



A Study On The Risk In Micro-Influencer: A Cost- Effective Marketing Strategy On Electronic Product

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ABSTRACT:

This study explores the risks and effectiveness of using micro-influencers as a cost-effective marketing strategy in the electronics sector. Micro-influencers, with smaller yet highly engaged audiences, offer brands targeted outreach and perceived authenticity. However, promoting technical electronic products through them presents challenges such as trust issues, fake engagement, and inconsistent brand alignment. Using a descriptive research design and data from 155 respondents, the study identifies authentic product reviews and social media posts as the most impactful promotional tools. Chi-square analysis reveals income as a significant demographic factor influencing marketing perception. The study recommends transparency, improved engagement evaluation, and stricter regulatory measures to mitigate risks and enhance the credibility and ROI of micro-influencer campaigns.

INTRODUCTION

In the constantly changing landscape of digital marketing, firms are increasingly using micro-influencers as an affordable way to connect with potential clients. An individual with a relatively tiny following, typically 1,000–100,000, who has a devoted and active audience is known as a micro-influencer. Because of this, they are a desirable substitute for conventional influencers, who usually have millions of followers but are frequently viewed as less relatable.

Some of the main advantages that have made micro-influencer marketing a popular tactic for promoting a variety of products, particularly in the technology and electronics industries, are the apparent authenticity and the capacity to target specific audiences. However, even while the tactic could be an affordable approach to increasing brand awareness, there are risks involved. Because of their intricate features and technical requirements, electronic devices necessitate careful consideration when

collaborating with micro-influencers. This is because the product's nature might make these marketing efforts even more complex and challenging.

OBJECTIVE OF THE STUDY

- Evaluate micro-influencer effectiveness
- Analyze cost-efficiency strategies
- Examine consumer engagement rates
- Identify electronic product trends
- Assess brand visibility impact
- Determine ROI on campaigns
- Explore influencer credibility factors
- Measure audience conversion rates

STATEMENT OF THE PROBLEM

Micro-influencer marketing has become increasingly popular as a cost-effective product promotion method as the digital landscape changes, especially in the electronics industry. Brands may access specialized markets with more individualized and genuine content by partnering with micro-influencers, who have smaller but very engaged followings. This marketing strategy is frequently viewed as a cost-effective substitute for conventional advertising and collaborations with well-known influencers.

The main issue is the lack of assurance regarding whether micro-influencer marketing can reduce these risks and produce the intended results for promoting electrical products. Because electronic devices are frequently sophisticated, costly, and technical, careful messaging and strategic alignment between the influencer and the product are necessary. Furthermore, even though they can reach more devoted but smaller audiences, micro-influencers might not necessarily have the tools, expertise, or reputation needed to run effective campaigns. As a result, businesses have difficulty striking a balance between cost-effectiveness and the dangers that can harm their reputation, result in unsuccessful campaigns, or cause legal issues.

SCOPE OF THE STUDY

The identification and evaluation of possible hazards related to micro-influencer marketing in the electronics sector is the main goal of this study. It looks at how consumer buying decisions and brand reputation are affected by small-scale influencers, taking credibility, engagement, and authenticity into account. The study investigates the efficiency of micro-influencers in marketing electronic goods as well as any potential difficulties that firms may have while working with them.

The report discusses a number of dangers, such as false information, inconsistent brand messages, and problems with influencer trust. The personal beliefs and content styles of micro- influencers may not necessarily match a brand's image because they frequently cater to narrow audiences, which could result in misrepresentation. To determine its effect on marketing campaigns, the risk of fraudulent engagement—such as bots or phony followers—is also evaluated.

LIMITATION OF THE STUDY

There are certain restrictions on the research on the dangers of using micro-influence as an affordable marketing tactic for electronic goods. The dynamic nature of social media platforms and their constantly changing algorithms, which have a big impact on influencer effectiveness, reach, and engagement, is one of the main limitations. The results of this study might become out of date over time because websites like Instagram, YouTube, and TikTok

regularly update their policies. Furthermore, the study uses self-reported data from marketers, consumers, and influencers, which could include biases or inaccurate information. It can be difficult to get fully accurate data since participants might lie about compensated partnerships or embellish their experiences.

The challenge of precisely calculating the return on investment (ROI) of micro-influencer marketing is another significant drawback. Attribution is complicated since a variety of factors other than influencer advertising affect sales conversions, brand recognition, and customer trust. Moreover, the study focuses primarily on the electronic product industry, restricting its relevance to other industries with diverse consumer patterns. Analyzing influencer reputation is made more difficult by ethical issues, including phony followers, hidden sponsorships, and false engagement metrics. Last but not least, because consumer views and digital marketing tactics differ among areas and cultures, sample size limitations and regional restrictions may make the results less than entirely reflective of worldwide trends.

RESEARCH METHODOLOGY

Research methodology is the systematic way to solve the research problems. It gives an idea about various steps adopted by the researcher in a systematic manner with an objective to determine various manners,

Research design

Research design is the scheme of work undertaken by the researcher at various stages. The research design includes the mode of data to be collected, the sample to be selected, and the analysis part of the research. In order to study human research development activities, the researcher has adopted a descriptive design

Primary Data

Primary data are those that are collected afresh and for the first time and thus happen to be original in character. There are several methods of collecting primary data. The method used here is the questionnaire method.

Secondary Data

Secondary data means that are already available i.e, they refer to the data which have already been collected and analyzed by someone else. It was collected from company records, files, and internet sources.

