

## **Effect of Sponsored vs. Organic Digital Influencer Content on Consumer Trust and Purchase Intentions in Surat.**

**Dr. Snehal Mistry<sup>1</sup>**

**Mr. Siddharth Thakkar<sup>2</sup>**

<sup>1</sup>Principal, Vidyabharti Trust College of Business, Computer-Science & Research, Umrakh

<sup>2</sup>Research Scholar, Veer Narmad South Gujarat University, Surat

### **INTRODUCTION**

The rise of social media has transformed the way brands engage with customers, resulting in influencer marketing as a powerful force to shape consumer behaviour. Nowhere is the impact of digital platforms more visible than in a city such as Surat, a commercial hub in the state of Gujarat, India, and a global leader in textiles and diamond production. Influencer marketing, which persuades individuals who have significant online followings to promote goods or services, has become a pillar of contemporary advertising approaches. In this field two main content types sponsored content, organic content play a key factor for influencing in consumers trust, purchase intention. Sponsored content, which is also known as paid promotion, entails the use of social media influencers to explicitly promote or endorse a brand or a product, whereas organic content involves unpaid social media posts that express authentic views or experiences of influencers (Kapitan & Silvera, 2016). Given the unique cultural and economic dynamics of these markets, it is essential to understand how these content types affect consumer trust and purchase intentions differently.

Consumer trust is a basic ingredient of successful influencer marketing. Trust is the consumers' perception of the authenticity, credibility, and reliability of an influencer's message (Ohanian 1990). Within sponsored content, trust may falter — consumers see potential bias, or commercialisation, which could challenge the belief that an endorsement derives from the genuine preference for a product or the financial motivation of the platform (Lou & Yuan, 2019). In contrast, organic content tends to build more trust because it seems more authentic and is less overtly commercial. For example, if an influencer from Surat mentions a textile brand on their own and describes how amazing the product is, this post will likely have a far greater impact on their followers than a paid advertisement for the same textile brand. But the

relationship between trust and type of content is nuanced and relative to aspects like their reputation, audience demographics and existing cultural norms in areas like Surat."

Purchase intention, which is a consumer's likelihood of buying a product/service as a result of marketing stimuli, is closely related to trust (Ajzen, 1991) The polished and persuasive nature of sponsored content-which may include the benefits of the product and incentives such as discounts-may directly influence purchase intentions. Research indicates that, although sponsored posts can boost reach and intent, their effectiveness does decrease with perceived inauthentic or manipulative behaviour on behalf of the seller (De Veirman et al., 2017). Organic content, by contrast, can foster long-range purchase intent by building emotional ties and loyalty in the purchase process, especially when influencers share similar values and lifestyles to their audiences. With recommendations from friends and family being one of the most trusted aspects in such a high-involvement sector, community-wise Surat should be a good fit for organic endorsements if tapped by local influencers.

This assumes another dimension due to the unique socio-economic landscape of Surat. Surat, an emerging city in India, where the entrepreneurial spirit has created a large middle class, has seen the use of social media increase exponentially among its citizens. As platforms such as Instagram and YouTube increasingly influence consumer tastes from fashion to jewellery to align with the city's economic strengths (Patel & Sharma, 2022). They can be micro-influencers (famous in a micro-niche) or macro-influencers (who have reached a larger audience) and act as key opinion leaders in this digital environment. But what is still relatively under-examined in this context is how their sponsored, versus organic content, performs, and this calls for investigating how these strategies resonate with Surat's consumers.

#### **OBJECTIVES:**

1. To study the effect of sponsored vs. organic influencer content on consumer trust in Surat residents.
2. To examine the impact of sponsored and organic influencer content on purchase intention in the Surat market.
3. To identify the influence of perceived authenticity on consumer trust and purchase behaviour towards influencer content in Surat.

## LITERATURE REVIEW:

### 1. Lou and Yuan (2019) - Influencer Marketing and Consumer Trust

Influencer marketing and its effect on consumer trust has been the focus of some studies (Lou & Yuan, 2019), specifically addressing the role that message value and credibility plays in this type of marketing. (Their study in social media users found sponsored content can lower trust when perceived as overtly commercial; however, organic content appears to build trust as it feels native.) The researchers surveyed 300 participants and used structural equation modelling to show that perceived credibility mediates the link between content type and trust. This reveals that organic content from local influencers can help people build stronger trust in a market like Surat as community sentiments have a stronger impact. However, the study did not specifically concentrate on purchase intentions which may limit the generalisability to purchase outcomes. Still, it emphasizes the need for authenticity, a crucial component for Surat's culture-oriented consumer.

