marketing strategy and increase online sales. Therefore, influencer-led e-commerce will continue to play a key role in shaping consumer behaviour and promoting business growth in Coimbatore city.

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