Sampling design Sample size

The sample size is 155 respondents

Sampling method of the study

The non-probability sampling method involves a deliberate selection of particular units of the universe for constituting a sample which request the universe. Non probability sampling is any procedure in which elements will not have the equal opportunities of being included in a sample. The convenience sampling method is used

REVIEW OF LITERATURE

Ekinci, Dam, and Buckle (2025)¹ examine the negative aspects of social media influencers, focusing on deceptive practices and regulatory challenges. The study highlights issues such as misleading endorsements, fake engagement, and ethical concerns that impact consumer trust. It also discusses the need for stricter regulations and accountability measures to address these challenges. The research provides a framework for analyzing the dark side of influencer marketing and suggests future directions for policy development and enforcement.

Raja et al. (2024)² examine the impact of influencer marketing on consumer decision- making processes for electronic products. The study highlights how influencers shape consumer perceptions, brand awareness, and purchase intentions through engaging content and personalized recommendations. It explores the psychological factors influencing consumer trust and the effectiveness of influencer endorsements compared to traditional advertising. The research also discusses potential challenges, such as misinformation and ethical concerns, in the rapidly growing influencer marketing landscape.

Bansal, P., Singh, S., & Bansal (2024)³ present a systematic literature review on social media influencers and influencer marketing, highlighting key trends, strategies, and their impact on consumer behavior. The study explores how influencers build brand awareness, engage audiences, and drive purchasing decisions. It also addresses challenges such as authenticity, trust, and ethical concerns in influencer marketing. The review provides insights into future research directions and the evolving role of influencers in digital marketing.

DATA ANALYSIS**RANKING METHOD**

Ranking analysis is a statistical technique that is used to organize factors, choices, or items based on their importance or preference from collected data. It is believed by respondents that their importance, frequency, or performance provides rank to elements according to performance. This method helps in prioritizing factors, comparing options, and making informed decisions.

In the study promoting electronic products, ranking analysis helps organizations to identify major affected factors and focus on areas requiring improvement. By evaluating rank preferences, companies can increase the welfare of the employee, increase productivity, reduce turnover, and promote a more engaged and inspired workforce.

FACTORS IN ORDER OF IMPORTANCE FOR YOUR PROMOTING ELECTRONIC PRODUCT

S.NO	Factors	Mean Rank	Actual rank
1	Authentic product review	2.00	1
2	Sponsored social media posts	2.32	2
3	Measuring return on investment	2.51	3
4	Live demonstrations & tutorials	2.54	4
5	Lack of credibility & trust issues	2.74	5

Source: Computed

INTERPRETATION

It seems that factors affecting the promotion of electronic products have been ranked based on their importance. Authentic product review (mean 2.00) is the top priority among the respondents, followed by Sponsored social media posts (mean 2.32), Measuring return on investment (mean 2.51), Live demonstrations & tutorials (mean 2.54), and Lack of credibility & trust issues (mean 2.74), were ranked less in importance.

Therefore, it is estimated from Table 4.3.1 that Authentic product review has gained the highest importance with the lowest mean rank of (2.00), while lack of credibility & trust issues has attained the lowest importance with the highest mean rank of (2.74).

CHI-SQUARE ANALYSIS

H₀: “The Demographic Profile of the respondents has no significant association with influencer marketing.”

The Null hypothesis has been tested for each of the separate demographic factors, and the results are presented

Significance Level Between Demographic factors and influencer marketing strategy

S.NO	Demographic Characters	Chi-Square value	Sig.
1	Age	8.828	NA
2	Gender	0.961	NA
3	Marital Status	2.311	NA
4	Income	17.130	**
5	Type of Family	2.484	NA

Source: Computed

SUGGESTION

- **Improving Micro-Influencer Marketing Transparency** For micro-influencer marketing to continue to be trusted by consumers, transparency is essential. Influencers should avoid deceptive marketing and make sure they clearly declare sponsored material, according to brands. Credibility can be increased by putting in place stringent rules for openness and sincerity. Honesty is valued by consumers, and long-term involvement is encouraged when influencers disclose their affiliations honestly. To stop misleading advertising, social media companies and regulatory agencies should implement stronger transparency guidelines. By promoting genuine reviews and preventing exaggerated claims, brands can enhance their reputation. Ensuring transparency not only benefits consumers but also helps influencers build lasting relationships with their audiences, leading to sustainable marketing success.
- **Fighting False Followers and Engagement** Fake followers and interactions are among the main dangers of micro-influencer marketing. Before collaborating with influencers, brands should thoroughly evaluate their profiles using techniques that identify false engagement. More successful marketing is ensured when influencers are encouraged to concentrate on growing their audiences naturally rather than purchasing followers. Brands may make well-informed partnership selections with the aid of transparency in engagement analytics. Social media companies also need to improve their algorithms in order to identify and remove fraudulent profiles. Brands may improve campaign outcomes and build trust with their target audience by putting authenticity above numbers. This will guarantee meaningful interactions and increased conversion rates.

CONCLUSION

Implementing data-driven tactics and performance-based collaborations can boost micro-influencer marketing outcomes. Brands should prioritize engagement quality over quantity, fostering long-term relationships with influencers to build consumer trust. Leveraging analytics and consumer insights enables businesses to refine their approach and ensure better ROI. Encouraging influencers to create authentic, informative, and unbiased content will enhance audience engagement. Additionally, regulatory enforcement and industry-wide best practices can help maintain ethical marketing standards, benefiting both brands and consumers.

In conclusion, when done well, micro-influencer marketing may be a very effective technique. Brands that put an emphasis on openness, sincerity, and moral interaction will have more enduring relationships with their target market. Maintaining the efficacy of this approach requires educating consumers and influencers about ethical marketing techniques. Brands may achieve long-term success in the changing digital ecosystem by taking a balanced approach that combines data-driven insights, performance-based incentives, and real influencer interactions.

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