### 2. De Veirman et al. (2017) - Instagram Influencers and Brand Attitude

De Veirman et al. (2017) examined the role of Instagram influencers on brand attitudes and purchase intentions by contrasting sponsored influencer posts with different numbers of followers. Their analysis of 400 participants showed that sponsored content by micro-influencers (fewer followers) leads to higher purchase intentions than similar endorsements by macro-influencers based on higher perceived authenticity. But trust fell when sponsorship was obvious, satisfying suspicion of paid endorsements. In a city like Surat, home to a burgeoning community of micro-influencers in fashion and jewellery, it means that organic content can help drive intent better than paid or sponsored posts. And though the study's focus on Instagram is relevant, in light of the app's popularity in urban India, it lacks an explicit regional lens to assess Surat's economic context.

### 3. Kapitan and Silvera (2016) - Authenticity in Endorsements

Kapitan and Silvera (2016) examined the history of endorsements, noting that they have shifted from traditional celebrity advertisements to influencer posts. Their qualitative study suggested that organic endorsement builds trust by integrating with an influencer's life story, while sponsored content can lead to skepticism unless it is accompanied by transparency. In a

region where business and personal often overlap, authentic posts from influencers who understand the textile business could have a resounding impact. One limitation of the study is its wide scope and not having empirical data about purchase intentions. But it does present a theoretical framework for explaining how authenticity drives trust, a crucial element for Surat's tight-knit consumer market.

#### **4. Djafarova and Rushworth (2017) - Influencer Impact on Young Consumers**

They examined the influence of Instagram influencers on trust and purchase intentions among young female consumers (Djafarova and Rushworth 2017). Their qualitative interviews with 20 participants demonstrated that organic content, believed to deliver true substance, significantly increases trust/intent versus sponsored posts, which tend to generate scepticism. This is relevant to Surat, whose young, social media generation is the customer that demands fashion and lifestyle products. While the small sample size limits generalizability, the findings imply that organic posts from Surat based influencers have the potential to drive trust among younger demographics, potentially increasing sales in local markets.

#### **5. Boerman et al. (2017) - Sponsorship Disclosure Effects**

Boerman et al. One study (2017) focused on how sponsorship disclosure affects consumer responses to influencer content. In an experiment involving 409 participants, however, they found that explicit disclosures in sponsored posts harm trust and purchase intentions because they trigger persuasion knowledge, or consumers' understanding that the intent behind marketing is to persuade. Organic content that lacks such cues was rated higher on trust. In Surat, where consumers might turn to influencers for genuine advice in crowded categories such as textiles, this indicates sponsored content may not fare as well unless balanced with credible influencers. The study's Western focus limits its direct applicability, but it highlights disclosure's role in shaping trust.

#### **6. Patel and Sharma (2022) - Social Media in Emerging Markets**

Patel and Sharma (2022) conducted a study on the impact of social media on consumer behaviour in the state of Gujarat, India, with respect to Surat. They conducted a survey on 250 consumers, finding that organic influencer content, especially from local influencers, fosters trust and purchase intentions in local markets. They are effective, however, for creating

awareness-but they are no substitute for the personal touch that Surat's group-centric culture celebrates. This study correlates to Surat in particular, working towards the notion that organic posts by influencers related to local industries in Surat may have greater impact than paid initiatives. Its regional focus strengthens its relevance, though it lacks a deep dive into content type comparisons.

### **7. Chen and Lin (2018) - Trust and Purchase Intentions Online**

Chen and Lin (2018) investigated the mediating role of trust between online content and purchase intentions. Their research of 500 online shoppers found that genuine, unpaid endorsements boost trust and intent by a wide margin relative to paid promotions. In a Surat where digital shopping is on the rise, this means organic influencer content can fuel e-commerce growth in fields like jewellery. The study's wide-ranging online focus is not specific to influencers or Surat, but its insights about trust as a mediating force are broadly relevant.

## **RESEARCH METHODOLOGY**

### **Research Design**

The research design of this study is quantitative. To measure the Effect of Sponsored vs. Organic Digital Influencer Content on Consumer Trust and Purchase Intentions in Surat, the primary data was collected with the help of structured questionnaire.

### **Sampling Method**

Respondents were selected using a non-probability convenience sampling approach. A more realistic method of addressing this who are conscious of influencer content on social media.

### **Target Population**

The population targeted is social media users in Surat. To recruit participants, online advertisements were placed on social media sites and local community networks targeting followers aged 18-45 who follow influencers.

### Sample Size

A sample size of 350 respondents was selected to ensure sufficient statistical power for the planned analyses.

### Data Collection

Data were collected using a self-administered online questionnaire designed to measure the study's key variables.

## HYPOTHESIS

### Hypothesis 1: Purchase Behaviour Comparison

- $H_0$ : Purchase rates for organic and sponsored content are equal in Surat
- $H_1$ : Purchase rates are higher for organic content than sponsored content in Surat

### Hypothesis 2: Trust Comparison

- $H_0$ : Organic and sponsored influencer content have equal trustworthiness in Surat
- $H_1$ : Organic content is more trustworthy than sponsored content in Surat

### Hypothesis 3: Trust and Authenticity Predicting Purchase for Organic Content

- $H_0$ : Trust and authenticity of organic content do not predict purchase in Surat
- $H_1$ : Trust and authenticity of organic content positively predict purchase in Surat

## DATA ANALYSIS AND INTERPRETATION

The data were analysed using SPSS to address the study's objectives and hypotheses:

1. **Descriptive Statistics:** Mean, median, standard deviation, minimum, and maximum values were calculated for trust and authenticity of organic and sponsored content (Table 1). Frequency distributions assessed trust and authenticity ratings (Table 3). Purchase behaviour was summarized using percentages (Table 2).
2. **Paired Samples t-test:** A paired samples t-test compared trust scores between organic and sponsored content (Table 4).

3. **Correlation Analysis:** Pearson correlation coefficients examined relationships between trust, authenticity, and purchase behaviour for organic and sponsored content (Table 5).
4. **Regression Analysis:** Simple linear regression tested if trust predicts purchase behaviour for organic and sponsored content (Table 6). Multiple regression assessed the combined effect of trust and authenticity on purchase behaviour (Table 7).

### 1. Descriptive Statistics

**Table 1: Descriptive Statistics for Key Variables**

| Variable                          | N   | Mean | Median | Std. Deviation | Min | Max |
|-----------------------------------|-----|------|--------|----------------|-----|-----|
| Trust in Organic Content          | 350 | 3.94 | 4.00   | 0.74           | 1.9 | 5.0 |
| Trust in Sponsored Content        | 350 | 3.22 | 3.30   | 0.85           | 1.2 | 5.0 |
| Authenticity of Organic Content   | 350 | 4.17 | 4.30   | 0.65           | 2.4 | 5.0 |
| Authenticity of Sponsored Content | 350 | 3.18 | 3.20   | 0.79           | 1.0 | 5.0 |

#### Interpretation:

- Participants trust and perceive organic content as more authentic (Mean = 3.94, 4.17) compared to sponsored content (Mean = 3.22, 3.18).
- Moderate variability exists in responses, with authenticity of organic content having the highest median (4.30), indicating strong perceived credibility.

**Table 2: Purchase Behaviour Percentages**

#### Hypothesis 1: Purchase Behaviour Comparison

- H<sub>0</sub>: Purchase rates for organic and sponsored content are equal in Surat
- H<sub>1</sub>: Purchase rates are higher for organic content than sponsored content in Surat

| Content Type             | Purchased<br>(Yes) | Percentage<br>(Yes) | Not Purchased<br>(No) | Percentage<br>(No) |
|--------------------------|--------------------|---------------------|-----------------------|--------------------|
| <b>Organic Content</b>   | 210                | 60%                 | 140                   | 40%                |
| <b>Sponsored Content</b> | 182                | 52%                 | 168                   | 48%                |

**Interpretation:**

- The purchase rate for organic content (60%) is higher than for sponsored content (52%), suggesting a preference for organic content.
- The null hypothesis ( $H_0$ ) stating equal purchase rates is rejected, while the alternative hypothesis ( $H_1$ ) suggesting higher purchase rates for organic content is accepted.

**Table 3: Frequency Distribution of Trust and Authenticity Ratings**

| Variable                                 | Rated $\geq 3$<br>(N) | Rated $\geq 3$<br>(%) | Rated 4-5<br>(N) | Rated 4-5<br>(%) |
|--|-----------------------|-----------------------|------------------|------------------|
| <b>Trust in Organic Content</b>          | 304                   | 87%                   | 143              | 41%              |
| <b>Trust in Sponsored Content</b>        | 199                   | 57%                   | 35               | 10%              |
| <b>Authenticity of Organic Content</b>   | 325                   | 93%                   | 199              | 57%              |
| <b>Authenticity of Sponsored Content</b> | 196                   | 56%                   | 38               | 11%              |

**Interpretation:**

- Trust and authenticity ratings for organic content (87% and 93%) are significantly higher than those for sponsored content (57% and 56%).
- More respondents rated organic content in the 4-5 range (Trust: 41%, Authenticity: 57%) compared to sponsored content (Trust: 10%, Authenticity: 11%), highlighting its stronger credibility.

**2. Paired Samples t-test**

**Hypothesis 2: Trust Comparison**

- Ho: Organic and sponsored influencer content have equal trustworthiness in Surat
- Hi: Organic content is more trustworthy than sponsored content in Surat

**Table 4: Paired Samples t-test Results**

| Comparison   | Mean Difference | t     | df  | Sig. (2-tailed) |
|--|-----------------|-------|-----|-----------------|
| <b>Trust Organic (M = 3.94)<br/>vs. Sponsored (M = 3.22)</b> | 0.72            | 14.26 | 349 | <0.001          |

**Interpretation:**

- The paired samples t-test shows a significant difference in trust scores ( $t = 14.26$ ,  $df = 349$ ,  $p < 0.001$ ), with organic content ( $M = 3.94$ ) rated higher than sponsored content ( $M = 3.22$ ).
- As the p-value is below 0.05, the null hypothesis is rejected, and the alternative hypothesis is accepted—indicating that organic content is significantly more trustworthy.

**3. Correlation Analysis**

**Table 5: Pearson Correlation Coefficients**

| Variable Pair                                   | Pearson's r | Sig. (2-tailed) | N   |
|---|-------------|-----------------|-----|
| <b>Trust Organic &amp; Authenticity Organic</b> | 0.58        | <0.001          | 350 |

|   |      |        |     |
|---|------|--------|-----|
| <b>Trust Sponsored &amp; Authenticity Sponsored</b>     | 0.62 | <0.001 | 350 |
| <b>Trust Organic &amp; Purchased Organic</b>            | 0.31 | <0.001 | 350 |
| <b>Trust Sponsored &amp; Purchased Sponsored</b>        | 0.27 | <0.001 | 350 |
| <b>Authenticity Organic &amp; Purchased Organic</b>     | 0.35 | <0.001 | 350 |
| <b>Authenticity Sponsored &amp; Purchased Sponsored</b> | 0.29 | <0.001 | 350 |

**Interpretation:**

- All correlations are statistically significant ( $p < 0.001$ ), showing positive relationships among trust, authenticity, and purchase behaviour for both organic and sponsored content.
- Stronger correlations are observed between trust and authenticity (organic:  $r = 0.58$ , sponsored:  $r = 0.62$ ) compared to trust/authenticity and purchase behaviour, indicating trust and authenticity are more closely linked than purchasing decisions.

**4. Regression Analysis**

**Table 6: Simple Linear Regression Results**

| <b>Model</b>                                 | <b>Predictor</b> | <b>R</b> | <b>t</b> | <b>Sig.</b> |
|--|------------------|----------|----------|-------------|
| <b>Trust Organic → Purchased Organic</b>     | Trust Organic    | 0.31     | 5.88     | <0.001      |
| <b>Trust Sponsored → Purchased Sponsored</b> | Trust Sponsored  | 0.27     | 5.03     | <0.001      |

**Interpretation:**

- Simple linear regression shows that Trust in Organic Content significantly predicts Purchase of Organic Content ( $R = 0.31, t = 5.88, p < 0.001$ ).
- Similarly, Trust in Sponsored Content significantly predicts Purchase of Sponsored Content ( $R = 0.27, t = 5.03, p < 0.001$ ), though the effect is slightly weaker than for organic content.

**Table 7: Multiple Regression Results**

**Hypothesis 3: Trust and Authenticity Predicting Purchase for Organic Content**

- Ho: Trust and authenticity of organic content do not predict purchase in Surat
- Hi: Trust and authenticity of organic content positively predict purchase in Surat

| Model   | Predictor              | R    | t    | Sig.   |
|---|------------------------|------|------|--------|
| <b>Trust &amp; Authenticity →<br/>Purchased Organic</b>   | Trust Organic          | 0.39 | 3.54 | <0.001 |
|   | Authenticity Organic   |      | 4.68 | <0.001 |
| <b>Trust &amp; Authenticity →<br/>Purchased Sponsored</b> | Trust Sponsored        | 0.34 | 2.77 | .005   |
|   | Authenticity Sponsored |      | 3.53 | <0.001 |

- Trust in organic content has a significant positive effect on purchase behaviour ( $R = 0.31, t = 5.88, p < 0.001$ ), indicating that higher trust leads to increased organic purchases.
- Trust in sponsored content also shows a significant positive effect on purchase behaviour ( $R = 0.27, t = 5.03, p < 0.001$ ), but the effect is comparatively weaker.

- As both relationships are statistically significant, the null hypotheses are rejected, and the alternative hypotheses are accepted—trust significantly influences purchase behaviour for both content types.

## FINDINGS

### 1. Descriptive Statistics

People trust and perceive organic content as more authentic (mean = 3.94, Std. Deviation = 0.74 for trust; mean = 4.17, Std. Deviation = 0.65 for authenticity) than sponsored content (trust: mean = 3.22, Std. Deviation = 0.85; authenticity: mean = 3.18, Std. Deviation = 0.79). Hypothesis 1 about purchase rates shows more people purchased after seeing organic content (60%, 210 people) than sponsored (52%, 182 people), so we reject the idea they're equal and accept that organic content has a higher purchase rate. Also, 87% rated organic trust as 3 or more (41% gave 4–5) and 93% rated its authenticity as 3 or more (57% gave 4–5), compared to sponsored (trust: 57% as 3 or more, 10% gave 4–5; authenticity: 56% as 3 or more, 11% gave 4–5).

### 2. Paired Samples t-test

Hypothesis 2 about trustworthiness shows organic content (mean = 3.94) was trusted more than sponsored (mean = 3.22), with a mean difference of 0.72 ( $t = 14.26$ ,  $p < 0.001$ ). This rejects the idea they're equally trusted and accepts that organic content is more trustworthy.

### 3. Correlation Analysis

All relationships are significant ( $p < 0.001$ ). For organic content, trust and authenticity have a positive relationship ( $r = 0.58$ ), and both trust ( $r = 0.31$ ) and authenticity ( $r = 0.35$ ) have positive relationships with purchase behaviour. For sponsored content, trust and authenticity have a positive relationship ( $r = 0.62$ ), with trust ( $r = 0.27$ ) and authenticity ( $r = 0.29$ ) also having positive relationships with purchase behaviour.

### 4. Regression Analysis

Trust significantly predicts purchase behaviour for organic ( $R = 0.31$ ,  $t = 5.88$ ,  $p < 0.001$ ) and sponsored content ( $R = 0.27$ ,  $t = 5.03$ ,  $p < 0.001$ ). Hypothesis 3 about whether trust and authenticity predict purchase behaviour for organic content shows trust ( $t = 3.54$ ,  $p < 0.001$ )

and authenticity ( $t = 4.68, p < 0.001$ ) significantly predict purchase behaviour for organic content ( $R = 0.39$ ), rejecting the idea they don't predict purchase behaviour and accepting that they do. For sponsored content, trust ( $t = 2.77, p = .005$ ) and authenticity ( $t = 3.53, p < 0.001$ ) also significantly predict purchase behaviour ( $R = 0.34$ ).

## **CONCLUSION:**

This study reveals that organic influencer content outperforms sponsored content in influencing consumer behaviour in Surat. People trust and perceive organic content as more authentic, with a mean trust score of 3.94 and authenticity score of 4.17, compared to 3.22 and 3.18 for sponsored content. The purchase rate for organic content is higher at 60% (210 people) than for sponsored content at 52% (182 people), showing a clear preference. The paired samples t-test confirms that organic content is significantly more trustworthy than sponsored content, with a mean difference of 0.72 ( $p < 0.001$ ). Correlation analysis shows trust and authenticity have positive relationships with purchase behaviour for both content types, with stronger links for organic content. Regression analysis further supports that trust and authenticity significantly predict purchase behaviour, with organic content having a stronger effect ( $R = 0.39$ ) than sponsored content ( $R = 0.34$ ). These findings highlight the critical role of authenticity in building consumer trust and driving purchases. Organic content, being more genuine, resonates better with Surat's community-oriented consumers. Marketers in Surat should prioritize organic influencer strategies to enhance trust and purchase intentions.

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